*** All present are expected to conduct themselves in accordance with our City's Core Values ***

OFFICIAL NOTICE AND AGENDA

of a meeting of a City Board, Commission, Department, Committee, Agency, Corporation, Quasi-Municipal Corporation, or sub-unit thereof.

Meeting of:	**FINANCE COMMITTEE**
Date/Time:	**Tuesday, July 12, 2016 at ***5:00 PM*** Note start time adjustment**
Location:	**City Hall, 2nd Floor Board Room**
Members:	Karen Kellbach, Dave Nutting, Lisa Rasmussen (C), Joe Gehin (VC), Dennis Smith

	AGENDA ITEMS FOR CONSIDERATION (All items listed may be acted upon)	**Presenter**
1	Public Comment on matters appearing on the agenda.	
2	Minutes of previous meeting(s) (6/14/16)	
3	Consider Public Input and Authorization to submit a Federal JAG Grant Application in partnership with Marathon County Sheriff's Department	Barnes
4	Discussion and possible action on salary range market adjustment of assistant city attorney	Jacobson
5	Discussion and possible action regarding a budget modification for legal fees	Jacobson
6	Discussion and possible action regarding State Trust Fund Loan Application	Groat
7	May General Fund Financials	Groat
8	Transfer of Funds request - Public Works	Mohelnitzky
9	Presentation of the 2015 audit - Schenck CPA's	Schenck CPA's Jon Trautman
10	Continuation of the PowerPoint presentation regarding 2015 audit financial results all funds	Groat
11	Discussion and possible action on considering appraisals, counteroffers and project acquisition and funding summary for the Thomas Street Reconstruction project: Parcel 27 - 1044 South 11th Avenue - Counter offer from owner Parcel 29 - 1040 South 10th Avenue - Counter offer from owner Parcel 38 - 3. 902 West Thomas Street - Owner appraisal Parcel 40 - 810 West Thomas Street - Counter offer from owner Parcel 60 - 1040 South 4th Avenue - Owner appraisal Parcel 57B - 510 West Thomas Street - Offer for Fixtures (Oriental Market) Update on Thomas Street acquisitions	Lindman
12	**CLOSED SESSION** pursuant to 19.85(1)(e) of the Wisconsin Statutes for deliberating or negotiating the purchase of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session Parcel 27 - 1044 South 11th Avenue - Counter offer from owner Parcel 29 - 1040 South 10th Avenue - Counter offer from owner Parcel 38 - 3. 902 West Thomas Street - Owner appraisal Parcel 40 - 810 West Thomas Street - Counter offer from owner Parcel 60 - 1040 South 4th Avenue - Owner appraisal Parcel 57B - 510 West Thomas Street - Offer for Fixtures (Oriental Market) Update on Thomas Street acquisitions	
13	**RECONVENE** into open session to take action on closed session item if necessary	
	Adjournment	
	Lisa Rasmussen Chair	

IMPORTANT: THREE (3) MEMBERS NEEDED FOR A QUORUM: If you are unable to attend the meeting, please notify Mary by calling (715)261-6621 or via email mgoede@ci.wausau.wi.us

It is possible and likely that members of, and possibly a quorum of the Council and/or members of other committees of the Common Council of the City of Wausau may be in attendance at the above-mentioned meeting to gather information. **No action will be taken by any such groups.**

This Notice was posted at City Hall and faxed to the Daily Herald newsroom on 07/07/16 @ 2:00 PM

Please note that, upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids & services. For information or to request this service, contact the City Clerk at (715) 261-6620.

Other Distribution: Media, (Alderpersons: Peckham, Wagner, Neal, Gisselman, McElhaney, Abitz), *Mielke, *Jacobson, *Groat, Rayala, Department Heads

Office of the City Attorney

Anne L. Jacobson
City Attorney

Tara G. Alfonso
Assistant City Attorney

MEMORANDUM

TO: Human Resources Committee Members
Finance Committee Members

FROM: Anne L. Jacobson, City Attorney ALJ
TP

DATE: July 8, 2016

RE: Salary Range Market Adjustment of Assistant City Attorney

---

Purpose: To seek approval of a market adjustment to the salary of the Assistant City Attorney within her current Grade 5, and within the approved budget for salaries within the City Attorney's Office.

History:

Tara Alfonso began work for the City on March 26, 2012.

On October 2, 2013, Tara Alfonso, Assistant City Attorney, received a letter from Michael Loy, then Director of Human Resources, indicating her New Salary Grade is 5, and establishing the new salary range from $29.92 to $44.88 hourly, with $37.40 being the mid-point (market) rate of pay. Her hourly rate in 2013 was $33.43.

In 2014, she received an adjustment which still fell short of the mid-point.

On December 14, 2015, she attended a Human Resources Committee meeting and understood, during a discussion of the implementation of the new pay plan, that it was the intention of the City to have brought all employees at least to the mid-point by that time. In 2015, her hourly rate of pay was $35.81, short of the mid-point.

In 2016, with the 1.5% raise effective June 5, 2016, she is paid $36.35 per hour. The hourly mid-point of Grade 5 is $37.40. This would indicate a minimum $1.05 an hour increase to bring her to the midpoint of her grade, for an annual salary of $77,797.00.

As part of the published 2016 budget, Council approved $10,000 in Account 110-13091150, Salaries – temporary regular (allocated to a legal intern position). The legal intern left the employ of the City of Wausau on February 25, 2016, for full-time employment with a local law firm, leaving $9,144.75 in the budget for that position. The cost to bring her salary and benefits to the midpoint for July 13 through December 31, 2016 is $1,153.05. Although this is well within our approved budget for salaries, it still does not appropriately compensate the Assistant City Attorney.

Background:

By way of comparison to the Corporation Counsel's office in Marathon County, as our local market for full-time government staff attorneys, in 2012 the county commissioned a class compensation study by Fox Lawson and Associates, and established the following market rates:

	Minimum	Mid-Point	Maximum
Corporation Counsel	$104,577	$130,639	$156,766
Deputy Corporation Counsel	89,656	107,587	125,518

The actual pay ranges (without a market differential) had been:

Corporation Counsel	74,757	93,445	112,135
Deputy Corporation Counsel	64,414	77,297	90,179

Currently, the Corporation Counsel earns $108,701 and is slated for a 2-3% salary increase in August 2016 ($110,875 @ 2%), and the recently vacated Deputy Corporation Counsel position was advertised at the minimum point of the market rate established in 2012, or $89,656.

Attracting and retaining trained attorneys has been challenging and will continue to be so unless we can fairly compensate our employees.

It is recognized that this is an exempt position, which should not be paid compensatory or overtime pay, which is currently the case. This is a professional, salaried position. Attached please find the compensatory value for her time in 2015 and 2016 thus far.

Recommendation and Impact:

For the foregoing reasons, I recommend her salary be adjusted to a mid-point between the mid-point ($77,797) and the maximum rate ($93,356), which would result in an annual salary of $85,576.50, and an hourly rate of $41.14. The cost to bring her base salary to the recommended market rate, plus benefits for the remainder of the year is $5,260.11 ($4,598.40 + $661.71 benefits). The annual increase in salary for this position is within the City Attorney's budget for salaries, and the legal intern position shall remain unfilled for the remainder of 2016. The breakdown of salary and benefits for such increase is attached. She will realize a net gain of less than the actual salary increase, when compensatory time ceases to be paid, which is also recommended.

cc Mayor Robert Mielke
Myla Hite, HR Director

PG 5	current	mid-point	Annual Adl Cost	110%	Annual Adl Cost
	36.35	37.4		41.14	
salary	75,608.00	77,792.00		85,571.20	
fica/med 7.65%	5,784.01	5,951.09		6,546.20	
retire 6.6%	4,990.13	5,134.27		5,647.70	
wk comp .14	105.85	108.91		119.80	
Annual Cost	**86,487.99**	**88,986.27**	**2,498.28**	**97,884.90**	**11,396.90**

Effec 7-18-2016

960 hrs

	salary	1,008.00	4,598.40
	fica/med	77.11	351.78
	retire	66.53	303.49
	wk comp	1.41	6.44
Adl cost remainder 2016		**1,153.05**	**5,260.11**

TARA'S OVERTIME – 2015

67.25 hours accrued

54.5 hours used ($1,951.66 value)

12.75 hours paid out ($456.58)

$2,408.24

TARA'S OVERTIME – 2016 (thru July 2)

52.32 hours accrued

2 hours used ($71.62 value)

10.32 hours paid out ($375.12)

Currently has a balance of 40 hours in her comp bank

$446.74

Chapter 5 – Compensation

5.01 – General Provisions
5.02 – Compensation Plan Administration
5.02 – Time Keeping
5.04 – Payroll
5.05 – Overtime
5.06 – Compensatory Pay
5.07 – Call-in Pay
5.08 – Shift Differential
5.09 – Jury Duty
5.10 – Mechanic Incentive Pay (Water Utilities)
5.11 – Firearm Certification Pay
5.12 – Expense Reimbursement
5.13 – Clothing and Equipment
5.14 – Attendance at Training Sessions and Other Meetings

5.01 – General Provisions

The compensation for general City employees in an allocated position not covered by a labor contract shall be established by the Director of Human Resources within the budget approved by the Common Council.

Where applicable, overtime, compensatory time, call-in pay, shift differential and court appearances for Police Lieutenants shall be paid in accordance with the provisions of the collective bargaining agreement between the City of Wausau and the Wausau Professional Police Association.

We believe that it is in the best interest of the City of Wausau, our employees, and the community in which we serve, to competitively and fairly compensate employees for their work. The compensation for general City employees in an allocated position not covered by a labor contract will be established by the Human Resources Director within the budget approved by the Common Council.

The City's compensation philosophy is to maintain position classifications and compensation levels that are internally consistent and responsive to changes in local economic conditions and strategic priorities. The City's compensation priorities include:

> (1) Internal alignment: Employee's jobs and skills will be compared in terms of their relative contributions to the City's objectives. Pay rates both for employees doing equal work and those doing dissimilar work will continually be evaluated.
>
> (2) External competitiveness: To be an effective organization the City must attract and retain high caliber employees while at the same time controlling labor costs to ensure living in Wausau provides value to our citizens. The City will gauge our compensation against both private and public markets to ensure that we are capable of employing a quality work force at market costs.
>
> (3) Employee contributions to pay: Employee contributions to pay refer to the relative emphasis placed on performance. The City will evaluate employee performance and determine whether one employee should be paid differently from another depending on relative performance.
>
> (4) Administration: The City will continually evaluate our compensation plan and pay model to determine that we are meeting our strategic goals with our human resources. This review will focus on whether we are attracting and retaining skilled workers, perceived fairness and understanding of the pay plan, and how our labor costs compare to the overall labor market.

Our total compensation system is comprised of both Base Compensation and Employee Benefits. Our compensation system will be objective and non-discriminatory in theory, application, and practice. Base compensation is designed to provide competitive and fair compensation to employees for fulfilling the full scope of responsibilities and accountabilities as outlined in our job descriptions. Base compensation salary ranges for each position are established by researching industry and local salary survey data. Base compensation levels within the established range for the position are determined on the basis of an employee's ability to execute the full responsibilities of the position at an acceptable proficiency level. Generally, the City will administer base compensation to reflect our pay-for-performance culture.

City employee benefits will be reviewed on an annual basis to ensure they remain competitive within the marketplace and reflect those benefits valued by our employees. Targeted levels for benefits will be positioned at or slightly above the market median as derived by review of industry and local survey data and discussion with City insurance representatives and other advisors.

5.02 – Compensation Plan Administration

(1) Job Documentation: Job documentation refers to the collection and maintenance of job content information. Formal job descriptions are used to describe duties and responsibilities required for each job at the City. The description focuses on the job, not the employee assigned to the job. Appraisal of the employee's performance is treated as a separate issue.

City job descriptions generally contain the following information: job title; reporting relationships; exemption status; purpose; essential duties and responsibilities; additional duties and responsibilities; job requirements; performance specifications; and work environment conditions. A copy of the approved job description is available for each employee on the City's website, through their manager, or the Human Resources Director. A job description is used to describe every job. It is intended to document the minimum requirements of the job as it exists at the present time. The formal job description is used as the basis for assigning a pay range. Accurate and complete job descriptions will be prepared and maintained.

Salary adjustments for current employees or hiring rates for new employees are authorized only with a current job description.

Current job documentation is the responsibility of the Human Resources Director in coordination with department managers. The Human Resources Director is responsible for ensuring the consistency and accuracy of the information and keeping formal copies and background information on file for all jobs. The Human Resources Director is also responsible for writing new and revised job descriptions and determining the salary range for new or changed jobs.

If a manager wants to hire for a new job, a position description questionnaire must be completed listing the minimum requirements and responsibilities for the job. A job description will then be developed and a pay grade and salary range assigned to the job.

As a job changes, a revised job description may be needed. Managers are required to review job descriptions with their employees on an annual basis in conjunction with the performance appraisal process. If changes are minor, the manager and employee should note the changes on the current job description and forward it to the Human Resources Director. The Human Resources Director will make the changes and prepare and distribute an official revised description.

If a job becomes vacant, the manager is required to review the current job description to determine if there should be any changes prior to the position being posted. Revisions should be made before any action is taken to fill the position.

(2) Salary Range Structures: The City is committed to providing a salary range structure that is responsive to the external market and is internally equitable. Data will be collected and analyzed on a regular basis to determine market movement of jobs and current salary trends.

Job pricing is the process of matching our jobs at the City to jobs of the external market. Pay grades are determined through a process of evaluating jobs based upon internal and external conditions and grouping similarly valued jobs together (job groups). The market value for jobs within a job group is used as a factor when computing the pay for the salary range structure.

The salary range structure consists of a series of overlapping salary ranges. Each salary range has a minimum, midpoint, and maximum salary amount. To reflect the City of Wausau's pay for performance philosophy, the minimum and maximum of each pay grade will be within 20% of the midpoint. The City of Wausau will review the Consumer Price Index for All Urban Consumers (CPI-U) data as well as data from local and national compensation surveys in order to maintain competitive salary ranges.

Each salary range is identified through a minimum, midpoint, and maximum salary amount.

(a) Minimum –The lowest amount the City will pay an individual for a job assigned to the salary range.

(b) Minimum to midpoint area (the first and second quintiles) – Is intended for employees who:
- Are continuing to learn job responsibilities while meeting performance standards.
- Are fully trained but perform at a level that is less than proficient.
- Have not acquired sufficient time in the job to warrant pay at the midpoint level.

(c) Midpoint area (the third quintile) – Intended to represent the salary level for employees who are fully qualified and performing at a proficient level over a period of time (the direct midpoint of the range is intended to reflect the market rate).

(d) Midpoint area to maximum (the fourth and fifth quintiles) – Intended for employees whose performance is continuously excellent or outstanding and exceeds performance objectives over a period of time.

The Human Resources Director will conduct a comparative ratio analysis on an annual basis to determine where each employee's pay falls relative to his or her current salary range. As a policy, the Common Council requires the overall pay plan to maintain a comparative ratio analysis within the third quintile.

The Human Resources Director is responsible for gathering, analyzing, and recommending changes to the salary range structure based on market data and salary trend information. Final approval of these recommendations will be made by the Common Council. A full review of market data for all City jobs will be conducted approximately once every five (5) years. The Human Resources Director will review market data and develop a comparison of market data to current midpoints and current pay practices.

(3) Pay Adjustments: A pay adjustment occurs when the City adjusts an employee's rate of pay to fall within the parameters of established pay ranges. These adjustments may occur for various reasons. To ensure credibility and achievement of City objectives, an effective pay adjustment system must be developed and maintained with guidelines and procedures communicated to users on a timely basis. The guidelines and procedures of the base compensation plan are intended to ensure that each employee will be rewarded on the basis of demonstrated performance.

Department managers are responsible for initiating appropriate pay adjustments for their employees through the performance management system with the oversight of the Human Resources Director. Managers will communicate all approved pay adjustments to employees.

(a) **Market Adjustments:** Market rates (mid-points of salary ranges) are the rate of pay with which the City compares itself in local, regional or even national markets for our jobs. When necessary and appropriate, salary adjustments not related to performance, but intended to correct market or equity disparities may be proposed for individual jobs, groups of jobs, or the overall pay plan to maintain the City's relative position to the market. All market adjustments will be approved by the Common Council.

(b) **Merit Increases:** Merit increases are intended to ensure that performance is recognized and that equity is achieved and maintained. The Human Resources Director will review market conditions and trends to recommend a merit increase budget on an annual basis that will be approved by the Common Council. Recommendations for individual merit increases will be determined by Department Directors within the budget provided and should be on the basis of performance. Merit increases are not permitted if the increase would move the compensation of an employee past the maximum established for the salary range. A merit increase is applied by taking the employee's current rate of pay, identifying which quintile that rate of pay is in, and then multiplying the current rate by the percentage increase established in the annual merit increase decision worksheet based on the employee's level of performance. The following table is an example of an annual merit increase decision worksheet. The merit increase worksheet will be determined within the budget approved by the Common Council, employee performance, and both overall and individual comparative ratio analysis on an annual basis.

Example Annual Merit Increase Considerations

	QUINTILES				
LEVEL OF PERFORMANCE	**1st (80-87%)**	**2nd (88-95%)**	**3rd (96-104%)**	**4th (105-112%)**	**5th (113-120%)**
Exceptional Performance	4.0%	3.5%	3.0%	2.5%	2.0%
Proficient Performance	3.5%	3.0%	2.5%	2.0%	1.5%
Marginal Performance	0.0%	0.0%	0.0%	0.0%	0.0%

(c) **New Hires:** The hiring rate is normally the minimum of the salary range for entry-level individuals. If an individual with prior experience is hired, the hiring rate should reflect the level of experience the individual brings to the City. The proposed rate should not create inequities with current staff. The proposed hiring rate will be determined and approved by the Human Resources Director. Any hiring rate that exceeds the market rate (mid-point) for a position must be presented to and approved by the Mayor.

(d) **Promotional Increases:** Promotional increases are provided to recognize an increase in the scope and responsibility of a job and should be given at the time the new responsibilities are assumed. The amount of the increase should be consistent with the objectives of the base compensation plan, take into consideration the employee's pay level prior to the promotion, and internal equity issues.

(e) **Job Reclassification**: As the organization continues to grow, jobs and responsibilities will evolve and change over time. Therefore, as job descriptions change, they will be evaluated to determine if the job needs to be reclassified into a different pay grade. The Human Resources Director will have the responsibility to recommend the reclassification of positions. All position reclassification requests will require submission of a position description questionnaire, internal equity analysis, and relevant market data prior to consideration. Employees can make reclassification requests to their respective Department Head who will request that Human Resources aid in the analysis and collection of market

data. Reclassification requests can be made beginning the first working day in April and all requests must be submitted to Human Resources no later than the last working day in June. All reclassification requests will be evaluated thereafter and subject to the approval by the Human Resources Director within the compensation plan's administrative guidelines and philosophy.

(f) **Transfer:** A transfer is the reassignment of an employee from one job to another job in the same pay grade and salary range which normally does not involve a change in pay. Lateral transfers provide employees with the opportunity to acquire new work experience and provide exposure to a different work environment.

(g) **Temporary Appointments:** Employees temporarily appointed to positions of a higher classification may be eligible for a pay increase during the temporary appointment period. The Human Resources Director will take into consideration the employee's pay level at the time of the appointment, change in scope of duties and responsibilities, duration of the appointment, internal equity issues, and other factors when making the compensation determination.

(h) **Demotion:** A demotion is the reassignment of an employee from one job to another job in a lower pay grade and salary range with a resulting decrease in the scope and responsibility. Demotions may occur for unsatisfactory job performance, in response to an employee request, and for various organizational reasons. The determination of whether the employee should have their pay reduced will be based on the current pay level of the employee relative to the salary range as well as internal equity considerations.

(i) **Redlining:** Employees whose salary is determined to be above the maximum pay rate in the pay grade established for their job will have their pay rates redlined until such time that the market adjustments bring their current salary within established salary ranges. The redlining procedure does not allow for an employee's base rate to be adjusted above the salary range maximum rate. Once adjusted to the maximum salary rate, employees remain eligible to receive any portion of any pay increase that exceeds the salary range maximum rate as a lump sum payment to be paid at the time of the adjustment. The lump sum payment will be calculated by taking the hourly rate that exceeds the salary range maximum rate and multiplying it by the annual hours for the position (usually 2,080 hours). Before an employee is redlined they must be notified in writing prior to and given adequate time to appeal the decision to the Human Resources Director.

(j) **Exceptions:** In order to make the base compensation plan an effective management tool, exceptions from to base compensation administration guidelines may be considered when extenuating circumstance exist. Exceptions to policy should be discussed with the Human Resources Director prior to the preparation of any recommendation. Exceptions must be reviewed and approved by the Human Resources Director.

(4) **Confidentiality:** The City will treat all pay and salary range information confidentially. As a general rule, City will not discuss individual compensation information with other employees unless extenuating circumstances exist. When discussing compensation with an employee, we will remain focused on that employee's specific pay situation. Employees will be provided their individual pay and salary range only. If an employee is considering a job change to a vacant position, the salary range information will be discussed at that time.

City of Wausau compensation data is public record. Therefore, any party wishing to acquire specific compensation information may be entitled to receive it provided they make the request in the appropriate manner.

5.03 – Time Keeping

All non-exempt employees must accurately record time worked on a time card for payroll purposes and are required to record their own time at the beginning and end of each work period, and before and after any unpaid break. Employees must record their time whenever they leave the building for any reason other than Company business or with prior approval from the supervisor. Filling out another employee's time card, allowing another employee to fill out your time card, or altering any time card will be grounds for discipline.

No work shall be performed by employees prior to their clocking or logging in at the start of their work day, during their lunch break when they are clocked out, or after they have clocked out at the end of their work day. No one in the City of Wausau has the authority to ask, or encourage, or insinuate that you should work off the clock.

Employees may use vacation, sick leave or compensatory time in units of 15 minutes or more.

5.04 – Payroll

City employees shall participate in the City's direct deposit program and are paid on a bi-weekly basis. The payroll workweek begins on Sunday at 12:01 am and ends on the following Saturday at 12:00 midnight. Each paycheck will include earnings for all work performed through the end of the previous payroll period. In the event that a regularly scheduled payday falls on a bank holiday, employees will be paid on the day prior to the bank holiday.

The City of Wausau is required to make certain deductions from your paycheck each time one is prepared. This includes federal income taxes and your contribution to Social Security, where applicable and as required by law. These deductions will be itemized on your payroll statement. The amount of the deductions may depend on your earnings and the information you furnish on your W-4 form regarding the number of dependents/exemptions you claim. Any change in name, address, telephone number, marital status or number of exemptions must be reported to Human Resources immediately to ensure proper credit for tax purposes. The W-2 form you receive for each year indicates precisely how much of your earnings were deducted for these purposes. Any other mandatory deductions to be made from your paycheck, such as court-ordered garnishments, will be explained whenever the City is ordered to make such deductions.

The City reserves the right to make deductions and/or withhold compensation from an employee's paycheck as long as such action complies with applicable state and federal law. In addition, it may be possible for you to authorize the City to make additional deductions from your paycheck for extra income taxes, contributions to retirement savings programs or insurance benefits (if eligible).

Every effort is made to avoid errors in an employee's paycheck. If you believe an error has been made or you have a question about your pay, notify Human Resources immediately. If you believe your pay has been improperly docked, notify Human Resources immediately. The City will take the necessary steps to research the problem and to assure that any necessary correction is made properly and promptly.

5.05 – Overtime

Prior approval by supervision or management must be obtained for all overtime hours worked. Overtime work is to be held to a minimum consistent with the needs of the service. It is the responsibility of each department to explore all possible alternatives before a decision is made to require employees to work on an overtime basis. Further, it is the responsibility of each department to ensure that the provisions of overtime pay are administered in the best interest of City service. Each department should develop internal controls that provide a means of reviewing and evaluating the use of overtime.

Overtime shall be compensated for non-exempt employees at one and one half (1 ½) times the employee's hourly rate of pay. Overtime is defined as any hours worked in excess of 40 hours per week. Hours worked on Saturday or Sunday for work that is not regularly scheduled is considered overtime and shall be compensated at one and one (1 ½) times.

For workers in the following individual Divisions, overtime is defined as work in excess of eight (8) hours per day or forty (40) hours per week. The Divisions listed below exclude support staff, and exempt staff for the purposes of overtime.

Community Development Maintenance Division
Construction and Maintenance Division
Electrical Division
Engineering Division
Sewage Maintenance Division
Water Distribution Division
Wastewater Treatment Division

5.06 – Compensatory Pay

Non-exempt employees shall have the choice of receiving overtime in pay, or as compensatory time. Exempt level staff may receive straight time (hour for hour) compensatory time for hours worked in excess of 40 hours per week. Executive level shall not be allowed compensatory time under any circumstances. Compensatory time may accumulate to a maximum of forty (40) hours. Compensatory pay for Battalion Chiefs shall be paid at straight time (hour for hour) for additional hours worked in excess of the employee's regular hours of work and may accumulate up to a maximum of four hundred (400) hours. Compensatory time off shall be scheduled so as not to unduly disrupt operations.

Compensatory time off shall be paid out at any time during the year upon written request and approval by the Department Director. Compensatory balances that exceed the bank hour maximum shall be paid out. All balances in compensatory time banks must be used within the year it is earned or it will be paid out on the last pay period of each year.

5.07 – Call-in Pay

If a non-exempt employee is called back into work outside of his or her work schedule, he or she will receive a minimum of two (2) hour's pay for such work or pay for the actual time worked, whichever is greater.

For scheduled court appearances on behalf of the City of Wausau, employees will receive a minimum of two (2) hour's pay for such work or pay for the actual time worked, whichever is greater.

These provisions will not apply to hours worked consecutively prior to or subsequent to the employee's regular schedule of hours.

5.08 – Shift Differential

Any regular employee whose assigned to work a schedule that requires four (4) or more work hours after 4:30 p.m. shall receive forty-five cents per hour ($.45/hour) in addition to their regular hourly rate. For any regular employee whose assigned to work a schedule that requires four (4) or more work hours after 12:00 midnight shall receive sixty cents per hour ($.60/hour) in addition to their hourly rate. Shift differential shall be paid as described above for leave time and would include vacation, sick days, and holidays. No differential shall be paid for an employee working overtime.

5.09 – Jury Duty

Regular full-time employees who serve on a jury or are subpoenaed to appear as a witness before a court or administrative tribunal shall be paid the difference between the jury or witness duty fees and their regular earnings. When released from jury or witness duties employees shall immediately return to their job and complete the scheduled work day. Employees shall not be entitled to overtime or shift differential under this provision. Part-time employees are not eligible for paid time off for jury duty but shall be allowed to modify their work schedule to accommodate such duty when reasonably possible.

5.10 – Mechanic Incentive Pay (Water Utilities)

Employees classified as a Plant Maintenance Mechanic in the Water Department are eligible for an educational incentive pay of $0.50 per hour upon achieving 50% of the electrical and instrumentation training program as confirmed by North Central Technical College officials. Upon completion of the electrical and instrumentation NTC program and receipt of a State of Wisconsin Journeyman card, the employee will receive an incentive pay of $1.00 per hour.

5.11 – Firearm Certification Pay

Persons classified as Deputy Chief, Captain or Lieutenant will receive Firearm Certification Bonus equal to 1% of step 5 of their respective positions pay grade. Firearm pay shall be paid upon meeting department annual certification testing standards and no later than November 1.

5.12 – Expense Reimbursement

For employees where a Commercial Driver's License is a requirement of employment, the City will pay up to $50 toward the difference in the cost of a commercial driver's license and a regular license, upon issuance and/or renewal.

5.13 – Clothing and Equipment

The City provides clothing allowances and uniforms to certain employees.

Building Maintenance employees shall be furnished shirts and pants by the City.

Parking Control Specialists shall receive uniforms purchased by the City at the time of initial employment. The City will maintain such uniforms by replacing damaged or worn out clothing upon proof of the need for replacement.

Employees in the following divisions will receive the following Clothing and Equipment:

Construction and Maintenance Division
Electrical Division
Engineering Division
Sewage Maintenance Division
Water Distribution Division
Wastewater Treatment Division

1) All protective clothing required to perform essential job duties shall be owned and furnished by the City in its discretion at no cost to employees. Such protective clothing shall be left on City property at the close of the working day.

2) The City shall provide eleven (11) sets of uniforms for employees in these divisions except the Engineering Division.

3) Skilled workers shall furnish hand tools of their trade as found necessary in their job requirements. Power tools, special equipment and large tools will be furnished by the City. Any question concerning the necessity of purchasing additional tools shall be determined by the City.

4) Employees shall receive an annual reimbursement of $50.00 towards the purchase of cold weather gear.

5) Employees will be reimbursed 50% of the cost up to $75.00 per pair of safety boots annually. Boots must be worn on all job sites and inspected for compliance to ANSI Z41.1 standard.

Persons classified as Police Chief and Fire Chief shall receive a uniform allowance of $475.00 per year, persons classified as Deputy Fire Chief shall receive a uniform allowance of $350.00 per year and persons classified as

Battalion Chief, EMS Division Chief, or Fire Marshall shall receive a uniform allowance of $325.00 per year for replacement and care of uniform items. Persons classified as Police Lieutenant, Police Captain or Deputy Police Chief shall receive a uniform allowance in accordance with the provisions of Article 20 of the agreement between the City of Wausau and the Professional Police Association.

5.14 Attendance at Training Sessions and Other Meetings

During your employment, you may be asked, or required, to attend training sessions and other professional meetings. Attendance at training sessions or other meetings, whether during, before, or after the employees regular work schedule may be considered paid time. To find out more information regarding when training sessions or other meetings will be considered paid time; please contact your direct supervisor or human resources.

DRAFT

CITY OF WAUSAU HUMAN RESOURCES COMMITTEE
MINUTES OF OPEN SESSION

DATE/TIME: August 12, 2013 at 5:00 p.m.
LOCATION: City Hall (407 Grant Street) – Board Room
MEMBERS PRESENT: R.Wagner (C), G. Gisselman, B. Nagle, D. Nutting, D. Oberbeck
MEMBERS ABSENT:
Other Present: Mayor Tipple, D. Bohn, J. Brezinski, P. Czarapata, N. Giese, M. Groat, J. Hardel, A. Jacobson, K. Kellbach, M. Loy, K. Rantanen-Day

Consider Creating an Evidence Technician Position (Police Department)
Michael Loy explained the Police Department currently has a half time evidence technician who is retiring at the end of August and we need a determination now as to whether we can make it a full time position so as not to delay the recruitment cycle and replacement to October/November.

Chief Hardel stated he truly believed that they should have a full-time evidence technician and also should be adding a full-time clerical. He felt there was enough work to justify it and that personnel were being overburdened. He stated both the evidence custodian duties and the duties of the clerical personnel have increased dramatically over the past few years. He highlighted reasons for the necessity of a fulltime evidence tech, noting we must meet a higher level of professional standards due to revised state evidence guidelines and ensure compliance with federal and WI Department of Justice standards. New audio/video technology is being used by businesses and the general public and victims of crime turn over their surveillance videos on a regular basis. Smart phones, computers and tablets have to be downloaded, reviewed and put in evidence. Increased security of evidence integrity, chain of custody and integrity of the evidence custodian himself all are vital. Additionally there are substantial case preparation demands by the District Attorney; the ability to obtain DNA from different items and technology advances of DNA; as well as changes in the law as to the length of time evidence must be kept and how it is disposed of.

Hardel indicated clerical personnel have worked nearly 300 hours beyond the normal work hours so far this year because we have mandates to report to the federal government on our crime statistics. He noted grants are also attached to those figures and reporting. He proposed folding clerical assistance into the evidence technician position for help with data entry. He noted when comparing Wausau PD to other departments as far as evidence technicians and clerical positions we are the lowest in both those areas. He indicated he was willing to accept an increase in the evidence position from half time to full-time and hopes it is enough to maintain, but if not, we will have to re-evaluate.

Finance Committee
Motion by Brezinski, second by Oberbeck to approve the creation of a full-time Evidence Technician Position in the Police Department. Motion carried 4-0.

Human Resources Committee
Motion by Nutting, second by Gisselman to approve the creation of a full-time Evidence Technician Position in the Police Department. Motion carried 5-0.

Adjourn (Finance Committee)
Motion by Brezinski, second by Oberbeck to adjourn the Finance Committee. Motion carried unanimously. Finance adjourned at 5:15 pm.

Approval of 6/10/2013 minutes. Motion by Nutting, second by Gisselman to approve the June 10, 2013 draft minutes. All ayes. Motion carried unanimously.

Consider Compensation Philosophy and Base Pay Administrative Procedures.
Loy outlined what has been discussed so far on this topic and stated that this will be the first of two discussions, asking for the committee's input. Loy said he'd hoped to have been done this this project earlier, however the previous consultant resigned. All results of the study that WIPFLI did will be presented by the new consultant at the September meeting. Loy gave an overview of the system we have now and the proposed system. The 5.01 General Provisions section of the Employee Handbook will be renamed Compensation Philosophy. Loy went over changes to this section, stating that it is meant to explain the philosophy towards the design and administration of the plan. Loy brought attention to the last sentence of the section, "Targeted levels for benefits will be positioned at or slightly above the market as derived by review of the industry and local survey data and discussion with City insurance representatives and other advisors." Loy feels it is important for the City to offer benefits that are at the slightly above other employers in order to attract qualified candidates and keep employees, and that this is a smart way for the City to compensate employees because it is non-taxable benefit. This part of compensation will be discussed more by the consultant next month. Gisselman asked if the City's benefits package would be above the market in the public sector, private sector, or both? Loy explained that the benefits offered in the area are taken into consideration as a whole, and that the City should be slightly above.

Loy moved forward with the discussion and focused on section 5.02 Base Compensation Plan Administration (formerly named Compensation Plan Administration), which explains how the plan will be managed and administered over time. The section begins by explaining the importance and function of job descriptions. Loy explained that job descriptions are essential for performance expectations, why the job is needed within the organization, and also helps with determining fit for duties, temporary assignments, and possible accomodations. Loy pointed out the policy in this section stating that salary adjustments and hiring rates will be only be authorized with a current job description, therefore maintaining job descriptions within all departments is vital. The new performance evaluations system will require 1) a performance evaluation be completed in order to receive a step increase, and 2) a review of the job description must be conducted as part of the performance evaluation. The next part of the section outlines the salary range structure. Loy went over changes with the new system, how it will be structured, and how performance will be tied to pay. A full report will be available next month. Gisselman stated his concern over if the new system provides a living wage to make Wausau desirable for families as a place to live. Loy stated again that the purpose of this discussion is to review the information, ask questions and provide input, and that he would rather everything be gone over thoroughly than rush through it, as it is a big policy change. The third part of this section outlined pay adjustments. Loy reviewed this section and outlined how market adjustments would be handled as well as merit increases. Loy explained that at this time, the current pay scale begins at 20% below market value and ends at 12% above market value, and takes an employee 11 years to reach the top. The new pay scale will allow employees to reach the market value rate at a quicker pace, but performance evaluations will determine all increases and the amount of increase that will be received.

Consider Amending Employee Handbook Section 1.06 – Residency Requirement.
Loy stated that the new State Budget that was passed that prohibits municipality residency requirements for employees, except for law enforcement, fire, and emergency personnel (which are not defined). Loy has talked to several labor attorneys and the League of WI Municipalities, and at this time the thought is that residency is a prohibited subject of bargaining and that the City can impose residency requirements without regard to collectively bargaining to do so. Therefore, it is likely that the requirements for Police and Fire are within the law limits. Because the City policy for department heads to live in the City of Wausau is now unlawful, Loy recommended that the committee decide if the policy should be changed. Gisselman asked what would happen if they didn't change it? Loy said if a department head moved out of the City, it might be challenged by someone, but that the new rules provided by the State would likely trump the City's policy. Nagel asked what would happen if an at-will department head was fired because their supervisor didn't like where they lived, since technically the supervisor would not have to give a reason for firing the person as long as it wasn't because of a protected class reason (race, age, sex, religion, etc.)? Loy said he would never advise anyone to do this and that grievance procedures were created as part of Act 10 that do not allow arbitrary or capricious termination of employees. Discussion took place regarding the current residency requirements and effects to service. Czarapata said that the Wausau Fire Department has a 60 mile radius for its employees and their response time has not been affected and has improved the pool of candidates that apply. Additionally, the Fire Department has had their

response time tested for HAZMAT no issues have been reported. Oberbeck asked why the City needs to dictate where the employees live, because if they need to be able to respond within 15 minutes for an emergency, they will most likely live in an area that allows them to accomplish this. Gisselman asked how many employees live in the City; Loy said over 50% live outside of the City of Wausau, and the number is actually higher because of addresses that are in towns but use Wausau as a mailing address. Hardel stated that the Police Department has a 20 miles radius and they have no issues with response time. Nutting asked if the officers take their squad cars home; Hardel said only SWAT and K-9 officers take them home. Loy said that he feels more discussion is needed about who qualify as emergency personnel, but department heads should be removed from any residency requirements. Motion made by Gisselman to allow Loy to amend the language in the handbook to remove the residency requirement for department heads. Second by Oberbeck. All ayes. Motion passes unanimously.

Future Agenda Items for Consideration. Wagner asked that the Public Relations (Communication Coordinator) position be brought back to the committee for consideration (discussed 2/13/12 and 7/9/12). Loy said the next meeting will include the position ranking discussion.

Adjourn. Motion by Nutting to adjourn. Second by Nagle. All ayes. Motion passes unanimously. Committee adjourned.

_____

Romey Wagner
Human Resources Committee, Chair

DRAFT

CITY OF WAUSAU HUMAN RESOURCES COMMITTEE
MINUTES OF OPEN SESSION

DATE/TIME: December 3, 2013 at 4:30 p.m.
LOCATION: City Hall (407 Grant Street) – Board Room
MEMBERS PRESENT: R.Wagner (C), D. Nutting, D. Oberbeck
MEMBERS ABSENT: B. Nagle, G. Gisselman (left the meeting prior to these items),
Also Present: Mayor Tipple, M. Barnes, D. Bohn, P. Czarapata, D. Erickson, N. Giese, B. Graham,
A. Jacobson, M. Lawrence, M. Loy, B. Marquardt, M. Pauls

Review Wage Study Results and Process. Loy reminded the committee that they have previously reviewed the process and tools WIPFLI used in developing their recommendations for the new pay plan. Loy asked if the committee had any additional questions on the document or process. The committee was satisfied with previous discussion of the topic and had no further questions.

Amendments to Chapter 5 – Compensation of the Employee Handbook. Loy proposed complete revision of Chapter 5 – Compensation of the Employee Handbook with two additional changes since it was first published in the study document. The first change is in the language for merit increases to accurately reflect how the amount of a merit increase will be calculated. Initially the verbiage stated that a merit increase would be applied by taking the employee's current rate of pay, identifying which quintile that rate of pay is in, and then multiplying the midpoint of the salary range by the percentage increase based on the employee's level of performance. The proposed change is to state that a merit increase will be applied by taking the employee's current rate of pay, identifying which quintile that rate of pay is in, and then multiplying the current rate by the percentage increase established in the annual merit increase decision worksheet based on the employee's level of performance. The committee had no comments regarding this change of language.
The second proposed change is to the section on redlining. Initially, this section said that any employee whose salary is above the maximum pay rate in the pay grade established for their job would have their pay rate frozen until market adjustments brought their current salary within the established salary ranges. The proposed change allows for any employee who is at or above the maximum rate to be eligible to receive "any portion of any pay increase that exceeds the salary range maximum rate as a lump sum payment to be paid at the time of the adjustment. The lump sum payment would be calculated by taking the hourly rate that exceeds the salary range maximum rate and multiplying it by the annual hours for the position (usually 2080 hours)." Loy explained that this would continue to provide incentive to those who are at or above the maximum for their pay range without further compounding the problem. Over the course of time these employees should be brought back into the pay range as inflation adjustments to the salary ranges occur. Wagner asked if there is a certain group or departments with positions at or above the maximum of their pay range. Loy stated that there is no discernible trend or pattern throughout the organization as to where these positions are. Oberbeck questioned why the organization would continue to give pay increases to an employee who is at or above the top of their pay range. Loy said that all employees should have an incentive to perform well, and if you take away the possibility of receiving any type of incentive, you may be taking away an employee's drive to keep performing. Wagner asked if redlining will eventually go away, or is it something that the organization will always have issues with. Loy responded that redlining should be a short term issue. However, he said there may always be the possibility of it occurring in the future as an exception, especially with high performers, but is should not be the norm. Wagner said he believes this adds value to the system and doesn't see any issues if it is

something that the organization will grow out of. Nutting agreed. Mayor Tipple asked if the redlining is a symptom of the current salary structure. Loy said yes, that not all jobs excel at the same rate in the job market. The current system has adjusted all positions at the same rate, leading to some positions being underpaid, and some positions being overpaid according to the current market rates. Loy went on to discuss the new pay for performance system and how this will enable department heads to focus on performance of employees rather than the dollar amount of raises. Oberbeck said he would like more information on what "exceptional" means in terms of employee performance presented to the committee. Loy said the best thing that can come out of this new system is for managers to have expanded conversations with their employees about their performance and the overall quality of the City's job descriptions. Oberbeck said that he envisions an exceptional employee as one that is helping to move the organization forward. Motion by Oberbeck to approve the amendments to Chapter 5 – Compensation of the Employee Handbook. Second by Nutting. All ayes. Motion passes unanimously.

Implementation of New Pay Plan Salary Ranges. Loy reviewed with the committee the steps that were taken to create the new pay plan salary ranges, and stated that employees had questions and concerns when they received the Wage Comparability Study. Loy created an electronic survey for employees and received over 100 responses. The responses indicated that some employees felt that they were graded too low on the internal equity piece of the study, and secondly, employees wanted to know who they were compared to. Because WIPFLI used public and private sector market rates, the information of who employees were compared with is not available; private sector company information remains anonymous and the public sector data is mixed in. After reviewing all of the submitted surveys, Loy sat down with department heads and went over the survey's feedback. Upon completion of these meetings, some positions were placed in a higher grade due to factors that were not considered by WIPFLI and were unique to our organization. Loy proceeded to review the cost drivers associated with the plan's implementation as outlined in the memo provided to the committee. Wagner questioned how the appeal's process would be conducted. Loy stated that he would like the HR Committee to be involved in the appeal's process. Loy would provide the committee with all the documentation needed to make informed decisions. Oberbeck said the committee should be focusing on voting on the implementation, not the specifics of the plan. Mayor Tipple stated that reclassification requests have been handled by the HR Committee the past several years because the HR staff was not in a position to make those decisions. However, Tipple feels that the HR department can now handle and issues, including appeals that may come about in the new system. Wagner said he trusts the HR department to take care of placement decision within the structure and any appeals process and that would not be a role of the HR Committee. Motion by Nutting to approve the implementation of the new pay plan salary ranges as amended by the HR Director. Second by Oberbeck. All ayes. Motion passes unanimously.

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION OF THE HUMAN RESOURCES COMMITTEE	
Authorizing Implementation of a New Pay Plan for General City Employees by Adoption of the Amended Compensation Philosophy, Base Pay Plan Administration Procedures, and New Salary Grade Structure. Committee Action: Approved 3-0 Fiscal Impact: Included in 2014 Budget	
File Number: 12-0220	**Date Introduced:** December 10th, 2013

RESOLUTION

WHEREAS, your Human Resources Committee recognizes the fiscal necessity of a clearly defined specific compensation policy and schedule that directs employee wages, and

WHEREAS, your Human Resources Committee authorized staff to engage in a wage comparability and compensation study to review current pay rates to available market data and develop a new merit based pay system, and

WHEREAS, market data was reviewed and used to develop a new merit based salary grade structure, and

WHEREAS, recommendations were reviewed and drafted to update the City's compensation philosophy and base pay plan policies and procedures necessary to administer the new merit based salary plan, and

WHEREAS, Compensation Philosophy, Base Pay Plan Administration Procedures, and a new Salary Grade Structure has been created and approved at the December 3rd Human Resources Committee that sets compensation policies and salary ranges for all general city employees, and

WHEREAS, the Compensation Philosophy and Base Pay Plan Administration Procedures shall be incorporated into the Employee Handbook as amended by the committee and attached hereto, and

WHEREAS, your Human Resources Committee has reviewed, studied, and discussed the Wage Study process and data provided, Compensation Philosophy, Base Pay Plan Administration Procedures, and new Salary Grade Structure and recommends adoption, including proposed plan implementation procedures, as attached to this resolution in its entirety and as amended by the Human Resources Committee.

NOW THEREFORE BE IT RESOLVED by the Common Council of the City of Wausau that the Compensation Philosophy, Base Pay Plan Administration Procedures, and new Salary Grade Structure for General City Employees, as stated and specified above, is approved and adopted to be effective as of January 1st, 2014.

Approved:

James E. Tipple

James E. Tipple, Mayor

DRAFT

CITY OF WAUSAU HUMAN RESOURCES COMMITTEE
MINUTES OF OPEN SESSION

DATE/TIME: December 14, 2015, 2015 at 4:30 p.m.
LOCATION: City Hall (407 Grant Street) – Board Room
MEMBERS PRESENT: R.Wagner (C), G. Gisselman, W. Nagle, D. Oberbeck, L. Rasmussen
MEMBERS ABSENT:
Also Present: Mayor Tipple, T. Alfonso, P. Czarapata, K. Dubore, M. Hite, E. Krohn, T. Kujawa, E. Lindman, R. Mohelnitzky, J. Schara, B. Schmidt

Approval of 11/09/2015 minutes.
Motion by Oberbeck, second by Nagle to approve the draft minutes from November 9, 2015. All ayes. Motion passes 5-0.

Input from DPWU regarding Competitive Wage – Street Maintainer (Lindman).
Lindman gave Mohelnitzky the floor to begin the discussion. Mohelnitzky began by saying he was happy to see that money will possibly be earmarked for possible wage increases. He went on to explain that when employees are hired, they receive a large amount of training to make them valuable employees. At this time, he feels that he is unable to retain new employees because once they receive training, they are finding better paying jobs elsewhere. Mohelnitzky said that recruitment has been difficult because good candidates are not willing to accept the starting pay for vacant positions. Wagner asked if Mohelnitzky thinks the entry level (pay) is not market (rate) and that's the issue. Mohelnitzky said yes, but that even the employees who have been with the City for a few years and are close to market (rate) need an adjustment in order to maintain them. Oberbeck said he was concerned because he thought that everyone had been brought into the matrix. Tipple said they were brought in 3 years ago when the study was done. Oberbeck continued, asking if there had been adjustments to bring those employees up in the matrix, and if employees are asked to sign a commitment when they are hired. Adjustments have not been made, and Hite said that some employees are asked to sign a commitment for a period of time and language has been added to the Employee Handbook regarding training and employees reimbursing the cost of training if they leave within a certain period of time. Gisselman asked what the beginning pay is at this time. Hite said it depends on which position you look at, but the Street Maintainer, Sewer Maintainer and Water Maintainer positions begin at $15.57 per hour. The mid-point of the salary range is $19.46 per hour, and the hourly maximum rate is $23.36. Hite shared the rates that maintainers are currently being paid. Gisselman asked what the current market rate is for this position. Hite said that she has not looked into current marked rates because the City decided they would conduct a market study every 5 years. She went on to explain that there are more businesses in the area than a few years ago and less workers for these positions. Hite shared the starting salary rates for companies with entry-level jobs. The committee asked if Hite would research comparable jobs at Marathon County. Nagle said he would go on record that operators who are training and doing a good job need to be paid more than $24.45 an hour (the top salary of an Equipment Operator at this time). Rasmussen asked if employees can be brought in at higher levels of the matrix if they have more experience. Hite said yes, every starting salary is determined by HR on a variety of factors. Oberbeck asked if a market study could be done sooner. Further discussion on this subject and challenges of future hiring took place. No action was taken on this item.

Discussion and Possible Action of Employee Handbook – Revisions to Chapter 5 and Section 8.07 Family Medical Leave (Hite).
Hite noted that the group incentive in lieu of perfect attendance leave that was brought to the committee at the last meeting was not incorporated into the version of the handbook the committee received in their packet for this meeting. Hite will add the language into the final version. Hite pointed out that the revision Wagner requested at

Office of the City Attorney

TEL: (715) 261-6590
FAX: (715) 261-6808

Anne L. Jacobson
City Attorney

Tara G. Alfonso
Assistant City Attorney

MEMORANDUM

TO: Finance Committee Members

FROM: Anne Jacobson, City Attorney

DATE: July 11, 2016

RE: Budget Modification for Legal Fees

Purpose: To provide a budget modification for the Attorney's Legal Fees account.

Background: $72,870.00 was approved for the Attorney's Legal Fees account for 2016. On March 1, 2016, Council approved supplementing the Legal Fees budget 110-13092120 in the amount of $35,000 which represents unspent 2015 funds. This account has been exceeded by $10,630.28.

Legal fees paid to date total $118,500.28, which have been taken from the City Attorney's legal budget. Maine related expense to date totals $113,247.74 through June 30, 2016, and Winters related expense to date totals $26,767.75, through June 28, 2016. Additional invoices for each of these matters is expected to continue.

To date, unpaid invoices total $2,264.00.

Attached are summaries of:

A – Invoices paid from the Legal Fees account
B - Invoices paid in chronological order to date
C - Maine Annexation Invoices
D - Winters related invoices
E – Pending commercial tax litigation
F – All pending litigation in which the City is involved
G – Circuit Court pending cases

First, fees are paid for both non-litigation and litigation matters. Fees can be paid from several different accounts. You will note on Exhibit F that the litigation covered or defended by insurance is so indicated. The retention that is applied to that matter is also noted. When an insurer defends a matter, the insurer designates defense counsel and the City pays the retention amount toward fees until that amount is reached, after which the insurer pays. As soon as notice of a potential claim, claim, or administrative or legal process is received, the appropriate insurers are notified.

The costs and fees associated with the Maine matter, the Winters matter, and the commercial tax litigation have been approved by the Council.

Some legal fees are paid from other accounts, which include those associated with development agreements, which are charged to the relevant TID, if one exists for that development, legal fees related to the Mall and negotiations with CBL are an example of these types of fees, and to the claims account (e.g., the fees associated with defending the Mandamus Action filed by Keene Winters, which is covered by insurance).

It is difficult to estimate the amount of fees necessary to cover all expense, even unforeseen expense that might occur before the end of the fiscal year. Several options exist for the committee to consider beyond simply transferring money into the Legal budget to pay legal fees:

- Pay the Winters related expenses from another account; specifically, Davis and Kielthau was authorized and directed to be retained by the Council.
- Pay the Winters related expense from the Liability Fund. This would put the legal budget back in the black by approximately $13,153.

Looking at 2015, without Maine and Winters matters, and comparing spending to that year, it was estimated that an additional $62,000 would be necessary to add to the Legal budget.

Council also authorized up to $8,000 be spent retaining outside counsel to advise the Human Resources Committee regarding the City's grievance policy. That attorney has now been retained. It is undetermined at this time from which account these fees will be paid.

Recommendation: Your approval is recommended.

alj

EXHIBIT A

2016 BUDGET				
ACCOUNT	DESCRIPTION	DATE	AMOUNT	BALANCE
2120	LEGAL - opening balance			$ 72,870.00
	DAVCZYK-22nd Ave. project	2/10/2016	$ 396.00	$ 72,474.00
	Transfer from 2015 budget-$35,000	3/1/2016		$ 107,474.00
	US BANK-Dregne hotel (Maine)	3/8/2016	$ 82.00	$ 107,392.00
	STAFFORD-Maine open mtg law	3/16/2016	$ 23,055.39	$ 84,336.61
	STAFFORD-Maine annexations	3/16/2016	$ 5,305.00	$ 79,031.61
	STAFFORD-Coop boundary plan	3/16/2016	$ 630.00	$ 78,401.61
	STAFFORD-Maine media relations	3/16/2016	$ 247.50	$ 78,154.11
	STAFFORD-Maine public rec. req.	4/6/2016	$ 4,297.50	$ 73,856.61
	STAFFORD-Coop boundary plan	4/6/2016	$ 19,988.90	$ 53,867.71
	STAFFORD-Maine annexations	4/6/2016	$ 2,590.00	$ 51,277.71
	STAFFORD-Maine open mtg law	4/6/2016	$ 7,953.75	$ 43,323.96
	STAFFORD-Applebee's tax claim	4/6/2016	$ 67.50	$ 43,256.46
	STAFFORD-Walgreens tax claim	4/6/2016	$ 90.00	$ 43,166.46
	DAVCZYK-22nd Ave. project	4/13/2016	$ 405.25	$ 42,761.21
	US BANK-Wachewicz hotel (invest)	4/13/2016	$ 82.00	$ 42,679.21
	STAFFORD-Walgreens tax claim	5/4/2016	$ 101.25	$ 42,577.96
	STAFFORD-Menards tax claim	5/4/2016	$ 45.00	$ 42,532.96
	STAFFORD-Maine open mtg law	5/4/2016	$ 3,773.25	$ 38,759.71
	STAFFORD-Maine annexations	5/4/2016	$ 67.50	$ 38,692.21
	STAFFORD-Coop boundary plan	5/4/2016	$ 1,735.00	$ 36,957.21
	STAFFORD-Maine pub records req	5/4/2016	$ 1,155.00	$ 35,802.21
	STAFFORD-Maine media relations	5/4/2016	$ 67.50	$ 35,734.71
	DAVCZYK-22nd Ave. project	5/11/2016	$ 273.00	$ 35,461.71
	DAVIS KUELTHAU-Winters investig.	5/25/2016	$ 11,388.56	$ 24,073.15
	DAVIS KUELTHAU-Winters investig.	5/25/2016	$ 12,312.22	$ 11,760.93
	STAFFORD-Coop boundary plan	6/15/2016	$ 45.00	$ 11,715.93
	STAFFORD-Maine pub records req	6/15/2016	$ 22.50	$ 11,693.43
	STAFFORD-Applebee's tax claim	6/15/2016	$ 67.50	$ 11,625.93
	STAFFORD-Maine open mtg law	6/15/2016	$ 11,970.01	$ (344.08)

	STAFFORD-Achieve Center Exempt	6/15/2016	$	2,722.50	$	(3,066.58)
	BUELOW-general muni. matters	6/29/2016	$	1,625.00	$	(4,691.58)
	DAVCZYK-22nd Ave. project	6/29/2016	$	1,509.20	$	(6,200.78)
	DAVCZYK-open rec req. Sisk	6/29/2016	$	1,039.50	$	(7,240.28)
	STAFFORD-Walgreens tax claim	6/29/2016	$	22.50	$	(7,262.78)
	STAFFORD-Maine open mtg law	6/29/2016	$	2,782.50	$	(10,045.28)
	STAFFORD-Coop boundary plan	6/29/2016	$	495.00	$	(10,540.28)
	STAFFORD-Maine pub records req	6/29/2016	$	45.00	$	(10,585.28)
	STAFFORD-Achieve Center Exempt	6/29/2016	$	22.50	$	(10,607.78)
	STAFFORD-Mar. Electric tax appeal	6/29/2016	$	22.50	$	(10,630.28)

2016 LEGAL FEES PAID BY ATTORNEY'S OFFICE

FIRM	AMOUNT	MATTER	STATUS
Davczyk & Varline	$ 396.00	22nd Ave. project	Open
US Bank	$ 82.00	Dregne hotel charge (Maine)	Open
Stafford Rosenbaum	$23,055.39	Maine open mtg law violation	Open
Stafford Rosenbaum	$ 5,305.00	Maine annexations	Open
Stafford Rosenbaum	$ 630.00	Cooperative boundary plan	Open
Stafford Rosenbaum	$ 247.50	Maine media relations	Open
Stafford Rosenbaum	$4,297.50	Maine public records request #1	Open
Stafford Rosenbaum	$19,988.90	Cooperative boundary plan	Open
Stafford Rosenbaum	$2,590.00	Maine annexations	Open
Stafford Rosenbaum	$7,953.75	Maine open mtg law violation	Open
Stafford Rosenbaum	$ 67.50	Applebee's tax claim	Open
Stafford Rosenbaum	$ 90.00	Walgreens tax claim	Open
Davczyk & Varline	$ 405.25	22nd Ave. project	Open
US Bank	$ 82.00	Wachewicz hotel (investigation)	Closed
Stafford Rosenbaum	$ 101.25	Walgreens tax claim	Open
Stafford Rosenbaum	$ 45.00	Menards tax claim	Open
Stafford Rosenbaum	$3,773.25	Maine open mtg law violation	Open
Stafford Rosenbaum	$ 67.50	Maine annexations	Open
Stafford Rosenbaum	$1,735.00	Cooperative boundary plan	Open
Stafford Rosenbaum	$1,155.00	Maine public records request #1	Open
Stafford Rosenbaum	$ 67.50	Maine media relations	Open
Davczyk & Varline	$ 273.00	22nd Ave. project	Open
Davis Kuelthau	$11,388.56	Winters Investigation	Closed
Davis Kuelthau	$12,312.22	Winters Investigation	Closed
Stafford Rosenbaum	$ 45.00	Cooperative boundary plan	Open
Stafford Rosenbaum	$ 22.50	Maine public records request #1	Open
Stafford Rosenbaum	$ 67.50	Applebee's tax claim	Open
Stafford Rosenbaum	$11,970.01	Maine open mtg law violation	Open
Stafford Rosenbaum	$2,722.50	Achieve Center exemption request	Closed
Buelow Vetter	$1,625.00	General municipal matters	Open
Davczyk & Varline	$1,509.20	S. 22nd Ave. project	Open
Davczyk & Varline	$1,039.50	ORR-Sisk	Open
Stafford Rosenbaum	$ 22.50	Walgreens tax claim	Open
Stafford Rosenbaum	$2,782.50	Maine open mtg law violation	Open
Stafford Rosenbaum	$ 495.00	Cooperative boundary plan	Open
Stafford Rosenbaum	$ 45.00	Maine public records request #1	Open
Stafford Rosenbaum	$ 22.50	Achieve Center exemption	Closed
Stafford Rosenbaum	$ 22.50	Marathon Electric tax appeal	Closed
TOTAL	**$118,500.28**		

MAINE ANNEXATION INVOICES

ANNEXATIONS

VENDOR	DESCRIPTION	DATE	AMOUNT	TOTAL
Stafford Rosenbaum	12/17-12/30/15	12/31/2015	$11,245.00	$11,245.00
Stafford Rosenbaum	1/4-1/29/16	3/16/2016	$5,305.00	$16,550.00
Stafford Rosenbaum	2/1-2/17/16	4/6/2016	$2,590.00	$19,140.00
Stafford Rosenbaum	3/30/2016	5/4/2016	$67.50	$19,207.50

OPEN MEETINGS LAW VIOLATION

VENDOR	DESCRIPTION	DATE	AMOUNT	TOTAL
Stafford Rosenbaum	12/19-12/31/15	12/31/2015	$15,309.10	$15,309.10
Stafford Rosenbaum	1/3-1/30/16	3/16/2016	$23,055.39	$38,364.49
Stafford Rosenbaum	2/1-2/19/16	4/6/2016	$7,953.75	$46,318.24
Stafford Rosenbaum	3/3-3/31/16	5/4/2016	$3,773.25	$50,091.49
Stafford Rosenbaum	4/1-4/29/16	6/15/2016	$11,970.01	$62,061.50
Stafford Rosenbaum	5/2-5/26/16	6/29/2016	$2,782.50	$64,844.00

OPEN RECORDS REQUEST

VENDOR	DESCRIPTION	DATE	AMOUNT	TOTAL
Stafford Rosenbaum	2/5-2-2916	4/6/2016	$4,297.50	$4,297.50
Stafford Rosenbaum	3/1-3/18/16	5/4/2016	$1,155.00	$5,452.50
Stafford Rosenbaum	4/26/2016	6/15/2016	$22.50	$5,475.00
Stafford Rosenbaum	5/3/2016	6/29/2016	$45.00	$5,520.00

COOPERATIVE BOUNDARY PLAN

VENDOR	DESCRIPTION	DATE	AMOUNT	TOTAL
Stafford Rosenbaum	1/6-1/29/16	3/16/2016	$630.00	$630.00
Stafford Rosenbaum	2/4-2/29/16	4/6/2016	$19,988.90	$20,618.90
Stafford Rosenbaum	3/1-3/18/16	5/4/2016	$1,735.00	$22,353.90
Stafford Rosenbaum	4/12/2016	6/15/2016	$45.00	$22,398.90
Stafford Rosenbaum	5/2-5/17/16	6/29/2016	$495.00	$22,893.90

MEDIA RELATIONS

VENDOR	DESCRIPTION	DATE	AMOUNT	TOTAL
Stafford Rosenbaum	1/15-1/19/16	3/16/2016	$247.50	$247.50
Stafford Rosenbaum	3/16/2016	5/4/2016	$67.50	$315.00

MISCELLANEOUS

VENDOR	DESCRIPTION	DATE	AMOUNT	TOTAL
Anne Jacobson	Lawsuit filing fee reimbursement	2/10/2016	$164.50	$164.50
FedEx	Atty. Frojker ORR to Stafford	2/24/2016	$134.04	$298.54
US Bank	Dregne hotel charge (2/2/16)	3/8/2016	$82.00	$380.54
Willette Court Report	Coop plan pub. hrg. Transcript	3/8/2016	$86.80	$467.34
			GRAND TOTAL	**$113,247.74**

WINTERS INVOICES

INVESTIGATION 110-13092120 (Atty Legal) & 110-3393110 (Council)

DATE	VENDOR	AMOUNT	TOTAL
4/13/2016	US Bank-Wachewicz hotel (3110)	$82.00	$82.00
5/25/2016	Davis Kuelthau-Wachewicz report	$11,388.56	$11,470.56
5/25/2016	Davis Kuelthau-Wachewicz report	$12,312.22	$23,782.78

MANDAMUS CASE NO. 16CV291 110-3393110 (FedEx) and 171-155092120 (Claims)

DATE	VENDOR	AMOUNT	TOTAL
5/17/2016	Davczyk & Varline LLC 4/27-4/29/16	$1,930.50	$1,930.50
5/25/2016	FedEx	$35.73	$1,966.23

ETHICS COMPLAINT (110-3393110 (FedEx) and _____

DATE	VENDOR	AMOUNT	TOTAL
5/25/2016	FedEx	$29.74	$29.74
6/28/2016	Weld Riley **(to be paid)**	$989.00	$1,018.74
		GRAND TOTAL	**$26,767.75**

Additional invoices anticipated from Weld Riley and Davczyk & Varline

EXHIBIT E

SUMMARY OF EXCESSIVE ASSESSMENT CLAIMS IN CIRCUIT COURT

CASE	2010		2011		2012		2013	
	Assessment	Tax	Assessment	Tax	Assessment	Tax	Assessment	Tax
Walgreens – Bridge Street (11CV958) (7/26/11) §74.37	(C) $3,265,800 (W) $1,984,200 $1,281,600	(C) $81,753.74 (W) $49,724.05 $32,029.69	(C) $3,265,800 (W) $1,855,440 $1,410,360	(C) $81,328.01 (W) $46,249.00 $35,079.01	(C) $3,265,800 (W) $1,855,440 $1,410,360	(C) $81,328.01 (W) $46,249.00 $35,079.01	N/A	N/A
TOTAL REFUND REQUESTED $141,586.71								
Walgreens – 17th Ave. (13CV604) (7/5/13) §74.37 Consolidated 8/15/13 with 11CV958	N/A	N/A	N/A	N/A	(C) $3,631,000 (W)$2,000,000 $1,631,000	(C) $87,801.00 (W) $48,402.00 $39,399.00	N/A	N/A
TOTAL REFUND REQUESTED $39,399.00 INCLUDED WITH TOTAL ABOVE								
Walgreens- Both properties (14CV546)	N/A	N/A	N/A	N/A	N/A	N/A	17th Avenue (C) $5,500,000 (W)$3,750,000 $1,750,000 Bridge Street (C) $4,550,000 (W)$1,953,000 $2,597,000	17th Avenue (C) $132,497.40 (W $ 90,316.55 $ 42,180.85 Bridge Street (C) $109,599.23 (W)$ 47,002.85 $ 62,596.38
TOTAL REFUND REQUESTED $104,777.23 GRAND TOTAL OF WALGREENS REQUESTED REFUND $246,363.94 TOTAL REFUND PAID PER SETTLEMENT $212,524 (2010-2013 FOR BOTH PROPERTIES)								

CASE	2010		2011		2012		2013		2014	
	Assessment	Tax	Assessment	Tax	Assessment	Tax	Assessment	Tax	Assessment	Tax
WI Hospitality Group (Applebee's) (14CV544)	N/A	N/A	N/A	N/A	N/A	N/A	(C) $1,905,100 (A)$1,435,852 $ 469,248	(C) $ 45,848.30 (A) $ 34,537.85 $ 11,310.45		
TOTAL REFUND REQUESTED $11,310.45										
Financial Way (14CV543)							(C) $5,445,400 (F) $2,713,250 $2,732,150	(C)$131,181.36 (F)$ 65,327.41 $ 65,853.95		
TOTAL REFUND REQUESTED $65,853.95 SETTLED – NO REFUND										
CVS Pharmacy (15CV452)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(C) $3,875,000 (P) $1,553,700 $2,321,300	(C) $94,261.42 (P) $37,823.56 $56,437.86
TOTAL REFUND REQUESTED $56,437.86										
ASSOCIATED BANK filed a Claim for Excessive Assessment on January 27, 2015									Assessment	Tax
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(C) $2,074,100 (P) $1,294,750 $ 779,350	(C) $50,492.00 (P) $31,520.00 $18,972.00
TOTAL REFUND REQUESTED $18,792.00 PARTIAL PAYMENT MADE $16,773.00										
									Assessment	Tax
Financial Way (15CV561)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(C) $6,041,000 (P) $2,589,500 $3,451,500	(C) $147,063.23 (P) $ 63,039.27 $ 84,023.96
TOTAL REFUND REQUESTED $84,023.96 REFUND PAID PER SETTLEMENT $10,843.00										

CASE									2014	
									Assessment	Tax
WI Hospitality Group (Applebee's) (15CV560)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(C) $1,905,100 (P) $1,370,363 $ 534,737	(C) $46,378.11 (P) $33,360.38 $13,017.73
TOTAL REFUND REQUESTED $13,017.73										
MENARD, INC. filed a Claim for Excessive Assessment on January 30, 2015 and was deemed disallowed by Council on April 14, 2015									Assessment	Tax
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(C) $12,740,000 (P) $ 6,150,000 $ 6,590,000	(C) $310,072.63 (P) $149,716.74 $160,355.89
TOTAL REFUND REQUESTED $160,355.89										
WALGREENS – 105 Central Bridge Street									Assessment	Tax
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(C) $4,550,000 (P) $1,657,281 $2,892,719	(C) $110,766.00 (P) $ 40,345.00 $ 70,421.00
TOTAL REFUND REQUESTED $70,421.00										
WALGREENS – 504 S. 17th Avenue									Assessment	Tax
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(C) $5,500,000 (P) $3,884,251 $1,615,749	(C) $133,893.00 (P) $ 94,559.00 $ 39,334.00
TOTAL REFUND REQUESTED $39,334.00 GRAND TOTAL OF WALGREENS REQUESTED REFUND $109,755.00 TOTAL REFUND PAID PER SETTLEMENT $99,811.00 (BOTH LOCATIONS)										

CASE	2015	
	Assessment	Tax
Walgreens – S. 17th Avenue (15CV855)	(C) $5,500,000 (W) $2,000,000 $3,500,000	(C) $133,893.00 (W) $ 85,205.00 $ 48,688.00
TOTAL REFUND REQUESTED $48,688.00		
U.S. Bank – 401 N. 5th Street filed a Claim for Excessive Assessment on January 27, 2015 and was deemed disallowed by Council on March 22, 2016		
	Assessment	Tax
	(C)$4,539,900 (U)$2,060,760 $2,479,140	(C)$116,099.61 (U)$ 52,700.15 $ 63,399.46
TOTAL REFUND REQUESTED $63,399.46		
Patrick & Amanda France – 226 Fountain Hills Blvd. filed a Claim for Excessive Assessment on January 27, 2015 and was deemed disallowed by council On March 22, 2016		
	Assessment	Tax
	(C)$341,500 (F)$253,000 $ 88,500	(C)$8,315.01 (F)$6,865.43 $1,449.58
TOTAL REFUND REQUESTED $1,449.58		
CVS Pharmacy – 102 Central Bridge St. filed a Claim for Excessive Assessment on January 25, 2016 and was deemed disallowed by council on March 22, 2016		
	Assessment	Tax
	(C)$3,875,000 (P)$1,507,800 $2,367,200	(C)$99,021.53 (P)$38,559.12 $60,462.41
TOTAL REFUND REQUESTED $60,462.41		

CASE	2015	
WI Hospitality Group (Applebee's) filed a Claim for Excessive Assessment on January 27, 2016 and was deemed disallowed by council on March 22, 2016		
	Assessment	**Tax**
	(C)$1,905,100 (A)$ 904,724 $1,000,376	(C)$48,719.43 (A)$23,136.65 $25,582.78
TOTAL REFUND REQUESTED $25,582.78		

GRAND TOTAL REFUND REQUESTED $965,493.01

TOTAL REFUND PAID $339,951

7/11/16

PENDING LITIGATION

DEFENDANT	ACCOUNT NO.	RETENTION	PAID TO DATE
Ronda Rydbom	171-155092120	No	$5,634.00 (2015 to present)
Brent Zocher	171-155092120	Duty to defend	$29,192.79 (2015 to present)
Derrick Sangster	171-155092120	No	$30,102.55 (2015 to present)
Hiawatha Restaurant	171-155092120	No	$2,536.50 (2015 to present)
Janet Coleman	171-155092120	$35,000	$4,790.30 (2015 to present)
Keene Winters-Mandamus	171-155092120/110-3393110	$40,000	$1,966.23 (2016)
Keene Winters-Ethics	?	No	$29.74 ($989 to be paid) (2016)
Nowell, IC Willy's	?	RSUI-No Ironshore (pending)	0 (2016)
Dakota Intertek	171-155092120	No	0 (2016)
Scott Schoenfeldt	? / 110-3393110	No	$54.70 (2015 to present)
Village of Maine	110-13092120	No	$113,247.74 (2015 to present)
Tim Kieffer	171-155092120	$40,000	$33,590.00 (2015 to present)
S. 22nd Avenue Project	110-13092120	No	$3,605.02 (2015 to present)
Walgreens tax litigation	144-344092120/110-13092120 50/50 split	No	$182,321.95 (2012 to present)
CVS tax litigation	146-348192120	No	$19,964.13 (2014 to present)
Applebee's tax litigation	110-13092120	No	$18,721.74 (2014 to present)
Menard tax litigation	110-13092120	No	$1,327.50 (2016)

7/11/16

171-155092120-Claims
110-13092120-Attorney legal acct.
110-3393110-Postage
144-344092120-TIF #6
146-348192120-TIF #8

CIRCUIT COURT PENDING CASES

OWI'S & TRAFFIC

DEFENDANT	CASE NO.	ATTORNEY	BRANCH	STATUS	DATE
Zeidler, Timothy	15TR176	Dick Lawson	1		Stip signed 7/6/16
Batterman, Thomas	15CV35	Keith Ellison	Ju. Knox-Bauer	Warning: Landretti	
Kostecki, Adam	15TR1551	Keith Ellison	4	Final pretrial Jury trial	September 6, 2016 September 15, 2016
Westcott, Michael	15TR3978	Keith Ellison	1	Oral Ruling	August 8, 2016
Passineau, Forest	15TR4796, 4611	John Stichert	1	Waiting for Judge to watch video	
Krueger, Alan	15TR5140, 5141	Peter Karoblis	4	Motion hrg. Jury trial	August 24, 2016 September 7, 2016
Spaude, Jolene		Rick Cveykus			
Montalvo, Chad	15TR5478, 5548	Keith Ellison	5	Final Pretrial Jury trial	July 21, 2016 August 2, 2016
Costello, Krystal		John Schellpfeffer			
Boehm, Kaitlyn	16TR2372, 2534	Keith Ellison	5	Pretrial	July 21, 2016

SUITS

DEFENDANT	CASE NO.	ATTORNEY	BRANCH	STATUS	DATE
Rydbom, Ronda	15CV510	Wolfgang/Ellison	4	Final pretrial	October 28, 2016
Zocher, Brent	15CV375	Russell Golla	1	Final pretrial Jury trial	January 17, 2017 February 20-24, 2017
Sangster, Derrick	15C0727 (Dist. Ct.)	Wolfgang			
Hiawatha Restaurant	15CV786	Varline/McCartan	1	Status conference	July 27, 2016

OTHERS

PLAINTIFF	CASE NO.	ATTORNEY	BRANCH	STATUS	DATE
Torgerson, Kristopher	14GF20		5		
Kieffer, Tim (ERD)	CR201501559	Matthew Yde			
Kieffer, Tim (HUD)	05-15-1115-8	Matthew Yde			
Coleman, Janet (ERD)	CR201403398	Gunta			
City of Wausau v. Village of Maine	16CV74	StaffordRosenbaum Lori Lubinsky	1		
Keene Winters	16CV291	Dan Varline	Jg. Russell		
Nowell, IC Willy's	16CV304 (Fed Ct)	Gunta			
Dakota Intertek	16CV397	Dan Varline	1		
Schoenfeldt, Scott ERD	CR201601180				
Schoenfeldt, Scott EEOC	443-2016-00235	Gunta			

TAXES

WALGREEN CO. – 15CV855

BRANCH 5

DATE	STATUS

CVS – 15CV452

BRANCH 1

DATE	STATUS

APPLEBEE'S – 15CV560

BRANCH 2

DATE	STATUS
March 15, 2016	Parties and pleadings and plaintiff's experts due
June 15, 2016	City names experts
July 8, 2016	Challenges to the admissibility of any expert testimony due
July 15, 2016	Rebuttal experts due
August 26, 2016	ADR completed
September 8, 2016	Discovery and lay witnesses due – Final PT
September 2, 2016	Motions in limine due
October 18-20, 2016	Court trial

MENARD, INC. – 15CV850

BRANCH 4

DATE	STATUS
August 9, 2016	Scheduling conference

7/7/16

TO: FINANCE COMMITTEE

FROM: MARYANNE GROAT

DATE: JULY 6, 2016

RE: APPLICATION FOR A STATE TRUST FUND LOAN

PURPOSE:

To consider and recommend submitting a request to the Commissioner of Public Lands for a State Trust Fund Loan application to fund the 2016 Capital Projects for the Water and Sewer Utility and the land acquisition for the business park expansion.

BACK GROUND INFORMATION

The Water and Sewer Utility Commission approved the 2016 Capital Plan. We reviewed the financial capacity of the Utility and recommend financing $4,000,000 with a State of Wisconsin State Trust Fund Loan. The Utility had not concluded their capital planning at the time the City issued debt earlier this spring. The current 10 year rates provided by the Wisconsin State Trust Fund Loan are 3%. There are no debt issuance costs associated with loan and the loan can be retired at any time without penalty.

In addition to the Water and Sewer capital needs the City needs to fund the purchase of the business park expansion purchase authorized in May in the amount of $827,000.

If approved by the Finance Committee I will submit a request to the State for an application which will then be considered for final approval by Finance Committee and Common Council.

An estimated amortization schedule is attached. The final schedule is established by the State when the draw of funds occurs.

2016 STATE TRUST FUND LOAN

	Total Issue			Water Utility			Sewer Utility			Business Campus		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2019	$ 415,804	$ 212,599	$ 628,403	$ 172,283	$ 88,087	$ 260,370	$ 172,283	$ 88,087	$ 260,370	$ 71,238	$ 36,425	$ 107,663
2020	496,067	132,336	628,403	205,538	54,832	260,370	205,538	54,832	260,370	84,991	22,672	107,663
2021	510,949	117,454	628,403	211,705	48,665	260,370	211,705	48,665	260,370	87,539	20,124	107,663
2022	526,278	102,125	628,403	218,056	42,314	260,370	218,056	42,314	260,370	90,166	17,497	107,663
2023	542,066	86,337	628,403	224,597	35,773	260,370	224,597	35,773	260,370	92,872	14,791	107,663
2024	558,328	70,075	628,403	231,335	29,035	260,370	231,335	29,035	260,370	95,658	12,005	107,663
2025	575,078	53,325	628,403	238,276	22,094	260,370	238,276	22,094	260,370	98,526	9,137	107,663
2026	592,330	36,073	628,403	245,424	14,946	260,370	245,424	14,946	260,370	101,482	6,181	107,663
2027	610,100	18,303	628,403	252,786	7,584	260,370	252,786	7,584	260,370	104,528	3,135	107,663
	$ 4,827,000	$ 828,627	$ 5,655,627	$ 2,000,000	$ 343,330	$ 2,343,330	$ 2,000,000	$ 343,330	$ 2,343,330	$ 827,000	$ 141,967	968,967

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL
Period Ended May 31, 2016

	Budgeted Amounts			Variance with	2015
	Original	Final	Actual	Final Budget	Actual
TAXES					
General property taxes	$ 16,749,259	$ 16,749,259	$ 16,749,259	$ -	$ 16,200,627
Mobile home parking fees	27,000	27,000	14,251	(12,749)	14,448
Payments in lieu of taxes	108,000	108,000	1,000	(107,000)	29,081
Other taxes	69,185	69,185	31,805	(37,380)	31,490
Total Taxes	16,953,444	16,953,444	16,796,315	(157,129)	16,275,646
INTERGOVERNMENTAL					
State shared taxes	4,437,159	4,437,159	-	(4,437,159)	-
Expenditure restraint	734,231	734,231	-	(734,231)	-
Fire insurance tax	102,678	102,678	-	(102,678)	-
Municipal services	184,000	184,000	185,466	1,466	184,010
Transportation aids	2,448,749	2,448,749	1,222,611	(1,226,138)	1,268,658
Other grants	2,700	2,700	341	(2,359)	60,724
Total Intergovernmental	7,909,517	7,909,517	1,408,418	(6,501,099)	1,513,392
LICENSES AND PERMITS					
Licenses	181,115	181,115	117,458	(63,657)	115,751
Franchise fees	355,000	355,000	99,004	(255,996)	60,360
Permits	237,792	237,792	132,618	(105,174)	68,684
Total Licenses and Permits	773,907	773,907	349,080	(424,827)	244,795
FINES, FORFEITURES AND PENALTIES	357,000	357,000	170,792	(186,208)	160,483
PUBLIC CHARGES FOR SERVICES					
General government	81,600	81,600	46,780	(34,820)	29,227
Public safety	1,426,270	1,426,270	597,138	(829,132)	591,070
Streets and related facilities	128,850	128,850	56,720	(72,130)	73,881
Recreation	188,500	188,500	59,639	(128,861)	51,220
Public areas	123,874	123,874	26,644	(97,230)	18,988
Total Public Charges for Services	1,949,094	1,949,094	786,921	(1,162,173)	764,386
INTERGOVERNMENTAL CHARGES FOR SERVICES					
State and federal reimbursements	11,340	11,340	200	(11,140)	120
County and other municipalities	280,981	280,981	47,559	(233,422)	25,347
City departments	1,105,647	1,105,647	163,679	(941,968)	10,274
Total Intergovernmental Charges for Services	1,397,968	1,397,968	211,438	(1,186,530)	35,741

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL (Continued)
Period Ended May 31, 2016

	Budgeted Amounts			Variance with	2015
	Original	Final	Actual	Final Budget	Actual
COMMERCIAL					
Interest on general investments	$ 275,000	$ 275,000	$ 189,804	$ (85,196)	$ 71,649
Interest on special assessments	15,000	15,000	32	(14,968)	199
Other interest	15,000	15,000	10,670	(4,330)	17,557
Total Commercial	305,000	305,000	200,506	(104,494)	89,405
MISCELLANEOUS REVENUES					
Rent of land and buildings	216,590	216,590	106,200	(110,390)	109,485
Sale of City property/loss compensation	13,700	13,700	2,338	(11,362)	13,418
Other miscellaneous revenues	16,470	16,470	3,702	(12,768)	2,539
Total Miscellaneous Revenues	246,760	246,760	112,240	(134,520)	125,442
OTHER FINANCING SOURCES					
Transfers in	1,882,500	1,882,500	635,984	(1,246,516)	621,401
TOTAL REVENUES AND OTHER FINANCING SOURCES	$ 31,775,190	$ 31,775,190	$ 20,671,694	$ (11,103,496)	$ 19,830,691

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
Period Ended May 31, 2016

	Budgeted Amounts			Variance with	2015
	Original	Final	Actual	Final Budget	Actual
GENERAL GOVERNMENT					
City Council	$ 90,311	$ 90,311	$ 36,908	$ 53,403	$ 31,932
Mayor	201,374	201,374	80,044	121,330	77,875
City Promotion	108,750	108,750	52,704	56,046	46,370
Finance department	500,044	500,044	193,956	306,088	196,619
Data processing	732,798	732,798	301,671	431,127	306,610
City clerk/customer service	498,163	498,163	213,933	284,230	193,841
Elections	120,012	120,012	41,315	78,697	17,493
Assessor	595,516	595,516	258,569	336,947	210,694
City attorney	489,805	524,805	269,004	255,801	169,216
Municipal court	128,605	128,605	49,624	78,981	47,064
Human resources	297,419	302,419	126,991	175,428	116,004
City hall and other municipal buildings	289,766	284,766	125,767	158,999	115,460
Unclassified	170,000	167,361	26,122	141,239	105,499
Total General Government	4,222,563	4,254,924	1,776,608	2,478,316	1,634,677
PUBLIC SAFETY					
Police department	9,004,956	9,026,903	3,554,624	5,472,279	3,449,085
Fire department	3,509,532	3,519,671	1,464,112	2,055,559	1,449,867
Ambulance	3,106,578	3,106,578	1,149,080	1,957,498	1,104,778
Inspections and electrical systems	765,343	765,343	285,636	479,707	253,121
Total Public Safety	16,386,409	16,418,495	6,453,452	9,965,043	6,256,851
TRANSPORTATION AND STREETS					
Engineering	1,302,086	1,327,086	457,057	870,029	503,057
Department of public works	6,332,072	6,307,072	2,422,070	3,885,002	2,322,516
Total Transportation and Streets	7,634,158	7,634,158	2,879,127	4,755,031	2,825,573
SANITATION, HEALTH AND WELFARE					
Garbage and refuse collection	958,000	958,000	383,178	574,822	514,164
NATURAL RESOURCES/RECREATION					
Parks and recreation	2,574,060	2,588,638	636,180	1,952,458	606,990
TOTAL EXPENDITURES	$ 31,775,190	$ 31,854,215	$ 12,128,545	$ 19,725,670	$ 11,838,255

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SUMMARY OF BUDGET MODIFICATIONS
Period Ended May 31, 2016

BUDGET REVENUES RECONCILIATION

2016 ADOPTED BUDGET	$ 31,775,190

BUDGET EXPENDITURES RECONCILIATION

2016 ADOPTED BUDGET	$ 31,775,190
Resolution 14-1109 Modify fire department budget to develop succession planning	7,500
Resolution 15-1109 Increase budget for legal fees	35,000
Resolution 15-1109 Carryover funds for boulevard tree removal and stump grinding projects	14,578
Carryover for Police Department tactical helmet and body armor carriers	21,947
2016 MODIFIED BUDGET	$ 31,854,215

CITY OF WAUSAU 2016 BUDGET

GENERAL FUND STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
May 31, 2016
NARRATIVE

REVENUES

Below is a description of notable items.

Payment in Lieu of Taxes – The majority of these payments are recognized at yearend. The 2015 and 2016 comparison represent a timing difference.

Other Grants –The short fall from 2015 YTD is due to the ending of the police department grants in 2015. This will not impact the 2016 budget which properly reflected expected grants.

Licenses – License revenue exceeds 2015 YTD. At this point it is difficult to determine if it is a timing issue or more activity. This information will be clearer in the next couple of months as the majority of licenses are issued by June 30th.

Permits – Building permits are showing a positive variance from 2015 major areas experiencing the increase are building, plumbing and electrical permits. The new licensing system significantly improves the licensing revenue collection cycle. The prior system required additional staff effort to invoice for the permits and often staff was months behind. The new system invoices immediately when the permit is issued and allows payment online. Online payment is widely used.

Fines, Forfeitures and Penalties – This revenue is comparative to 2015 collections. The revenue could fail to meet projections as the 2015 final income was $337,841.

Public Charges General Government – 2016 revenues includes $12,050 for the fee for exempt not-for-profit reports which is a biennial filing. No budget problems are expected.

Public Charges Streets – 2016 revenues appear down from 2015 but the decrease represents a reduction of damage of street lights and signals due to accidents so the expense to replace these assets will also decrease.

Public Charges Recreation –2016 revenues are off to a great start with sledding hill above 2015 by about $8,000.

Public Charges Public Areas – 2016 revenues are also off to a great start with the sledding hill concessions with revenue increasing from 2015 by about $1,700.

Intergovernmental Charges for Services – No expected budget difficulties expected at this time: county and other municipality revenue includes a police grant with Marathon County and inspection services with Weston. City Departments represent monthly staffing allocations which were not implemented until later in the year for 2015.

Interest on General Investments – The 2016 and 2015 interest reflect timing of maturities and related interest accruals. No budget problems noted.

Miscellaneous Revenues – The 2016 budget provides for $76,000 from Wausau Center Mall.

Other Financing Sources - No expected budget difficulties expected at this time. PILOT from the utility is being posted monthly.

EXPENSES

The budget to date appears in line with the budget with 38% of the budget spent and 41.7% of the year complete.

City Clerk/customer service – This budget is higher than the prior year due to additional postage costs related to the election and absentee voting.

Assessor – This budget contains the payout for the City Assessor. The vacancy will likely offset some of the sick leave payout costs but could result in a deficit.

City Attorney – This budget contains the legal fees for the annexation issue. A budget modification is proposed to supplement the budget.

City hall and other municipal buildings – this is running slightly above budget due to some unexpected repairs but should not cause budget problems long term.

BUDGET RISKS

- Fines and Forfeitures $20,000
- Sick leave payouts
- Excessive tax payments
- 4th Quarter winter costs
- Elimination of the Rental Licensing Program
- Legal Fees

TRANSFER OF FUNDS/CHANGE OF PURPOSE REQUEST FORM

Requested: Dept: Public Works Date: 7-1-16

Reviewed by Finance: Date:

Reviewed by Mayor: Date:

Transfer Explanation and Justification:

Org 1023
Buildings & Grounds

FROM / TO	ACCOUNT NUMBER	ACCOUNT NAME	$ AMOUNT
	TRANSFER OF FUNDS		
From	PW315-4-8340	Sale of Salvage-Fixed Assets	$6,445.00
From			
To	PW315-4-3490	Other Operating Supplies	$6,445.00
To			

COMMENTS:

Fin. Committee Approval ☐ Denial ☐ Date:_____ Council Approval ☐ Denial ☐ Date:_____

Submit three copies of form to Finance Department - Upon Council Action: 1 - Council File 2 - Department 3 - Finance Department

CITY OF WAUSAU
Wausau, Wisconsin

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended
December 31, 2015

Finance Department
Maryanne Groat, Finance Director / Treasurer
Richard M. Whalen, Accounting Manager

CITY OF WAUSAU, WISCONSIN
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Year Ended December 31, 2015

TABLE OF CONTENTS

INTRODUCTORY SECTION **PAGE**

Letter of Transmittal iv
Certificate of Achievement for Excellence in Financial Reporting vii
Organization Chart viii
List of Principal Officials ix

FINANCIAL SECTION

Independent Auditor-s Report 1
Management-s Discussion and Analysis 3
Basic Financial Statements:
Government-wide Financial Statements:
Statement of Net Position 12
Statement of Activities 14
Fund Financial Statements:
Balance Sheet - Governmental Funds 16
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds 18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities 19
Statement of Net Position - Proprietary Funds 20
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds 22
Statement of Cash Flows - Proprietary Funds 24
Statement of Fiduciary Net Position - Fiduciary Funds 26
Statement of Changes in Fiduciary Net Position - Fiduciary Funds 27
Notes to the Financial Statements 28

Required Supplementary Information:
Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund 77
Other Postemployment Benefits Plan - Schedule of Funding Progress 78
Net Pension Asset - Schedule of Employer Contributions 79
Net Pension Asset - Schedule of Employer Proportionate Share of Net Pension Liability (Asset) 80

Combining and Individual Fund Statements and Schedules:
Schedule of Revenues and Other Financing Sources - Budget and Actual - General Fund 81
Schedule of Expenditures and Other Financing Uses - Budget and Actual - General Fund 83
Combining Balance Sheet - Nonmajor Governmental Funds 84
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds 90
Budgetary Comparison Schedule - Nonmajor Budgeted Governmental Funds 96
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget And Actual - Debt Service Fund 104
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget And Actual - TID #3 Downtown Development Fund 105
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget And Actual - Capital Improvements Fund 106

TABLE OF CONTENTS (Continued)

FINANCIAL SECTION (Continued) **PAGE**

Combining Statement of Net Position - Nonmajor Enterprise Funds 107
Combining Statement of Revenues, Expenses and Changes in Net Position - Nonmajor Enterprise Funds…… 108
Combining Statement of Cash Flows - Nonmajor Enterprise Funds 109
Combining Statement of Net Position - Internal Service Funds 110
Combining Statement of Revenues, Expenses and Changes in Net Position - Internal Service Funds…..... 111
Combining Statement of Cash Flows - Internal Service Funds 112
Combining Statement of Fiduciary Net Position - Agency Funds 113
Combining Statement of Changes in Assets and Liabilities - Agency Funds 114
Capital Assets Used in the Operation of Governmental Funds:
Schedule by Function and Activity 115
Schedule of Changes by Function and Activity 116

STATISTICAL SECTION

Index to the Statistical Section 117

Schedules:

1 Net Position by Component Last Ten Fiscal Years 118
2 Changes in Net Position Last Ten Fiscal Years 119
3 Program Revenues by Function/Program Last Ten Fiscal Years 121
4 Fund Balances – Governmental Funds 122
5 Changes in Fund Balances – Governmental Funds 123
6 Assessed Value and Estimated Actual Value (Equalized Value) of Taxable Property 125
7 Property Tax Rates – Direct and Overlapping Governments Last Ten Fiscal Years 126
8 Principal Taxpayers, Current Year and Nine Years Prior 128
9 Property Tax Levies and Collections Last Ten Fiscal Years 129
10 Direct and Overlapping Sales Tax Rates Last Ten Fiscal Years 130
11 Outstanding Debt by Type Last Ten Fiscal Years 131
12 General Obligation Debt Last Ten Fiscal Years 132
13 Computation of Direct and Overlapping General Obligation Debt 133
14 Legal Debt Margin Calculation 134
15 Mortgage Revenue Bond Coverage Last Ten Fiscal Years 135
16 Demographic Statistics Last Ten Fiscal Years 137
17 Principal Employers Current Year and Nine Years Prior 138
18 Budgeted Full-Time Equivalent Personnel Positions Last Ten Fiscal Years 139
19 Operating Indicators by Function/Program 140
20 Capital Asset Statistics by Function/Program 141

June 27, 2016

To the Honorable Mayor, Members of the Common Council, and Citizens of the City of Wausau:

The Comprehensive Annual Financial Report of the City of Wausau for the fiscal year ended December 31, 2015 is hereby submitted.

Management Representations
Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City. In addition, we are not aware of any financial policies that had a significant impact on the current year's financial statements. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Reporting Entity
The City of Wausau provides a full range of municipal services, including police, fire protection, paramedic, sanitation, water and wastewater, recreation, public works, and administrative support services. In addition, the City facilitates economic and neighborhood development. These services are funded from various sources which include: property taxes, room tax, cable franchise fee, grants, user fees, and revenues from municipally owned utilities. These activities are under the direct oversight responsibility of the Mayor and constitute the primary governmental functions of the City of Wausau. In addition, the City of Wausau is also financially accountable for a legally separate Community Development Authority, which is reported separately as a discretely presented component unit, within the City of Wausau's financial statements.

Profile of the Government
The City of Wausau was incorporated as a city on April 2, 1872. The City is located in north central Wisconsin, approximately 181 miles northwest of Milwaukee, Wisconsin and 175 miles east of Minneapolis/St. Paul, Minnesota. Wausau is the county seat of Marathon County, which is Wisconsin's largest county, covering 1,584 square miles. The City of Wausau covers 18.27 square miles with approximately 258.8 miles of streets. County population per the 2010 census was 134,063 which includes the City's census population of 39,106. The City operates under the mayoral form of government. Policy making and legislative authority are vested in a governing council consisting of eleven alderpersons, elected by district, who serve two-year terms. The elected mayor serves a four-year term.

Financial Information
Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with General Accepted Accounting Principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Controls
The annual budget serves as the foundation for the City of Wausau's financial planning and control. Activities of the general fund, certain special revenue funds, debt service fund, capital projects funds and proprietary funds (exclusive of the discretely presented component unit) are included in the City's annual budget. City departments submit their annual budget requests for the ensuing year to the Mayor.

After all requests have been reviewed, services prioritized and available resources evaluated, the Mayor submits the budget to the Finance Committee for review and recommendation to the Common Council. After conducting a public hearing of the budget, the Common Council adopts the budget no later than the fourth Tuesday in November.

The budget as adopted includes total expenditures at the cost center level. A cost center can be a fund, department, program or other activity for which control of expenditures is considered desirable. Cost centers are defined as follows: General Fund at department level, Special Revenue and Capital Projects at program level and Debt Service at total fund level. The City's Finance Director and Mayor may authorize new appropriations or transfers of budgeted amounts within expenditures of a cost center up to $5,000. Amounts up to $15,000 require Finance Committee approval and transfers or new appropriations over $15,000 require two-thirds (2/3) Common Council approval to amend the budget.

Economic Condition and Outlook/Major Initiatives

Wausau is a significant regional center enjoying a diverse economic base including manufacturing, construction, retailing, banking, insurance, health care, legal and a variety of other professional services. In the past few years, the City of Wausau and the surrounding area within Marathon County have become appreciated as a travel/tourist destination. The area is now ranked 9th in the state for traveler tourism with more than $230 million in tourism spending in 2015. Some of the tourism spending can be attributed to the new soccer complex which opened for the 2015 season and hosted 124,000 visits.

The economy continues to strengthen. The annual unemployment rate in the city for 2015 was 3.7% as compared to 4.2% for the State of Wisconsin. Private investment within the community remains stable with 1,391 building permits issued in 2015 with a value of $85,333,890. Pew research recently noted that the City of Wausau maintains a significant share of middle income residents at 67% of the population which was the highest of the 200 metropolitan areas it examined.

Redevelopment efforts continue to focus on the remediation and infrastructure improvements within the approximately 17 acres along the riverfront in downtown. Throughout 2015, efforts included redevelopment planning and remediation of the polluted properties and the construction of street and parking infrastructure. After completing a competitive procurement process the City awarded the redevelopment of the site to Frantz Community Investors. The City and Frantz hope that construction of office and high density residential will begin in the fall of 2016.

Independent Audit

City policy is in accordance with state and federal requirements to provide for an annual audit by independent certified public accountants. The accounting firm of Schenck SC was selected by the City. The independent auditors' report is included in the Financial Section of this report. As part of the examination, the independent auditor is also issuing an internal control letter covering their review of the City's system of internal control.

Awards and Acknowledgements

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 Wausau for its comprehensive annual financial report (CAFR) submitted for the fiscal year ended on December 31, 2014. The Certificate of Achievement is a prestigious national award recognizing the conformance with the highest standards for preparation of the state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. This is the fifteenth year the City has received a Certificate of Achievement. We believe our current report continues to conform to the Certificate of Achievement program requirements and will submit this report to the GFOA.

Richard Whalen, Accounting Manager, deserves recognition for his efforts in preparing this year's report. The preparation of this high quality report would not have been possible without his dedication and skills. Credit must also be given to the mayor and council for their interest and support in planning and conducting the fiscal affairs of the City.

Respectfully Submitted,
CITY OF WAUSAU

Maryanne Groat, CPA
Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Wausau

Wisconsin

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO

CITY OF WAUSAU

Organizational Chart

Citizens of Wausau (Electorate)

Common Council

Mayor

Assessor-s Office

- Administration
- Inspections Division

Community Development

- Administration
- Community Development
- Housing Division
- Planning Division
- Business Development

Customer Service Department

- Administration
- Accounting Division
- Clerk/Customer Service Division

Fire Department

- Administration
- Inspections Division
- Operations Division

Human Resources Department

- Administration

City Attorneys Office

- Legal Staff

Parks Department

- Administration
- Forestry Division
- Maintenance and Development Division
- Recreation Division

Airport

- Contracted Airport Management
- Contracted Fixed Base Operator

Police Department

- Administration Bureau
- Investigations
- Patrol Operations

Public Works Department

- Administration
- Construction & Maintenance Division
- Engineering Division
- Parking Facility Division
- GIS Division
- Water & Wastewater Divisions
- Inspections and Zoning Division

Metro Ride

- Administration
- Maintenance Division
- Operations Division

Municipal Court

- Administration

CITY OF WAUSAU
List of Principal Officials on December 31, 2015

ELECTED

Mayor ..... James E. Tipple

Municipal Judge ..... Mark Sauer

Common Council President ..... Robert Mielke

Alderman District

First ..... William Nagle
Second ..... Romey Wagner
Third ..... David Nutting
Fourth ..... Tom Neal
Fifth ..... Gary Gisselman
Sixth ..... Keene T. Winters
Seventh ..... Lisa Rasmussen
Eighth ..... Karen Kellbach
Ninth ..... David Oberbeck
Tenth ..... Sherry Abitz
Eleventh ..... Robert Mielke

APPOINTED

Finance Director / City Treasurer ..... Maryanne Groat

City Clerk ..... Toni Rayala

City Attorney ..... Anne Jacobson

Police Chief ..... Jeff Hardel

Fire Chief ..... Tracey Kujawa

City Assessor ..... Nan Giese

Director of Administration-Public Works & Utilities ..... Eric Lindman

City Engineering Project Manager ..... Allen Wesolowski

Chief Inspector & Zoning Administrator ..... William Hebert

Community Development Director ..... Ann Werth

Parks Director ..... Bill Duncanson

Airport Manager ..... John Chmiel

Transit Lines Manager ..... Greg Seubert

Schenck
CPAs AND SO MUCH MORE.

INDEPENDENT AUDITORS' REPORT

To the City Council
City of Wausau, Wisconsin

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 Wausau, 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 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, 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 respective changes in financial position and, where applicable, cash flows thereof 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 5.H, 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.

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 3 through 11, the budgetary comparison for the General Fund on page 77, and the schedules relating to other postemployment benefits and pensions on pages 78 through 80 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 statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates 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 is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Report on Summarized Financial Information

We have previously audited the City of Wausau's 2015 financial statements, and our report dated June 26, 2015, expressed unmodified opinions on those respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 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
Wausau, Wisconsin
June 27, 2016

The City of Wausau (City) presents the following discussion and analysis of the City's financial performance during the fiscal year ended December 31, 2015. This discussion and analysis is intended to assist readers in focusing on significant financial issues, changes in the City's financial position, and identifying any significant variances from the adopted budget. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the financial statements provided in 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 fiscal year by $230,337,160.

- The City's total change in net position for 2015 was $2,668,523.

- As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $18,139,933, an increase of $2,783,860 from the prior year. The total unrestricted fund balance of $2,122,218 is available for spending at the City's discretion.

- At the end of the current fiscal year, unrestricted fund balance for the general fund was $5,752,214, or 18.60% of expenditures. Of this amount, $720,137 is committed or assigned and $5,032,077 is unassigned.

- The City of Wausau's total general obligation debt increased $8,435,000, or 17.6%. The major reasons for this increase is due to issuance of general obligation debt for swimming pool renovations and a $4,000,000 State Trust Fund loan issued for Water and Wastewater capital expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) 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 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 *Statement of Net Position* presents information on all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. To assess the overall health of the City you need to consider additional non-financial factors, such as changes in the City's property tax base and the condition of the City's infrastructure.

The *Statement of Activities* presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (examples include: uncollected taxes and earned but unused compensated absences.) An important purpose of the design of the Statement of Activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by the City's taxpayers.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, transportation and streets, sanitation health and welfare, natural resources and recreation, and economic development. Business-type activities include: water, wastewater, parking utility, Metro Ride transit, airport and animal control funds.

The City's financial reporting includes funds of the City (primary government) but also a legally separate Community Development Authority for which the City of Wausau is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements are presented on pages 12-15 of this report.

Fund Financial Statements

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Fund accounting is also used to ensure and demonstrate compliance with finance related legal requirements placed on resources.

Fund financial statements are used to present financial information detailing resources that have been identified for specific activities. Within the basic financial statements, fund financial statements focus on the City's most significant funds rather than the City as a whole. Major funds are reported separately, while all others are combined into a single, aggregate presentation. Individual fund data for non-major funds is provided in the form of combining statements in the supplementary statements.

The City has three kinds of funds:

Governmental Funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statement, governmental fund financial statements focus on the 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 annual financing requirements of government programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-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 assist in understanding the differences between these two perspectives.

The City of Wausau maintains twenty-seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Debt Service Fund, TID #3 Downtown Development Fund and the Capital Improvements Fund, all of which are considered to be major funds. Data for the other twenty-three governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in the supplementary statements.

Budgetary comparison information for the general fund is included in the required supplementary information. This statement demonstrates compliance with the City's adopted and final revised budget.

The basic governmental fund financial statements are presented on pages 16-19 of this report.

Proprietary Funds are reported in the fund financial statements and generally report services for which the City charges customers a fee. The City maintains two types of proprietary funds. *Enterprise funds* are used to report the functions presented in business-type activities in the government-wide financial statements. Services are provided to customers external to the City organization and include the water, wastewater, parking, Metro Ride, airport and animal control funds. The City's *internal service funds*, the Motor Pool, Insurance, Employee Benefits and Employee HRA/Wellness funds, accumulate and allocate costs internally among the City's various functions. Because the City's internal service funds primarily serve governmental functions, they have been included within the governmental activities of the government-wide financial statements.

Proprietary fund financial statements provide separate and more detailed information for the water, wastewater, parking and Metro Ride enterprise funds, which are considered to be major funds, and the four internal service funds. Individual fund data for the two nonmajor enterprise funds and for each of the internal service funds is provided in combining statements elsewhere in the supplementary statements.

The basic proprietary fund financial statements can be found on pages 20-25 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the primary government. Fiduciary funds are not reflected in the government-wide financial statements as the resources of those funds are not available to support the City's programs and operations.

The basic fiduciary fund financial statements are presented on pages 26-27 of this report.

Notes to the Financial Statements provide information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 28 of this report.

Other information is provided in addition to the basic financial statements and accompanying notes. This supplementary information consists of combining and individual fund schedules which can be found on pages 77-116 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, the City of Wausau's net position at fiscal year-end is $230,337,160.

By far, the largest portion of the City of Wausau's net position (83.1 percent) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment and construction in progress), less any related debt used to acquire those assets that is still outstanding. The City of Wausau used these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Wausau's investment in its capital assets is reported net of related debt, 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.

Summary of Net Position

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current, other assets and deferred outflows of resources	$ 116,485,064	$ 104,375,799	$ 12,596,153	$ 7,638,953	$ 129,081,217	$ 112,014,752
Capital assets	143,177,085	139,887,252	97,517,443	96,926,652	240,694,528	236,813,904
Total assets and deferred outfows	259,662,149	244,263,051	110,113,596	104,565,605	369,775,745	348,828,656
Non-current liabilities	52,333,972	47,452,666	7,491,407	4,421,176	59,825,379	51,873,842
Other liabilities and deferred inflows of resources	77,991,104	76,102,381	1,622,102	1,691,537	79,613,206	77,793,918
Total liabilities and deferred inflows	130,325,076	123,555,047	9,113,509	6,112,713	139,438,585	129,667,760
Net position:						
Net investment in capital assets	98,825,542	98,405,399	92,670,116	93,098,660	191,495,658	191,504,059
Restricted	16,311,881	8,818,623	2,911,504	1,469,203	19,223,385	10,287,826
Unrestricted	14,199,650	13,483,982	5,418,467	3,885,029	19,618,117	17,369,011
Total net position	$ 129,337,073	$ 120,708,004	$ 101,000,087	$ 98,452,892	$ 230,337,160	$ 219,160,896

An additional portion of the City's net position (8.3%) represents resources that are subject to restrictions on how they may be used. The remaining balance represents unrestricted net position of $19,618,117 which may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Wausau is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The City's total net position increased by $11,176,264 for the current fiscal year.

The changes by net position category are as follows:

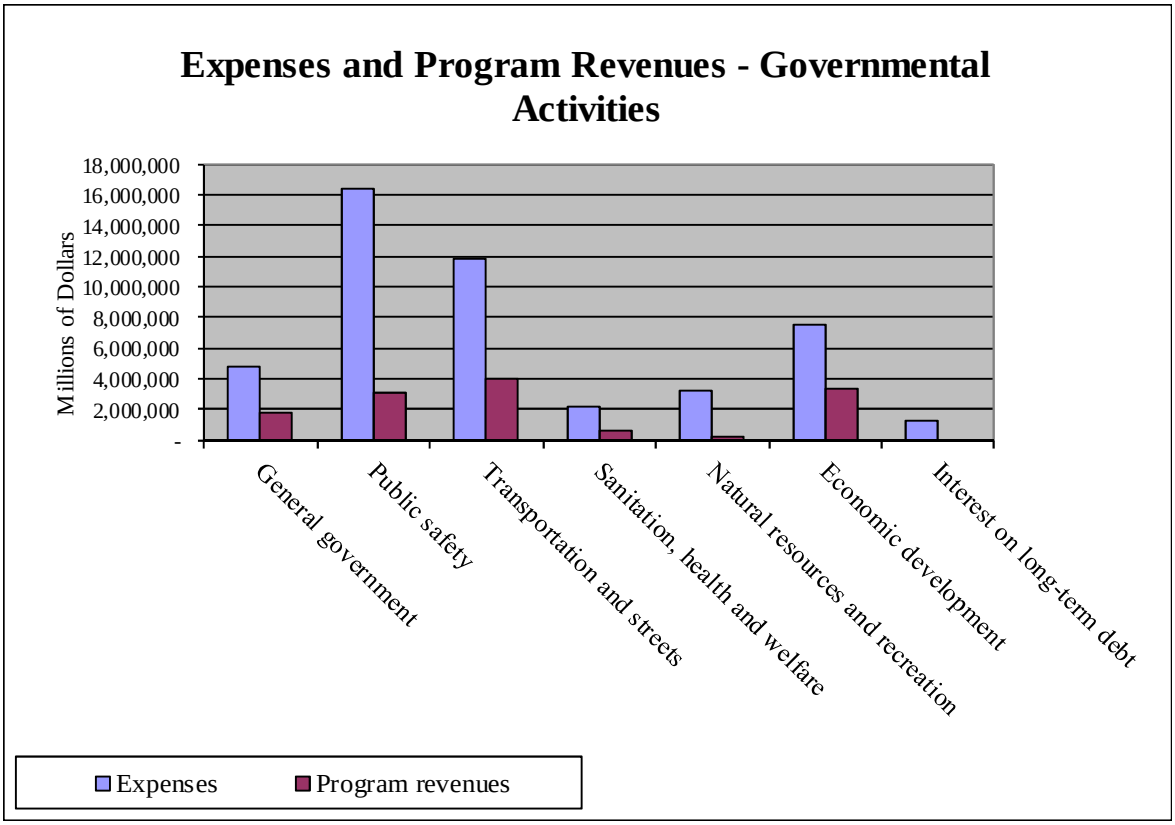
Net investment in capital assets	$ (8,401)
Restricted	8,935,559
Unrestricted	2,249,106
Total	$11,176,264

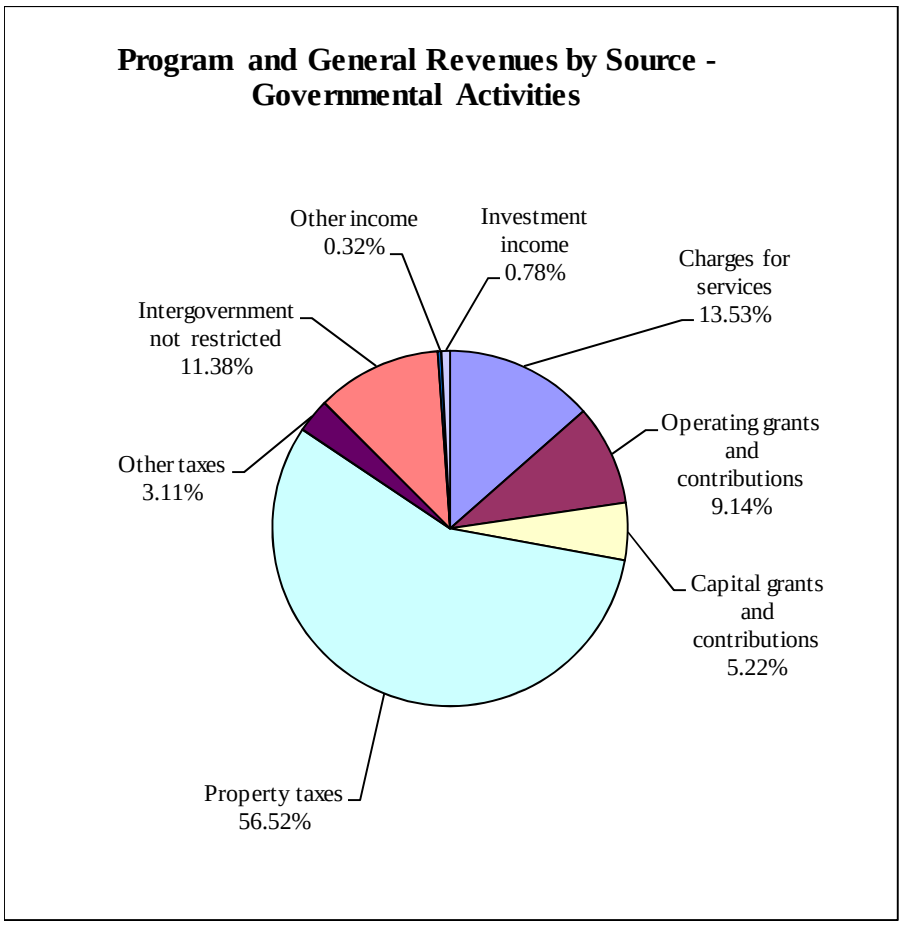
The following table provides a summary of the City's operations for the year ended December 31, 2015 and a comparison to the year ended December 31, 2014.

CITY OF WAUSAU
CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	Governmental Activities		Business-type Activities		Total	
Revenues:	2015	2014	2015	2014	2015	2014
Program Revenues						
Charges for services	$ 6,354,901	$ 5,544,655	$ 12,185,464	$11,772,444	$ 18,540,365	$ 17,317,099
Operating grants and contributions	4,294,633	4,049,715	1,980,409	2,227,192	6,275,042	6,276,907
Capital grants and contributions	2,451,032	5,825,175	1,220,530	54,771	3,671,562	5,879,946
General Revenues						
Property taxes	26,556,543	26,062,523	1,016,883	973,289	27,573,426	27,035,812
Other taxes	1,461,604	1,426,281	-	-	1,461,604	1,426,281
Grants and contributions not restricted to specific purposes	5,346,313	5,420,811	-	-	5,346,313	5,420,811
Investment income	369,673	531,589	1,613	3,529	371,286	535,118
Other	150,558	164,604	2,560	14,500	153,118	179,104
Total Revenues	46,985,257	49,025,353	16,407,459	15,045,725	63,392,716	64,071,078
Expenses						
General government	4,804,089	4,670,657	-	-	4,804,089	4,670,657
Public safety	16,478,842	16,668,463	170,038	191,191	16,648,880	16,859,654
Transportation and streets	11,845,960	12,671,152	5,793,388	6,080,632	17,639,348	18,751,784
Sanitation, health and welfare	2,218,162	2,156,309	-	-	2,218,162	2,156,309
Natural resources and recreation	3,160,068	2,716,181	-	-	3,160,068	2,716,181
Economic development	7,582,129	3,514,056	-	-	7,582,129	3,514,056
Interest on long term debt	1,209,574	1,238,864	-	-	1,209,574	1,238,864
Water	-	-	3,775,876	3,764,878	3,775,876	3,764,878
Wastewater	-	-	3,686,067	4,023,395	3,686,067	4,023,395
Total Expenses	47,298,824	43,635,682	13,425,369	14,060,096	60,724,193	57,695,778
Increase (decrease) in net position before transfers	(313,567)	5,389,671	2,982,090	985,629	2,668,523	6,375,300
Transfers	1,565,639	1,539,863	(1,565,639)	(1,539,863)	-	-
Increase (decrease) in net position	1,252,072	6,929,534	1,416,451	(554,234)	2,668,523	6,375,300
Net position - January 1	120,708,004	113,778,470	98,452,892	99,007,126	219,160,896	212,785,596
Cumulative effect of change in accounting principle	7,376,997	-	1,130,744	-	8,507,741	-
Net position - December 31	$129,337,073	$120,708,004	$101,000,087	$98,452,892	$230,337,160	$219,160,896

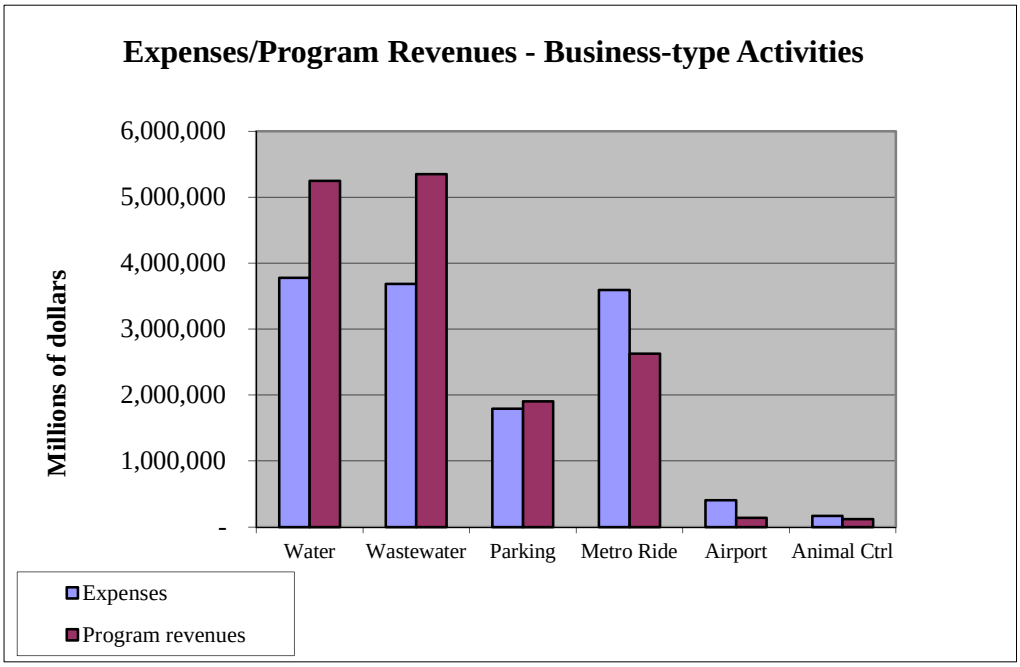
Governmental activities increased the City's net position by $1,252,072. Business-type activities increased the City's net position by $1,416,451. Capital contributions in the business-type activities for the year ended December 31, 2015 were $1,220,530.

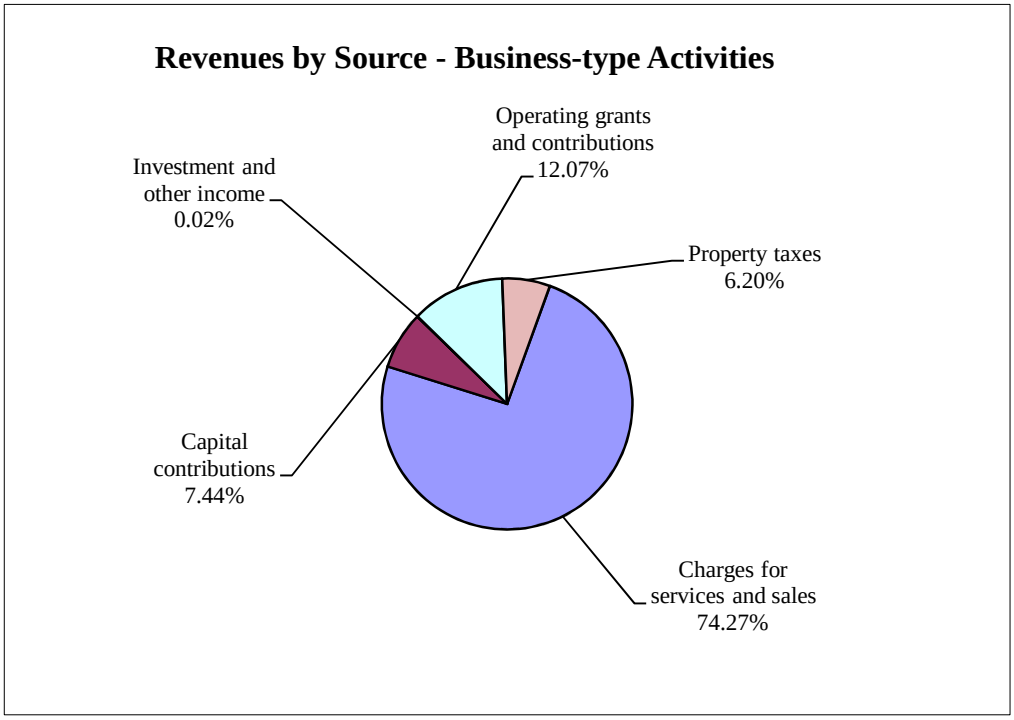

Expenses and Program Revenues - Governmental Activities
Millions of Dollars
18,000,000
16,000,000
14,000,000
12,000,000
10,000,000
8,000,000
6,000,000
4,000,000
2,000,000
-
General government
Public safety
Transportation and streets
Sanitation, health and welfare
Natural resources and recreation
Economic development
Interest on long-term debt
Expenses
Program revenues


Program and General Revenues by Source - Governmental Activities
Other income 0.32%
Investment income 0.78%
Charges for services 13.53%
Intergovernment not restricted 11.38%
Operating grants and contributions 9.14%
Other taxes 3.11%
Capital grants and contributions 5.22%
Property taxes 56.52%

Business-type activities increased the City of Wausau's net position by $1,416,451. Key elements of the increase are as follows:

Operating revenues for business-type activities increased by $166,237 while total operating expenses decreased by $628,532 for a net increase in operating income for the year of $794,769 over the prior year. Total operating income for the year ended December 31, 2015 was $850,037 while net nonoperating revenues were $911,523. Additional capital contributions of $12,158, $58,724, $950,233 and $199,415 in the Water, Wastewater, Parking and Metro Ride funds, respectively, along with transfers in of $40,155 and $13,850 in the Airport and Animal Control funds, respectively, and transfers out of $1,129,644 in the Water utility and $490,000 in the Wastewater utility contributed to the overall increase in net position for the year ended December 31, 2015.





FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

As discussed, the focus of governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City of Wausau's governmental funds reported combined ending fund balance of $18,139,933, an increase of $2,783,860 from the prior year. The total unrestricted fund balance of $2,122,218 is available for spending at the City's discretion. A portion of the unrestricted fund balance is committed to special purposes for $2,306,670. The remaining portion of fund balance in the amount of ($184,452) is unassigned, comprised of the General Fund balance of $5,032,077 and tax incremental finance district deficit balances of $5,216,529.

Major Governmental Funds

The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The fund balance of the General Fund increased $580,654 to $10,024,148. The City reported expenditures less than anticipated budget for 2015 in the amount of $661,779 while total revenues and other financing sources exceeded budget by $22,067. The main reason for the positive result in total expenditures compared to budget was savings in several areas including fuel costs and a mild winter season which reduced winter maintenance expenses. General operations have not had a significant negative impact on the unassigned fund balance, which was $5,032,077 at year-end. Unassigned fund balance increased by $669,764 from 2014 due to positive operating results as explained above. As a measure of the General Fund's liquidity, it may be useful to compare both unrestricted fund balance and total fund balance to total fund expenditures. Unrestricted fund balance represents 18.60 percent of general fund expenditures, while total fund balance represents 32.41 percent of the same amount.

The Debt Service fund balance of $880,446 at year end represents a $139,177 increase in fund balance from the previous year due to expense reimbursements and transfers in from other funds in excess of budget. This available balance will be utilized in subsequent years' budgets.

The TID #3 Downtown Development fund balance deficit of $2,542,748 at the end of 2015 represents an increase in fund balance of $705,343 over the prior year due mainly to grant proceeds received for the riverfront development. It is anticipated that the remaining fund balance deficit will be reduced as projects are completed and development occurs.

Capital Improvements fund balance of $3,479,012 represents unexpended capital projects in process. These projects will be completed in subsequent years.

Proprietary Funds

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. Factors concerning the finances of these funds have already been addressed in the discussion of the City of Wausau's business-type activities.

General Fund Budgetary Highlights

- General Fund expenditures were less than budget by $661,779 for the current fiscal year. Cost savings occurred in all functional activities except general government and sanitation, health and welfare which exceeded budget by $68,939 and $9,908, respectively.

- General Fund revenues and other financing sources exceeded budget expectations by $22,067. The most significant positive budget variances occurred in licenses and permits of $56,826, public charges for services of $46,272 and commercial of $75,673. These positive variances were offset by shortcomings in intergovernmental of $63,446, fines, forfeitures and penalties of $60,159 and intergovernmental charges for services in the amount of $42,477.

Capital Asset and Debt Administration

The City's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of December 31, 2015 was $240,694,528. This investment in capital assets includes land, buildings and improvements, machinery, equipment, infrastructure and construction in progress. The total increase in net capital assets for the current fiscal year was $3,880,624 or approximately 1.6%.

Major capital events during the current fiscal year included the following:

Governmental Activities

- Land purchased for street and other projects of $239,575.
- Motor Pool additions of $919,360.
- Various street and infrastructure additions totaling $3,750,926.

Business-type Activities

- Water Utility installed water mains and other system support totaling $790,552.
- The Wastewater Utility machinery and equipment increased $510,246.
- Parking fund land acquisition in the amount of $950,233.

City of Wausau
Capital Assets
(net of accumulated depreciation)

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	$ 37,525,015	$ 37,285,440	$ 3,867,711	$ 2,911,238	$ 41,392,726	$ 40,196,678
Buildings & improvements	15,329,798	13,178,834	21,968,550	22,930,397	37,298,348	36,109,231
Machinery & equipment	7,518,809	7,644,552	9,011,300	9,746,901	16,530,109	17,391,453
Infrastructure	79,224,337	78,620,613	60,913,674	60,614,837	140,138,011	139,235,450
Construction in progress	3,579,126	3,157,813	1,756,208	723,279	5,335,334	3,881,092
Total	$143,177,085	$139,887,252	$97,517,443	$96,926,652	$240,694,528	$236,813,904

Additional information on the City of Wausau's capital assets can be found in Note 4.C. on pages 48-49 of this report.

Long Term Debt

At the end of the current fiscal year, the City of Wausau had total debt outstanding of $56,373,575. This total amount comprises debt backed by the full faith and credit of the City of Wausau.

City of Wausau Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
General obligation	$ 49,378,033	$ 44,110,583	$ 6,995,542	$ 3,827,992	$ 56,373,575	$ 47,938,575

In 2015 the City issued debt as follows:

- 2015 General Obligation Promissory Notes, Series A $3,930,000; this debt financed capital improvements as outlined by the Capital Improvement Plan adopted by the common council as well as costs within the City's Tax Incremental Financing District #8.

- 2015 General Obligation Corporate Purpose Bonds, Series B $5,705,000; this debt financed capital improvements as outlined by the Capital Improvement Plan adopted by the common council as well as costs within the City's Tax Incremental Financing Districts #3 and #10.

- 2015 Taxable General Obligation Community Development Bonds, Series C $2,655,000; this debt financed costs within the City's Tax Incremental Financing District #3.

- 2015 State Trust Fund loan $4,000,000; this debt financed capital costs in the Water and Wastewater Utility funds.

The City received an Aa2 rating from Moody's Investors Service for the Series A, Series B and Series C general obligation issues shown above.

Additional information regarding the City of Wausau's long-term debt can be found in Note 4.E. on pages 52-54 of this report.

Economic Factors and the Next Year's Budgets and Rates

Wausau is characterized by a broad economic base of diverse industrial and commercial businesses. The area is a significant regional center for the insurance industry, paper manufacturing, medical facilities and home construction industry. The City actively uses tax increment financing to forward its development goals. Inflationary trends in the region compare favorably to national indices and equalized values have remained relatively stable.

These factors were considered in preparing the 2016 budget for the City of Wausau.

Requests for Information

This financial report is designed to provide a general overview of the City of Wausau's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the City's Finance Department, at 407 Grant Street, Wausau, Wisconsin 54403 or by calling 715-261-6640.

CITY OF WAUSAU, WISCONSIN
STATEMENT OF NET POSITION
December 31, 2015

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Unit
ASSETS				
Cash and cash equivalents	$ 34,755,464	$ 2,887,151	$ 37,642,615	$ 4,426,095
Investments	10,716,276	-	10,716,276	-
Receivables (net of allowance for uncollectible accounts)	62,215,464	4,224,392	66,439,856	682,448
Inventories and prepayments	707,001	337,037	1,044,038	12,959
Restricted assets:				
Cash and investments	-	3,903,131	3,903,131	873,579
Investment in joint venture	257,355	-	257,355	-
Other assets	-	87,854	87,854	36,906
Net pension asset	3,644,851	573,201	4,218,052	-
Capital assets (net of accumulated depreciation):				
Land	37,525,015	3,867,711	41,392,726	981,317
Buildings and improvements	15,329,798	21,968,550	37,298,348	14,353,037
Machinery and equipment	7,518,809	9,011,300	16,530,109	321,073
Infrastructure	79,224,337	60,913,674	140,138,011	-
Construction in progress	3,579,126	1,756,208	5,335,334	8,651
TOTAL ASSETS	255,473,496	109,530,209	365,003,705	21,696,065
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	449,130	-	449,130	-
Proportionate share of WRS pension plan	2,339,387	363,197	2,702,584	-
Pension contributions for subsequent year	1,400,136	220,190	1,620,326	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	4,188,653	583,387	4,772,040	-

(Continued on next page)

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Unit
LIABILITIES				
Accounts payable and other current liabilities	5,184,743	598,916	5,783,659	196,209
Accrued interest payable	390,198	49,445	439,643	-
Accrued liability - claims payable	283,846	-	283,846	-
Due to other governments	43,591,835	2,402	43,594,237	-
Unearned revenues	591,932	95,575	687,507	25
Noncurrent liabilities:				
Due within one year	8,103,441	980,589	9,084,030	21,475
Due in more than one year (net of unamortized costs)	44,230,531	6,510,818	50,741,349	788,519
TOTAL LIABILITIES	102,376,526	8,237,745	110,614,271	1,006,228
DEFERRED INFLOWS OF RESOURCES				
Deferred amount on refunding	-	265	265	-
Property taxes	27,948,550	875,499	28,824,049	-
Operating subsidy received in advance	-	-	-	48,936
TOTAL DEFERRED INFLOWS OF RESOURCES	27,948,550	875,764	28,824,314	48,936
NET POSITION				
Net investment in capital assets	98,825,542	92,670,116	191,495,658	14,914,078
Restricted for:				
Debt service	880,446	-	880,446	-
Capital improvements	3,479,012	1,754,916	5,233,928	-
Community development programs	3,238,280	-	3,238,280	-
Holtz-Krause clean up	475,379	-	475,379	-
Grants and special purpose accounts	854,390	-	854,390	2,478
Pension benefits	7,384,374	1,156,588	8,540,962	-
Unrestricted	14,199,650	5,418,467	19,618,117	5,724,345
TOTAL NET POSITION	$ 129,337,073	$ 101,000,087	$ 230,337,160	$ 20,640,901

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

CITY OF WAUSAU, WISCONSIN
STATEMENT OF ACTIVITIES
Year Ended December 31, 2015

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 4,804,089	$ 1,810,896	$ 12,250	$ -
Public safety	16,478,842	2,246,684	803,560	-
Transportation and streets	11,845,960	750,399	2,538,317	722,269
Sanitation, health and welfare	2,218,162	85,953	210,146	276,393
Natural resources and recreation	3,160,068	254,966	-	700
Economic development	7,582,129	1,206,003	730,360	1,451,670
Interest on long-term debt	1,209,574	-	-	-
Total governmental activities	47,298,824	6,354,901	4,294,633	2,451,032
Business-type activities:				
Water	3,775,876	5,236,584	-	12,158
Wastewater	3,686,067	5,290,542	-	58,724
Parking	1,792,090	953,884	-	950,233
Metro Ride	3,594,314	485,620	1,940,966	199,415
Airport	406,984	140,430	-	-
Animal Control	170,038	78,404	39,443	-
Total business-type activities	13,425,369	12,185,464	1,980,409	1,220,530
Total primary government	$ 60,724,193	$ 18,540,365	$ 6,275,042	$ 3,671,562
Component unit:				
Community Development Authority	$ 3,294,873	$ 1,142,034	$ 1,303,108	$ 84,956

General revenues:
- Property taxes, levied for general purposes
- Property taxes, levied for debt service
- Property taxes, levied for capital purposes
- Property taxes, levied for TIF
- Other taxes
- Grants and contributions not restricted to specific purposes
- Investment income (loss)
- Miscellaneous
- Gain (loss) on sale of capital assets

Transfers

Total general revenues and transfers

Change in net position

Net position - beginning

Cumulative effect of change in accounting principle

Net position - beginning (as restated)

Net position - ending

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental Activities	Business-Type Activities	Total	Component Unit
$ (2,980,943)	$ -	$ (2,980,943)	$ -
(13,428,598)	-	(13,428,598)	-
(7,834,975)	-	(7,834,975)	-
(1,645,670)	-	(1,645,670)	-
(2,904,402)	-	(2,904,402)	-
(4,194,096)	-	(4,194,096)	-
(1,209,574)	-	(1,209,574)	-
(34,198,258)	-	(34,198,258)	-
-	1,472,866	1,472,866	-
-	1,663,199	1,663,199	-
-	112,027	112,027	-
-	(968,313)	(968,313)	-
-	(266,554)	(266,554)	-
-	(52,191)	(52,191)	-
-	1,961,034	1,961,034	-
(34,198,258)	1,961,034	(32,237,224)	-
-	-	-	(764,775)
16,766,402	1,016,883	17,783,285	-
4,123,000	-	4,123,000	-
406,090	-	406,090	-
5,261,051	-	5,261,051	-
1,461,604	-	1,461,604	-
5,346,313	-	5,346,313	-
369,673	1,613	371,286	22,208
83,091	-	83,091	-
67,467	2,560	70,027	-
1,565,639	(1,565,639)	-	-
35,450,330	(544,583)	34,905,747	22,208
1,252,072	1,416,451	2,668,523	(742,567)
120,708,004	98,452,892	219,160,896	21,383,468
7,376,997	1,130,744	8,507,741	-
128,085,001	99,583,636	227,668,637	21,383,468
$ 129,337,073	$ 101,000,087	$ 230,337,160	$ 20,640,901

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

CITY OF WAUSAU, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2015

	General	Debt Service	TID #3 Downtown Development	Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	$ 19,375,737	$ 880,446	$ -	$ 3,891,457	$ 7,755,839	$ 31,903,479
Investments	10,661,690	-	-	-	54,586	10,716,276
Receivables (net of allowance for uncollectible accounts):						
Taxes	37,286,625	4,123,000	2,108,433	450,000	4,517,858	48,485,916
Delinquent personal property tax	42,916	-	-	-	-	42,916
Accounts	1,367,738	-	7	-	99,057	1,466,802
Notes	-	-	232,467	-	8,631,266	8,863,733
Federal, state and local governments	-	-	1,098,496	362,045	167,479	1,628,020
Special assessments	660,877	-	-	887,553	-	1,548,430
Interest	34,430	-	-	-	-	34,430
Due from other funds	28,284	-	-	-	37,857	66,141
Advances to other funds	3,870,098	-	-	-	1,239,432	5,109,530
Inventories and prepayments	401,836	-	-	-	-	401,836
TOTAL ASSETS	$ 73,730,231	$ 5,003,446	$ 3,439,403	$ 5,591,055	$ 22,503,374	$ 110,267,509
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	$ 1,058,118	$ -	$ 968,447	$ 962,912	$ 382,197	$ 3,371,674
Accrued payroll and benefits	1,921,046	-	-	-	9,222	1,930,268
Due to other governments	43,591,835	-	-	-	-	43,591,835
Due to other funds	-	-	15,475	-	50,666	66,141
Unearned revenues	1,254	-	50,000	-	110,889	162,143
Advances from other funds	-	-	2,607,329	-	2,502,201	5,109,530
Total Liabilities	46,572,253	-	3,641,251	962,912	3,055,175	54,231,591
Deferred Inflows of Resources:						
Unavailable revenue	384,571	-	232,467	699,131	8,631,266	9,947,435
Property taxes	16,749,259	4,123,000	2,108,433	450,000	4,517,858	27,948,550
Total Deferred Inflows of Resources	17,133,830	4,123,000	2,340,900	1,149,131	13,149,124	37,895,985
Fund balances:						
Nonspendable	4,271,934	-	-	-	1,239,432	5,511,366
Restricted	-	880,446	-	3,479,012	6,146,891	10,506,349
Committed	720,137	-	-	-	1,586,533	2,306,670
Unassigned	5,032,077	-	(2,542,748)	-	(2,673,781)	(184,452)
Total Fund Balances (Deficit)	10,024,148	880,446	(2,542,748)	3,479,012	6,299,075	18,139,933
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 73,730,231	$ 5,003,446	$ 3,439,403	$ 5,591,055	$ 22,503,374	

(Continued on next page)

	Total Governmental Funds
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.	138,893,756
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	9,932,340
Net pension benefits in governmental funds are not financial resources and, therefore, are not reported in the funds.	7,257,004
Investment in joint venture is not a financial resource and, therefore, is not reported in the funds.	257,355
Internal service funds are used to charge the costs of motor pool, insurance and employee benefits to individual funds. Assets and liabilities of these funds are included in governmental activities in the statement of net position.	6,156,062
Long-term liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds.	(51,299,377)
Net position of governmental activities	$ 129,337,073

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

CITY OF WAUSAU, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended December 31, 2015

	General	Debt Service	TID #3 Downtown Development	Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	$ 16,422,947	$ 4,123,000	$ 1,868,669	$ 406,090	$ 4,803,312	$ 27,624,018
Special assessments	-	-	34	430,813	35,011	465,858
Intergovernmental	8,107,748	-	898,790	29,570	1,349,705	10,385,813
Licenses and permits	799,876	-	-	-	160,575	960,451
Fines, forfeitures and penalties	337,841	-	-	-	-	337,841
Public charges for services	1,928,922	-	-	-	-	1,928,922
Intergovernmental charges for services	1,457,809	-	-	-	-	1,457,809
Commercial revenues	369,673	-	-	-	805,488	1,175,161
Miscellaneous revenues	350,072	46,201	614,413	2,200	988,584	2,001,470
Total Revenues	29,774,888	4,169,201	3,381,906	868,673	8,142,675	46,337,343
EXPENDITURES						
Current:						
General government	4,159,669	-	-	-	164,937	4,324,606
Public safety	15,832,631	-	-	-	305,690	16,138,321
Transportation and streets	7,129,835	-	-	-	-	7,129,835
Sanitation, health and welfare	1,539,308	-	-	-	731,109	2,270,417
Natural resources and recreation	2,271,947	-	-	-	248,358	2,520,305
Economic development	-	-	132,683	-	4,442,563	4,575,246
Capital outlay	-	-	4,528,747	7,614,871	657,201	12,800,819
Debt service:						
Principal retirement	-	7,022,550	-	-	-	7,022,550
Interest and debt service charges	-	994,947	-	-	-	994,947
Total Expenditures	30,933,390	8,017,497	4,661,430	7,614,871	6,549,858	57,777,046
Excess (Deficiency) of Revenues over Expenditures	(1,158,502)	(3,848,296)	(1,279,524)	(6,746,198)	1,592,817	(11,439,703)
OTHER FINANCING SOURCES (USES)						
Issuance of debt	-	-	4,075,000	5,970,000	2,245,000	12,290,000
Premium on debt issued	-	-	82,307	71,838	38,779	192,924
Transfers in	1,883,444	3,987,473	-	253,000	180,321	6,304,238
Transfers out	(144,288)	-	(2,172,440)	(71,838)	(2,175,033)	(4,563,599)
Total Other Financing Sources (Uses)	1,739,156	3,987,473	1,984,867	6,223,000	289,067	14,223,563
Net Change in Fund Balance	580,654	139,177	705,343	(523,198)	1,881,884	2,783,860
Beginning fund balances (deficit)	9,443,494	741,269	(3,248,091)	4,002,210	4,417,191	15,356,073
Ending fund balances (deficit)	$ 10,024,148	$ 880,446	$ (2,542,748)	$ 3,479,012	$ 6,299,075	$ 18,139,933

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

CITY OF WAUSAU, WISCONSIN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2015

Net change in fund balances - total governmental funds	$ 2,783,860
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 capital outlays, net of disposals, exceeded depreciation in the current period.	3,285,749
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(25,780)
The issuance of long-term debt (e.g. bonds, notes) provides current financial resources to 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 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 debt and related items.	(5,460,374)
Decrease in investment in joint venture reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in the funds.	(18,114)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	219,836
Internal service funds are used to charge the costs of motor pool operations, insurance costs and employee benefits to individual funds. The net revenue of internal service fund activities is reported with the governmental activities.	466,895
Change in net position of governmental activities	$ 1,252,072

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

CITY OF WAUSAU, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2015

	Business Type Activities- Enterprise Funds						Governmental Activities-
	Water Utility	Wastewater Utility	Parking Utility	Metro Ride	Nonmajor Funds	Totals	Internal Service Funds
ASSETS							
Current Assets:							
Cash and cash equivalents	$ 1,136,235	$ 825,672	$ 785,289	$ 53,636	$ 86,319	$ 2,887,151	$ 2,851,985
Taxes receivable	-	-	211,052	547,342	117,105	875,499	-
Accounts receivable	1,377,149	1,402,822	33,769	7,586	14,241	2,835,567	160,312
Due from other funds	-	140,000	-	-	-	140,000	-
Due from other governments	-	-	-	513,326	-	513,326	-
Inventories and prepayments	167,558	-	-	169,479	-	337,037	305,165
Total Current Assets	2,680,942	2,368,494	1,030,110	1,291,369	217,665	7,588,580	3,317,462
Noncurrent Assets:							
Restricted cash and cash equivalents:							
Replacement fund investments	176,381	3,726,750	-	-	-	3,903,131	-
Property, Plant and Equipment:							
Property and equipment	53,039,166	60,875,774	31,508,809	9,005,345	4,134,543	158,563,637	11,864,296
Accumulated depreciation	(17,890,242)	(23,795,975)	(12,574,664)	(4,904,389)	(1,880,924)	(61,046,194)	(7,580,967)
Advance to other funds	-	1,260,000	-	-	-	1,260,000	-
Other assets	87,854	-	-	-	-	87,854	-
Net pension asset	159,587	123,636	28,421	256,688	4,869	573,201	63,591
Total Noncurrent Assets	35,572,746	42,190,185	18,962,566	4,357,644	2,258,488	103,341,629	4,346,920
TOTAL ASSETS	38,253,688	44,558,679	19,992,676	5,649,013	2,476,153	110,930,209	7,664,382
DEFERRED OUTFLOWS OF RESOURCES							
Proportionate share of WRS pension plan	102,014	77,074	18,654	162,008	3,447	363,197	39,351
Pension contributions for subsequent year	61,304	47,494	10,918	98,604	1,870	220,190	24,428
TOTAL DEFERRED OUTFLOWS OF RESOURCES	163,318	124,568	29,572	260,612	5,317	583,387	63,779

	Business Type Activities-Enterprise Funds						Governmental Activities-
	Water Utility	Wastewater Utility	Parking Utility	Metro Ride	Nonmajor Funds	Totals	Internal Service Funds
LIABILITIES							
Current Liabilities:							
Accounts payable	$ 73,840	$ 362,593	$ 13,240	$ 145,461	$ 3,782	$ 598,916	$ 165,323
Compensated absences payable	48,602	34,438	9,355	65,972	-	158,367	-
Claims payable	-	-	-	-	-	-	671,587
Due to other funds	140,000	-	-	-	-	140,000	-
Due to other governments	-	-	-	-	2,402	2,402	-
Unearned revenues	-	-	60,033	20,052	15,490	95,575	429,789
General obligation debt - current portion	520,382	301,840	-	-	-	822,222	-
Accrued interest payable	14,495	34,950	-	-	-	49,445	-
Total Current Liabilities	797,319	733,821	82,628	231,485	21,674	1,866,927	1,266,699
Noncurrent Liabilities:							
General obligation debt	1,583,000	4,590,320	-	-	-	6,173,320	-
Advance from other funds	1,260,000	-	-	-	-	1,260,000	-
Accrued liability - claims payable	-	-	-	-	-	-	283,846
Compensated absences	86,560	67,000	33,708	150,230	-	337,498	21,554
Total Noncurrent Liabilities	2,929,560	4,657,320	33,708	150,230	-	7,770,818	305,400
TOTAL LIABILITIES	3,726,879	5,391,141	116,336	381,715	21,674	9,637,745	1,572,099
DEFERRED INFLOWS OF RESOURCES							
Deferred amount on refunding	265	-	-	-	-	265	-
Property taxes	-	-	211,052	547,342	117,105	875,499	-
TOTAL DEFERRED INFLOWS OF RESOURCES	265	-	211,052	547,342	117,105	875,764	-
NET POSITION							
Net investment in capital assets	33,045,542	34,335,854	18,934,145	4,100,956	2,253,619	92,670,116	4,283,329
Restricted for capital improvements	176,381	1,578,535	-	-	-	1,754,916	-
Restricted for pension benefits	322,905	248,204	57,993	517,300	10,186	1,156,588	127,370
Unrestricted	1,145,034	3,129,513	702,722	362,312	78,886	5,418,467	1,745,363
TOTAL NET POSITION	$ 34,689,862	$ 39,292,106	$ 19,694,860	$ 4,980,568	$ 2,342,691	$ 101,000,087	$ 6,156,062

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

CITY OF WAUSAU, WISCONSIN
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year ended December 31, 2015

	Business Type Activities-Enterprise Funds						Governmental Activities-
	Water Utility	Wastewater Utility	Parking Utility	Metro Ride	Nonmajor Funds	Totals	Internal Service Funds
OPERATING REVENUES							
Charges for services and sales	$ 5,198,018	$ 5,289,443	$ 946,113	$ 485,620	$ 218,834	$ 12,138,028	$ 9,382,393
Intergovernmental	-	-	276	1,940,966	39,443	1,980,685	-
Other operating revenues	38,566	1,099	7,495	-	-	47,160	115,704
Total Operating Revenues	5,236,584	5,290,542	953,884	2,426,586	258,277	14,165,873	9,498,097
OPERATING EXPENSES							
Operating and maintenance	2,594,898	2,462,792	1,123,040	3,018,882	420,079	9,619,691	1,657,161
Depreciation	1,137,508	1,157,212	669,050	575,432	156,943	3,696,145	866,729
Insurance and claims	-	-	-	-	-	-	6,367,980
Total Operating Expenses	3,732,406	3,620,004	1,792,090	3,594,314	577,022	13,315,836	8,891,870
Operating income (loss)	1,504,178	1,670,538	(838,206)	(1,167,728)	(318,745)	850,037	606,227
NONOPERATING REVENUES (EXPENSES)							
Property taxes	-	-	211,052	647,342	158,489	1,016,883	-
Investment income	-	1,613	-	-	-	1,613	-
Interest expense	(39,198)	(66,063)	-	-	-	(105,261)	-
Amortization	(4,272)	-	-	-	-	(4,272)	-
Gain on disposal of capital assets	2,560	-	-	-	-	2,560	35,668
Total Nonoperating Revenues (Expenses)	(40,910)	(64,450)	211,052	647,342	158,489	911,523	35,668
Income (loss) before Capital Contributions and Transfers	1,463,268	1,606,088	(627,154)	(520,386)	(160,256)	1,761,560	641,895

Capital contributions	12,158	58,724	950,233	199,415	-	1,220,530	-
Transfers in	-	-	-	-	54,005	54,005	-
Transfers out	(1,129,644)	(490,000)	-	-	-	(1,619,644)	(175,000)
Change in Net Position	345,782	1,174,812	323,079	(320,971)	(106,251)	1,416,451	466,895
Net Position - beginning of year, as previously stated	34,035,937	37,893,006	19,305,327	4,773,191	2,445,431	98,452,892	5,574,892
Cumulative effect of change in accounting principle	308,143	224,288	66,454	528,348	3,511	1,130,744	114,275
Net Position - beginning of year, as restated	34,344,080	38,117,294	19,371,781	5,301,539	2,448,942	99,583,636	5,689,167
Net position - end of year	$ 34,689,862	$ 39,292,106	$ 19,694,860	$ 4,980,568	$ 2,342,691	$ 101,000,087	$ 6,156,062

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

CITY OF WAUSAU, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2015

	Business Type Activities-Enterprise Funds						Governmental Activities-
	Water Utility	Wastewater Utility	Parking Utility	Metro Ride	Nonmajor Funds	Totals	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers, users and others	$ 5,073,038	$ 5,297,899	$ 1,051,796	$ 2,799,752	$ 266,857	$ 14,489,342	$ 9,443,996
Payments to suppliers	(1,783,936)	(1,815,032)	(945,195)	(1,538,464)	(398,353)	(6,480,980)	(7,677,507)
Payments to employees	(872,478)	(724,683)	(187,399)	(1,479,309)	(34,553)	(3,298,422)	(372,387)
Net Cash Provided (Used) by Operating Activities	2,416,624	2,758,184	(80,798)	(218,021)	(166,049)	4,709,940	1,394,102
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Property taxes received	-	-	211,052	647,342	158,489	1,016,883	-
Due to other funds	680,329	-	-	(368,948)	-	311,381	-
Due from other funds	-	(680,329)	-	-	-	(680,329)	-
Transfers in	-	-	-	-	54,005	54,005	-
Transfers out	(1,129,644)	(490,000)	-	-	-	(1,619,644)	(175,000)
Net Cash Provided (Used) by Noncapital Financing Activities	(449,315)	(1,170,329)	211,052	278,394	212,494	(917,704)	(175,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Proceeds from capital debt	913,000	3,087,000	-	-	-	4,000,000	-
Capital contributions	12,158	58,724	950,233	199,415	-	1,220,530	-
Acquisition and construction of capital assets	(1,016,649)	(2,007,186)	(950,233)	(207,402)	-	(4,181,470)	(870,813)
Principal paid on capital debt	(530,610)	(301,840)	-	-	-	(832,450)	-
Interest paid on capital debt	(35,252)	(42,490)	-	-	-	(77,742)	-
Proceeds from sale of capital assets	2,560	-	-	-	-	2,560	35,668
Net Cash Provided (Used) by Capital and Related Financing Activities	(654,793)	794,208	-	(7,987)	-	131,428	(835,145)

CASH FLOWS FROM INVESTING ACTIVITIES							
Investment income received	-	1,613	-	-	-	1,613	-
Net Increase (Decrease) in Cash and Cash Equivalents	1,312,516	2,383,676	130,254	52,386	46,445	3,925,277	383,957
Cash and cash equivalents - beginning of year	100	2,168,746	655,035	1,250	39,874	2,865,005	2,468,028
Cash and cash equivalents - end of year	$ 1,312,616	$ 4,552,422	$ 785,289	$ 53,636	$ 86,319	$ 6,790,282	$ 2,851,985
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:							
Operating income (loss)	$ 1,504,178	$ 1,670,538	$ (838,206)	$ (1,167,728)	$ (318,745)	$ 850,037	$ 606,227
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation expense	1,137,508	1,157,212	669,050	575,432	156,943	3,696,145	866,729
Changes in assets and liabilities:							
Accounts receivable	(163,545)	7,357	91,437	363,194	4,093	302,536	(73,375)
Inventories and prepayments	(4,798)	-	5,940	13,758	1,503	16,403	(1,099)
Accounts payable	(5,400)	(43,765)	(17,229)	21,098	(7,655)	(52,951)	68,718
Accrued compensated absences	(36,557)	(9,242)	(6,726)	(44,795)	-	(97,320)	(1)
Net pension expense	(14,762)	(23,916)	8,461	11,048	(6,675)	(25,844)	(13,095)
Claims payable	-	-	-	-	-	-	(79,276)
Unearned revenues	-	-	6,475	9,972	4,487	20,934	19,274
Net cash provided (used) by operating activities	$ 2,416,624	$ 2,758,184	$ (80,798)	$ (218,021)	$ (166,049)	$ 4,709,940	$ 1,394,102
Reconciliation of Cash and Cash Equivalents to Statement of Net Position							
Unrestricted	$ 1,136,235	$ 825,672	$ 785,289	$ 53,636	$ 86,319	$ 2,887,151	$ 2,851,985
Restricted (noncurrent)	176,381	3,726,750	-	-	-	3,903,131	-
Total cash and cash equivalents	$ 1,312,616	$ 4,552,422	$ 785,289	$ 53,636	$ 86,319	$ 6,790,282	$ 2,851,985

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

CITY OF WAUSAU, WISCONSIN
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
December 31, 2015

	Cemetery Private Purpose Trust Fund	Agency Funds
ASSETS		
Cash and cash equivalents	$ 529,098	$ 538,528
Accounts receivable	-	8,487
TOTAL ASSETS	529,098	$ 547,015
LIABILITIES		
Accounts payable	-	$ 547,015
NET POSITION		
Held in trust for private purpose	$ 529,098	

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

CITY OF WAUSAU, WISCONSIN
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
Year Ended December 31, 2015

	Cemetery Private Purpose Trust Fund
ADDITIONS	
Interest and dividends	$ 10,939
DEDUCTIONS	
Distributions to beneficiary	30,922
Net decrease in fair value of investments	16,436
Administrative expenses	4,567
Total deductions	51,925
Change in net position	(40,986)
Net position - beginning of year	570,084
Net position - end of year	$ 529,098

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Wausau, Wisconsin conform to generally accepted accounting principles as applicable to governmental units.

A. REPORTING ENTITY

This report includes all of the funds of the City of Wausau. The reporting entity for the City consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. 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 (1) it is able to impose its will on that organization or (2) there is a 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. The discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the government.

Discretely presented component unit. The Community Development Authority of the City of Wausau was created under Section 66.4325 of the Wisconsin Statutes for the purpose of carrying out blight elimination, slum clearance, urban renewal programs and housing projects. The board of the Authority is appointed by the Mayor and two commissioners are members of the City Council. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the Authority, and also create a potential financial benefit to or burden on the City. The Community Development Authority Commission approves the annual budget, is fiscally separate from the City and possesses independent authority to acquire property and issue debt. As a component unit, the Authority's financial statements have been presented as a discrete column in the City's financial statements. Complete financial statements can be obtained from:

Community Development Authority
City of Wausau City Hall
407 Grant Street
Wausau, WI 54403-4783

Joint venture. The City of Wausau, in conjunction with Marathon County, has created the City-County Information Technology Commission. The commission provides for the implementation and operation of a cooperative data and management information system under the direction of the governing Board of Commissioners. Effective April 1, 2009, North Central Health Care also became a member of the Commission. The joint venture arrangement provides that net operating costs were subsidized 30% by the City prior to April 1, 2009 and are currently at 21%, with the remainder funded by the other members. All capital assets, unless otherwise shown to benefit only one owner, are paid for on a percentage basis.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from a legally separate component unit for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The City does not allocate indirect expenses to functions in the statement of activities. 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 or segment. Taxes and other items not included among program revenues are reported as general revenues.

Financial statements of the reporting entity are organized into funds each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund equity, revenues and expenditures/expenses.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Funds are organized as major funds or non-major funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

a. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
b. The same element of the individual governmental fund or enterprise fund that met the 10 percent test is at least 5 percent of the corresponding total for all governmental and enterprise funds combined.
c. In addition, any other governmental or proprietary fund that the City believes is particularly important to financial statement users may be reported as a major fund.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. GOVERNMENT-WIDE FINANCIAL STATEMENTS (Continued)

The City reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources not accounted for and reported in another fund.

Debt Service Fund – This fund is used to account for all financial resources that are restricted, committed or assigned to expenditure for principal and interest costs. Sources of revenue are property taxes, interest earnings and reimbursements from departments for debt payments.

TID #3 Downtown Development Fund – This fund is used to account for all financial resources that are restricted, committed or assigned to expenditure for capital outlay within the downtown.

Capital Improvements Fund – This fund is used to account for all financial resources that are restricted, committed or assigned to expenditure for capital outlay related to the City's annual capital improvements plan.

The City reports the following major enterprise funds:

Water Utility – This fund accounts for the financing of the construction, operation and maintenance of the City-owned water facilities.

Wastewater Utility – This fund accounts for the financing of the construction, operation and maintenance of the City-owned wastewater facilities.

Parking Utility – This fund accounts for the financing of the operation and maintenance of the City-owned parking facilities.

Metro Ride – This fund accounts for the financing of the operation and maintenance of the City transit system.

The City reports the following non-major governmental funds:

Special Revenue Funds – These funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service and capital projects.

Grants	Holtz-Krause Clean Up	Recycling
HUD Mortgage	Hazardous Materials Emergency Response	EMS Grant
DLAD Mortgage Program	Housing Stock Improvement	Rental Licensing
Economic Development	Room Tax	400 Block
Federal Rent Rehabilitation	Public Access Cable	Other Grants/Special Purposes
WRRP Rehabilitation		

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. GOVERNMENT-WIDE FINANCIAL STATEMENTS (Continued)

Capital Project Funds – These funds are used to account for financial resources that are restricted, committed or assigned to expenditure for capital outlays.

Central Capital Purchasing
TID #5 Industrial Park Fund
TID #6 West Side Development Fund
TID #7 West Side Development Fund
TID #8 Near West Side Fund
TID #9 Big Bull Falls Fund
TID #10 Industrial Park Fund

The City reports the Airport Fund and Animal Control Fund as non-major enterprise funds. Additionally, the City reports the following fund types:

Internal Service Funds - The Motor Pool Internal Service Fund is used to account for Motor Pool services provided by one department to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis. The Insurance Fund is used to account for accumulation of charges for and allocation of costs associated with insurance premiums and claims paid. The Employee Benefits and the Employee HRA/Wellness Funds are used to account for the accumulation of charges for and allocation of costs associated with employee health and dental premiums and claims paid.

The Private-purpose Trust Fund is used to account for resources legally held in trust for use by a non-profit organization to provide for cemetery perpetual care. All resources of the fund, including any earnings on invested resources, are used to support the organization's activities.

Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for Wausau Events, Inc., Main Street Wausau, Inc. and the Business Improvement District generated to provide for area-wide events and local promotion, and for the Entrepreneurial & Education Center generated through industrial development.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds, however, only report assets and liabilities and, consequently, do not have a measurement focus. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (Continued)

Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

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 government 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, unmatured interest on long-term debt, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is expected to be paid with available expendable financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows of resources and are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental grants and aids are recognized as revenues in the period the City is entitled to the resources and the amounts are available. Amounts owed to the City that are not currently available are recorded as receivables and deferred inflows of resources. Amounts received prior to the entitlement period are also recorded as deferred inflows of resources.

Long-term receivables, such as special assessments, notes and mortgages, are recorded as receivables and deferred inflows of resources. In subsequent periods, when revenue recognition criteria are met or when the City has a legal claim to the resources, revenues are recorded.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues, such as licenses and permits, fines and forfeitures, and miscellaneous revenues, are recognized when payment is received or when measurable and available under the criteria described above.

The City reports deferred inflows of resources on its governmental funds balance sheet. For governmental fund financial statements, deferred inflows arise when a potential revenue source does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues arise when received before the City has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or the City has a legal claim to the resources, the unearned revenue is removed from the balance sheet and revenue is recognized.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City’s water and wastewater utilities and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (Continued)

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

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 Water, Wastewater, Parking, Metro Ride, Airport and Animal Control enterprise funds are charges to customers for sales and services and intergovernmental operating revenues. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY

1. Deposits and Investments

The City maintains separate and distinct accounts for the Cemetery Private-purpose Trust Fund, Community Development Department and Community Development Authority (a discretely presented component unit). All other funds share common accounts to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable.

The City is required to invest its funds in accordance with Wisconsin Statutes 66.0603 and 67.11 (2). These statutes authorize the City to invest in obligations of the U.S. Treasury, agencies and instrumentalities, obligations of Wisconsin governmental units; time deposits, repurchase agreements; certain qualities of commercial paper; the State of Wisconsin Local Government Investment Pool; and certain money market mutual funds.

Investments are stated at fair value consistent with the provisions of GASB Statement No. 31. Fair values are based on quoted market prices. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income.

For purposes of the statement of cash flows, the City considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY (Continued)

1. Deposits and Investments (Continued)

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 LGIP's assets was substantially equal to the City's share as reported in these statements.

2. Receivable 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 either "due from/due to other funds" (current portion) or "advances to/from other funds" (non-current portion). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Accounts receivable in the governmental activities are shown net of an allowance for uncollectible accounts. No allowance for uncollectible accounts has been provided for the Water and Wastewater Utilities since they are able to place delinquent bills on the tax roll.

Estimated unbilled revenues from the Water and Wastewater Utility Funds are recognized at the end of the year based on billings during the month following the close of the fiscal year.

Property taxes consist of taxes on real estate and personal property. Property taxes are levied in December of each year based on assessed value as of January 1 of that year and become an enforceable lien on the property the following January 1. The amount levied is applicable to the budget of the ensuing calendar year and become due as of January 1 of that year. Collections are made by the City through July 31. In addition to property taxes for the City, taxes are also collected for and remitted to the state and county governments as well as local school and technical college districts. The City settles with all entities on the 15th of January, February, May and August based on the taxes collected through the end of each preceding month. Payment due dates are full payment by January 31 or partial payments by January 31, April 30 and July 31 of each year.

At year end, property taxes levied for each fund are recorded as taxes receivable and deferred inflows of resources.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY (Continued)

3. Inventories and Prepayments

Inventories consist of expendable supplies held for consumption. Inventories are stated at cost with value being determined on the "first-in, first-out" basis of accounting. The cost is recorded as an expenditure or an expense at the time the individual inventory items are consumed rather than when purchased.

Payments made to vendors for services that will benefit periods beyond the end of the current year are recorded as prepayments in both government-wide and fund financial statements.

Inventories and prepayments of governmental fund types are offset by a nonspendable fund balance account which indicated that assets do not represent spendable available financial resources.

4. Restricted Assets

Restricted assets consist of cash and investments restricted for the Water and Wastewater Fund plant replacement. In addition, designated funds have also been restricted in the discretely presented component unit. Current liabilities payable from these restricted assets are so classified.

5. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental activities or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market 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 assets lives are not capitalized. In accordance with GASB 34, the City has reported its major networks of infrastructure assets as of January 1, 2007.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Net interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Total interest expense incurred by the Water and Wastewater Utilities during the current fiscal year was $105,261, none of which was capitalized.

Depreciation of all exhaustible capital assets of the City, as well as its component unit, is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY (Continued)

5. Capital Assets (Continued)

Buildings	25-50 Years
Improvements other than buildings	15-150 Years
Machinery and equipment	3-25 Years
Infrastructure	20-50 Years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

6. Other Assets

In governmental funds, debt issuance related costs are recognized as expenditures in the current period. For the government-wide and proprietary fund type financial statements, debt discounts and premiums are deferred and amortized over the term of the related debt issue.

7. Compensated Absences

Under terms of employment, employees are granted sick leave and vacation. Varying amounts of the unused accumulated sick pay vests upon meeting specific requirements and is convertible into health insurance upon retirement. The City's policy is to allow employees to vest any unused vacation credits. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee terminations and/or retirements or are payable with expendable available resources.

8. 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 three items that qualify for reporting in this category in the government-wide statement of net position and on the proprietary find statement of net position. These items are deferred charges on refunding of debt, which is deferred over the remaining term of the debt, the City's proportionate share of the Wisconsin Retirement System pension plan which is deferred and amortized over the expected remaining service lives of the pension plan participants and the City's pension contributions for subsequent year which are charged to subsequent year's operations.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY (Continued)

8. Deferred Outflows/Inflows or Resources (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 item that qualifies for reporting in this category in the government-wide statement of net position. This item is for property taxes which 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 which qualifies for reporting in this category. This item is unavailable revenue from loans receivable and unearned revenues reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resource in the period the amounts become available.

9. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types 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 type statement of net position. Bond premiums and discounts are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond issuance costs during the current period. The face amount of debt issued (plus any premiums) is reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

10. Pensions

For purposes of measuring the net pension assets and deferred outflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions form 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY (Continued)

11. Net Position or Fund Equity

Governmental Fund Financial Statements

Governmental fund equity is classified as fund balance. In accordance with GASB Statement No. 54, *"Fund Balance Reporting and Governmental Fund Type Definitions"* the City classifies governmental fund balance as follows:

- Nonspendable fund balance – amounts that are not in spendable form (such as inventory or long-term loans receivable) or are required to be maintained in tact;

- Restricted fund balance – amounts constrained to specific purposes by the providers (such as grantors, bondholders and higher levels of government) through constitutional provisions, or by enabling legislation;

- Committed fund balance – amounts constrained to specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority; fund balance amounts are committed through a formal action (resolution); changes to the constraints imposed require the same formal action of the City that originally created the commitment;

- Assigned fund balance – amounts a government intends to use for specific purpose; intent can be expressed by the governing body or by an official or body to which the government body delegates the authority;

- Unassigned fund balance – amounts that are available for any purpose; these amounts are reported only in the general fund.

City Council establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through carryover resolutions. A fund balance commitment is further indicated in the budget document as a designation or commitment on the fund (such as for special incentives). Assigned fund balance is established by City Council through adoption or amendment of the budget as intended for specific purposes (such as the purchase of capital assets, construction, debt service, or for other purposes).

Government-wide and Proprietary Fund Statements

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY (Continued)

11. Net Position or Fund Equity (Continued)

- 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.

Use of Restricted Resources

When an expense is incurred that can be paid using either restricted or unrestricted resources, the City's policy is to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the City's policy is to first apply the expenditure toward restricted fund balance and then to other less-restrictive classifications – committed and then assigned fund balances before using unassigned fund balances.

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND GOVERNMENT-WIDE STATEMENT OF NET POSITION

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds". The details of this $9,932,340 difference are as follows:

Loans and mortgages receivable	$ 8,848,638
Unpaid fines and forfeitures	384,571
Special assessments receivable	699,131
Net adjustment to increase *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$ 9,932,340

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE GOVERNMENT-WIDE STATEMENT OF NET POSITION (Continued)

Another element of that reconciliation states that "long-term liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds". The details of this $51,299,377 difference are as follows:

Bonds and notes payable	$ 49,378,033
Less: Deferred charges for discounts, premiums and deferred interest from refunding (to be amortized over life of debt)	296,119
Accrued interest payable	390,198
Compensated absences	1,150,240
Postemployment benefits	84,787
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$ 51,299,377

B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between *net change in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "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." The details of this $3,285,749 difference are as follows:

Capital outlay	$ 7,994,164
Loss on disposal of capital assets	(205,178)
Depreciation expense	(4,503,237)
Net adjustment to increase *net change in fund balances - total governmental funds* to arrive at *change in net position of governmental activities*	$ 3,285,749

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES (Continued)

Another element of that reconciliation states that "Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds." The details of this $25,780 difference are as follows:

Net change in loan and mortgage notes receivable	$ 142,927
Net change in fines and forfeitures receivable	23,213
Net change in special assessments receivable	(191,920)
Net adjustment to decrease *net change in fund balances - total governmental funds* to arrive at *change in net position of governmental activities*	$ (25,780)

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, notes) provides current financial resources to 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 to premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of this $5,460,374 difference are as follows:

Debt issued or incurred:	
Issuance of general obligation bonds and notes	$(12,290,000)
Premiums on debt issued	(192,924)
Principal repayments on general obligation debt	7,022,550
Net adjustment to decrease *net change in fund balances - total governmental funds* to arrive at *change in net position of governmental activities*	$ (5,460,374)

Another element of that reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this $219,836 difference are as follows:

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES (Continued)

Net pension benefits	$ (5,718)
Compensated absences/postemployment benefits	440,181
Accrued interest	(104,640)
Amortization of discount and premium costs	(109,987)
Net adjustment to increase *net change in fund balances - total governmental funds* to arrive at *change in net position of governmental activities*	$ 219,836

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

Budgeting is an essential element of the financial planning, control and evaluation process of the City. Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, Debt Service Fund, the following Special Revenue Funds: Grants, HUD Mortgage, Economic Development, WRRP Rehabilitation, Holtz-Krause Clean Up, Hazardous Materials Emergency Response, Room Tax, Public Access Cable, Recycling, EMS Grant, Rental Licensing and 400 Block; and the following Capital Project Funds: TID #3 Downtown Development, TID #5 Industrial Park, TID #6 West Side Development, TID #7 West Side Development, TID #8 Near West Side, TID #9 Big Bull Falls, TID #10 Industrial Park and Capital Improvements. All appropriations lapse at year end.

On or before the last day of August, all departments of the government submit requests for appropriations to the City's Finance Director so that a budget may be prepared. The budget is prepared by fund, department or program, and includes information on the prior year, year-to-date current year activity, current year estimates and requested appropriations for the next year.

The City's Finance Committee holds several budgetary review meetings to consider the departmental budgets. On or before the first Tuesday of November, the proposed budget is presented to the City Council for review. The Council holds public hearings to obtain taxpayer comments. The final adoption of the budget is by way of an annual budget resolution and must be passed by the Council no later than the fourth Tuesday in November.

The budget as adopted includes total expenditures at the cost center level. A cost center can be a fund, department, program or other activity for which control of expenditures is considered desirable. Cost centers are defined as follows for the governmental fund types with annual budgets: General Fund at department level, Special Revenue and Capital Projects at program level and Debt Service at

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. BUDGETARY INFORMATION (Continued)

total fund level. The City's Finance Director and Mayor may authorize new appropriations or transfers of budgeted amounts within expenditures of a cost center up to $5,000. Amounts up to $15,000 require Finance Committee approval and transfers or new appropriations over $15,000 require two-thirds (2/3) Council approval to amend the budget. Supplemental appropriations were necessary during the year but were not material in relation to the original appropriation. All such supplemental appropriations were properly authorized by the Common Council. Budget data presented in the financial statements reflect any adjustments made.

The Council may amend the budget resolution in two respects: (a) it may transfer appropriations from one particular fund to another fund or it may add new objects within a fund. The Council may do this by means of a resolution; (b) it may increase the aggregate total of appropriations in order to reflect changes in financial circumstances either not contemplated in the annual budget resolution or due to financial circumstances which by their very nature are difficult to estimate with exactness at the time of the enactment of the annual budget resolution. The Council may do this by means of a resolution adopted by a two-thirds vote of the members. The Council may, by resolution, appropriate money from its contingent fund for any lawful purpose.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated during the ensuing year.

B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended December 31, 2015, expenditures exceeded appropriations for the following departmental cost centers in the General Fund: Finance department by $8,783, City clerk/customer service by $5,167, Elections by $521, Unclassified by $183,153 and Garbage and refuse collection by $9,908; the Grants, HUD Mortgage, Economic Development, Room Tax and Recycling special revenue funds by $213,975, $52,718, $9,335, $21,262 and $1,737 respectively; the Debt Service Fund by $697; and in the TID #10 Industrial Park capital project fund by $90,607. Excess expenditures in the general fund, special revenue funds and debt service fund were funded by excess revenues, other cost savings or by available fund balance. Those incurred in the capital project funds were funded with debt proceeds and advances from the General Fund.

C. DEFICIT FUND EQUITY

The TID #3 Downtown Development, TID #6 West Side Development, TID #7 West Side Development, TID #9 Big Bull Falls and TID #10 Industrial Park capital project funds had deficit fund equity of $2,542,748, $426,102, $1,994,365, $78,800 and $174,514 respectively, as of December 31, 2015. In addition, the Employee Benefits internal service fund had a deficit fund equity of $161,434 at December 31, 2015. The City intends to fund the above fund balance deficits from future operation of these funds.

NOTE 4 – DETAILED NOTES ON ALL FUNDS

A. CASH AND INVESTMENTS

Cash and investments as of December 31, 2015 are classified in the accompanying financial statements as follows:

Statement of net position -	
Cash and cash equivalents	$ 37,642,615
Investments	10,716,276
Restricted assets - cash and cash equivalents	3,903,131
Statement of net position - fiduciary funds	
Cash and cash equivalents	
Cemetery Private Purpose Trust Fund	529,098
Agency Funds	538,528
Total	$ 53,329,648
Cash on hand	$ 12,888
Deposits with financial institutions	11,273,789
Investments	42,042,971
Total	$ 53,329,648

Investments Authorized by the State of Wisconsin and the City's Investment Policy

The City's investment policy as governed by Wisconsin State Statutes authorizes the following types of investments:

- U.S. Government agency bonds or securities;
- Certificates of deposit and repurchase agreements;
- Bonds or securities of any county, city, drainage district, vocational, technical and adult education district, village, town or school district in the state;
- Bankers acceptances issued by domestic banks which are eligible for purchase by the Federal Reserve System;
- Commercial paper rated in the highest short-term rating categories by rating agencies;
- Medium term corporate notes issued by corporations organized and operating within the U.S. or by depository institutions licensed by the U.S. or any state and operating in the U.S.;
- Money market mutual funds regulated by the Securities and Exchange Commission whose portfolios consist of U.S. Treasury or government obligations; and,
- State of Wisconsin Local Government Investment Pool.

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

A. CASH AND INVESTMENTS (Continued)

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 policy for managing its exposure to interest rate risk is to purchase a combination of shorter term and longer term investments and to time cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

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

		Investment Maturities (in Years)		
Investment Type	Fair Value	Less Than One	1-2	3-4
U.S. Agencies	$ 9,663,473	$ -	$ 3,494,700	$ 6,168,773
Local Government Investment Pool	25,202,255	25,202,255	-	-
External investment pools	7,177,243	7,177,243	-	-
	$ 42,042,971	$ 32,379,498	$ 3,494,700	$ 6,168,773

Credit Risk

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. The City will minimize credit risk by limiting the type of investments to U.S. treasury obligations, U.S. government agency obligations, money market mutual funds, certificates of deposit and local government investment pools. The City will also diversify its investment portfolio so as to minimize losses from any one type of security or from any one individual issuer.

The City had investments in the Local Government Investment Pool and Wells Fargo Treasury Money Market Fund which were not rated.

In addition, the City held investments in U.S. agency securities that were rated AAA.

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

A. CASH AND INVESTMENTS (Continued)

Concentration of Credit Risk

Concentration of credit risk refers to risk of loss attributed to the City's investment in a single issuer. The City's investment policy addresses this risk by requiring diversification of investments by security type and institution. With the exception of U.S. Treasury securities, no more than 50% of the City's total investment portfolio will be invested in a single type of security.

At December 31, 2015, the investment portfolio was concentrated as follows:

Investment type	Issuer	Percentage of Portfolio
U.S. Agencies	Federal Home Loan Bank	2.3%
U.S. Agencies	Federal National Mortgage Association	3.5%
U.S. Agencies	Federal Home Loan Mortgage Corporation	17.1%

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the City will not be able to recover 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 to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provisions for deposits: The City's investment policy requires collateralization on certificates of deposit and repurchase agreements at a level of 105% of the market value less amounts covered by the FDIC; and, the City Council approves and designates a list of authorized depository institutions based on evaluation and recommendation of the Finance Committee and City Finance Director.

At December 31, 2015, the carrying amount of the City's deposits was $11,273,789 and the financial institution balance was $12,483,966. Of the financial institution balance, $2,702,096 was covered by federal depository insurance, $500,000 was covered by the national credit union share insurance fund, $3,472,740 was covered by the State Deposit Guarantee Fund and $5,809,130 was uninsured and uncollateralized.

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

A. CASH AND INVESTMENTS (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 time and savings deposits and $250,000 for interest-bearing demand deposits per official custodian per depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by the FDIC in the amount of $250,000 for all time accounts, savings accounts and interest-bearing demand deposit accounts per official custodian per depository institution. In addition, the above-mentioned State Deposit Guarantee Fund through the State of Wisconsin provides additional coverage of up to a maximum of $400,000 per public depository above the applicable insurance coverage provided by the FDIC. However, although the fund had reserves available at December 31, the future availability of resources to cover the losses cannot be projected because provisions of the 1985 Wisconsin Act 25 provided that the amount in the fund will be used to repay public depositors for losses until the appropriation is exhausted at which time the fund is abolished.

B. RECEIVABLES

Receivables for the year ended December 31, 2015 for the City's general fund have been shown net of allowances for uncollectible accounts and uncollectible delinquent personal property taxes of $2,843,843 and $82,442, respectively.

Governmental funds report *deferred inflows of resources* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the breakdown of unavailable and unearned revenues reported as *deferred inflows of resources* in the governmental funds were as follows:

	Unavailable	Unearned
Property taxes receivable	$ -	$ 27,948,550
Loans and mortgages receivable	8,863,733	-
Unpaid fines and forfeitures	384,571	-
Special assessments not yet due	699,131	-
Total deferred/unearned revenue for governmental funds	$ 9,947,435	$ 27,948,550

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

C. 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	$ 37,285,440	$ 239,575	$ -	$ 37,525,015
Construction in progress	3,157,813	2,698,077	(2,276,764)	3,579,126
Total capital assets not being depreciated	40,443,253	2,937,652	(2,276,764)	41,104,141
Capital assets being depreciated:				
Buildings and improvements	23,562,610	2,987,646	(258,510)	26,291,746
Machinery and equipment	22,369,061	1,514,064	(1,182,860)	22,700,265
Infrastructure	126,206,610	3,750,926	(678,063)	129,279,473
Total capital assets being depreciated	172,138,281	8,252,636	(2,119,433)	178,271,484
Less accumulated depreciation for:				
Buildings and improvements	(10,383,776)	(826,966)	248,794	(10,961,948)
Machinery and equipment	(14,724,509)	(1,540,493)	1,083,546	(15,181,456)
Infrastructure	(47,585,997)	(3,002,507)	533,368	(50,055,136)
Total accumulated depreciation	(72,694,282)	(5,369,966)	1,865,708	(76,198,540)
Total capital assets being depreciated, net	99,443,999	2,882,670	(253,725)	102,072,944
Governmental activities capital assets, net	$ 139,887,252	$ 5,820,322	$ (2,530,489)	143,177,085
Less: Capital related general obligation debt				(44,128,223)
Less: Unamortized debt premiums				(672,450)
Add: Deferred loss on debt refunding				449,130
Net investment in capital assets				$ 98,825,542

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

C. CAPITAL ASSETS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets not being depreciated:				
Land	$ 2,911,238	$ 956,473	$ -	$ 3,867,711
Construction in progress	723,279	3,214,532	(2,181,603)	1,756,208
Total capital assets not being depreciated	3,634,517	4,171,005	(2,181,603)	5,623,919
Capital assets being depreciated:				
Buildings and improvements	44,819,232	210,196	-	45,029,428
Machinery and equipment	27,161,765	588,218	(101,740)	27,648,243
Water infrastructure	40,378,802	790,552	(271,254)	40,898,100
Wastewater infrastructure	38,771,828	713,562	(121,443)	39,363,947
Total capital assets being depreciated	151,131,627	2,302,528	(494,437)	152,939,718
Less accumulated depreciation for:				
Buildings and improvements	(21,888,835)	(1,172,043)	-	(23,060,878)
Machinery and equipment	(17,414,864)	(1,318,825)	96,746	(18,636,943)
Water infrastructure	(9,882,846)	(753,128)	271,254	(10,364,720)
Wastewater infrastructure	(8,652,947)	(452,149)	121,443	(8,983,653)
Total accumulated depreciation	(57,839,492)	(3,696,145)	489,443	(61,046,194)
Total capital assets being depreciated, net	93,292,135	(1,393,617)	(4,994)	91,893,524
Business-type activities capital assets, net	$ 96,926,652	$ 2,777,388	$ (2,186,597)	$ 97,517,443
Less: Capital related general obligation debt				(4,847,327)
Net investment in capital assets				$ 92,670,116

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

Governmental activities:	
General government	$ 327,121
Public safety	463,247
Transportation and streets	3,115,571
Natural resources and recreation	586,501
Economic development	10,797
Capital assets held by internal service funds	866,729
Total depreciation expense - governmental activities	$ 5,369,966
Business-type activities:	
Water	$ 1,137,508
Wastewater	1,157,212
Parking	669,050
Metro Ride	575,432
Airport	156,943
Total depreciation expense - business-type activities	$ 3,696,145

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

D. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payables represent short-term loans from one fund to another to cover cash overdrafts or represent current portion of advances for specific funds. Interfund receivables and payables at December 31, 2015 are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	TID #3 Downtown Development Fund	$ 15,475
	Rental Licensing Fund	12,809
WRRP Rehabilitation Fund	Grants Fund	22,857
	DLAD Mortgage Program Fund	15,000
Wastewater Utility	Water Utility	140,000
Total - fund financial statements		206,141
Elimination for government-wide financial statements		(206,141)
Total - Government-wide financial statements		$ -

Advances between funds represent long-term loans principally for capital purposes. The composition of interfund advances as of December 31, 2015 is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	TID #3 Downtown Development Fund	$ 1,367,897
	TID #6 West Side Development Fund	260,666
	TID #7 West Side Development Fund	1,993,080
	TID #9 Big Bull Falls Fund	78,800
	TID #10 Industrial Park Fund	169,655
Holtz-Krause Clean Up Fund	TID #3 Downtown Development Fund	1,239,432
Wasterwater Utility	Water Utility	1,260,000
Total - fund financial statements		6,369,530
Elimination for government-wide financial statements		(6,369,530)
Total - Government-wide financial statements		$ -

For the statement of net position, interfund balances owed within the governmental activities or business-type activities are netted and eliminated. Interfund transfers for the year ended December 31, 2015 are as follows:

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

D. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (Continued)

	Transfers to	Transfers from
General Fund		
Room Tax Fund	$ -	$ 168,800
Recycling Fund	30,262	-
Rental Licensing Fund	24,679	-
400 Block Fund	35,342	-
Water Utility Fund	-	1,089,644
Wastewater Utility Fund	-	450,000
Airport Fund	40,155	-
Animal Control Fund	13,850	-
Motor Pool Fund	-	175,000
Special Revenue Funds		
General Fund	168,800	90,283
Grants Fund	58,838	-
HUD Mortgage Fund	-	15,696
Economic Development Fund	-	43,142
400 Block Fund	31,200	-
Capital Improvements Fund	173,000	-
Room Tax Fund	-	31,200
Debt Service Fund		
TID #3 Downtown Development Fund	-	2,172,440
TID #5 Industrial Park Fund	-	281,028
TID #6 West Side Development Fund	-	703,182
TID #7 West Side Development Fund	-	631,951
TID #8 Near West Side Fund	-	8,957
TID #9 Big Bull Falls Fund	-	75,405
TID #10 Industrial Park Fund	-	42,672
Capital Improvements Fund	-	71,838
Capital Projects Fund		
Grants Fund	-	133,000
Economic Development Fund	-	35,000
Room Tax Fund	-	5,000
Debt Service Fund	3,987,473	-
Water Utility Fund	-	40,000
Wastewater Utility Fund	-	40,000
Parking Utility Fund	-	-
Enterprise Funds		
General Fund	1,539,644	54,005
Capital Improvements Fund	80,000	-
Internal Service Funds		
General Fund	175,000	-
Totals	$ 6,358,243	$ 6,358,243

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

D. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (Continued)

The principal purpose of these transfers are to (1) move revenues from the fund that collects them to the fund required to expend them, (2) move receipts restricted to debt service from funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in one fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

E. LONG-TERM DEBT

General Obligation Bonds

General obligation debt outstanding at December 31, 2015 is detailed as follows:

	Original Amount	Interest Rates	Final Maturity	Balance 12/31/2015
2004 Promissory note	$ 600,000	Negotiable	On demand	$ 600,000
2008 Promissory note Series A	9,845,000	3.55%	4/1/18	1,990,000
2009 Promissory note Series A	9,560,000	0.7-3.0%	4/1/19	1,645,000
2010 Promissory note Series A	5,145,000	1.0-3.0%	4/1/20	2,640,000
2010 Promissory note Series B	3,145,000	0.75-3.35%	4/1/17	555,000
2011 Promissory note Series A	7,685,000	2.0-2.5%	4/1/21	4,605,000
2012 Promissory note Series A	2,725,000	2.0-2.65%	4/1/22	1,950,000
2012 Promissory note Series B	13,400,000	2.0-3.0%	4/1/22	10,055,000
2012 Promissory note	135,575	2.75%	9/5/17	135,575
2013 Promissory note	358,000	2.75%	1/25/21	358,000
2013 Promissory note	750,000	2.75%	8/16/18	750,000
2013 Promissory note Series A	5,365,000	2.0-3.0%	4/1/23	4,175,000
2013 Promissory note Series B	630,000	1.0-2.95%	4/1/23	500,000
2013 GO Bonds Series C	3,410,000	2.0-4.0%	4/1/33	3,060,000
2014 Promissory note	190,000	2.75%	3/17/19	190,000
2014 Promissory note Series A	6,405,000	2.0-3.0%	4/1/24	5,380,000
2014 GO Bonds Series B	1,495,000	2.0-3.0%	4/1/29	1,495,000
2015 Promissory note Series A	3,930,000	0.7-2.5%	4/1/25	3,930,000
2015 GO Bonds Series B	5,705,000	2.0-3.5%	4/1/35	5,705,000
2015 GO Com Dev Bonds Series C	2,655,000	3.0-3.95%	4/1/30	2,655,000
2015 State Trust Fund Loan	4,000,000	3.25%	3/15/25	4,000,000
Total general obligation debt				$ 56,373,575

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

E. LONG-TERM DEBT (Continued)

A summary of the long-term liability activity for the year ended December 31, 2015 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental activities					
General obligation debt:					
Bonds payable	$ 5,635,000	$ 8,360,000	$ (1,080,000)	$ 12,915,000	$ 325,000
Notes payable	38,475,583	3,930,000	(5,942,550)	36,463,033	6,802,778
Unamortized costs	616,122	192,924	(63,797)	745,249	-
Compensated absences	2,512,267	31,607	(417,971)	2,125,903	975,663
Other postemployment benefits	213,694	14,041	(142,948)	84,787	-
Governmental activities long-term liabilities	$ 47,452,666	$ 12,528,572	$ (7,647,266)	$ 52,333,972	$ 8,103,441

The summary of long-term liability activity for business-type activities is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Business-type activities					
General obligation debt:					
Notes payable	$ 3,827,992	$ -	$ (832,450)	$ 2,995,542	$ 822,222
State trust fund loan	-	4,000,000	-	4,000,000	-
Compensated absences	593,184	117,410	(214,729)	495,865	158,367
Business-type activities long-term liabilities	$ 4,421,176	$ 4,117,410	$ (1,047,179)	$ 7,491,407	$ 980,589

In accordance with Section 67.03 Wisconsin Statutes, the total indebtedness of the City for general purposes may not exceed 5% of the value of the taxable property located therein for state purposes:

Equalized value	$ 2,633,849,300
Legal debt margin percentage	5.00%
	131,692,465
Add: Available funds for debt payment	880,446
Less: Outstanding general obligation debt	(56,373,575)
Legal debt margin	$ 76,199,336

Estimated payments of compensated absences and other postemployment benefits are not included in the following debt payment schedules. The amounts attributable to governmental activities will be liquidated primarily by the general fund.

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

E. LONG-TERM DEBT (Continued)

Debt service requirements to maturity at December 31, 2015 are as follows:

	Governmental Activities		Business-Type Activities		Total	
Year	Principal	Interest	Principal	Interest	Principal	Interest
2016	$ 7,127,778	$ 1,168,234	$ 822,222	$ 58,432	$ 7,950,000	$ 1,226,666
2017	6,508,735	975,241	864,315	232,527	7,373,050	1,207,768
2018	6,813,160	828,801	930,118	150,112	7,743,278	978,913
2019	5,593,160	677,444	948,387	125,979	6,541,547	803,423
2020	5,020,120	558,349	734,875	103,324	5,754,995	661,673
2021-2025	12,460,080	1,586,061	2,695,625	242,470	15,155,705	1,828,531
2026-2030	4,425,000	628,845	-	-	4,425,000	628,845
2031-2035	1,430,000	110,330	-	-	1,430,000	110,330
	$ 49,378,033	$ 6,533,305	$ 6,995,542	$ 912,844	$ 56,373,575	$ 7,446,149

Other Debt Information

Per DNR requirements and City Council action, the Wastewater Utility is required to establish specific cash accounts and distribute their revenues to these accounts as follows:

	Wastewater
Operations Fund	97.5%
Replacement Fund	2.5%

Conduit Debt Obligations

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for 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 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 three series of Industrial Revenue Bonds outstanding. Total principal amount payable could not be determined, however, original issue amounts totaled $7,200,000.

F. SEGMENT INFORMATION

The City maintains six Enterprise Funds providing for the operation of the Water, Wastewater and Parking Utilities, the Metro Ride transit operations, municipal Airport operations and Animal Control operations. Segment information for the two non-major Enterprise funds is presented in the following schedule:

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

F. SEGMENT INFORMATION (Continued)

	Airport	Animal Control
Operating revenues	$ 140,430	$ 117,847
Operating expenses	406,984	170,038
Operating income (loss)	(266,554)	(52,191)
Nonoperating revenues	80,000	78,489
Income (loss) before capital contributions and transfers	(186,554)	26,298
Transfers in	40,155	13,850
Change in net position	(146,399)	40,148
Total assets and deferred outflows of resources	2,371,728	109,742
Total liabilities and deferred inflows of resources	89,882	48,897
Total net position	2,281,846	60,845

G. RESTRICTED NET POSITION/FUND BALANCES

Governmental activities restricted net position reported in the government-wide statement of net position at December 31, 2015 includes the following:

Net position restricted for :	
Debt service	$ 880,446
Capital improvements	3,479,012
Special purposes	4,568,049
Total governmental activities restricted net position	$ 8,927,507

Fund balance classifications for major funds as of December 31, 2015 are as follows:

General Fund	
Nonspendable for advances	$ 3,870,098
Nonspendable for inventories and prepayments	401,836
Total nonspendable	4,271,934
Committed to contingencies	163,059
Committed to economic development	500,000
Committed to continuing appropriation	57,078
Unassigned	5,032,077
Total General Fund	$ 10,024,148
Debt Service Fund	
Restricted for debt service	$ 880,446
TID #3 Downtown Development Fund	
Unassigned (deficit)	$ (2,542,748)
Capital Improvements Fund	
Restricted for capital improvements	$ 3,479,012

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

G. RESTRICTED NET POSITION/FUND BALANCES (Continued)

Fund balances reported on the fund financial statements at December 31, 2015 for nonmajor funds are as follows:

Special revenue funds	
Nonspendable for advances:	
Holtz-Krause Clean up	$ 1,239,432
Restricted for special purposes:	
Grants	1,342,800
HUD mortgage program	12,754
Federal rent rehabilitation	340,560
WRRP rehabilitation	1,542,166
Holtz-Krause Clean up	475,379
Hazardous materials emergency response	129,788
Recycling	1,165
EMS grant	17,745
Other grants & special purpose accounts	705,692
Total restricted fund balance	4,568,049
Committed to special purposes:	
DLAD mortgage program	540,214
Economic development	311,286
Housing stock improvement	629,083
Room tax	82,126
Public access cable	17,543
Rental licensing	2,686
400 Block	3,595
Total committed fund balance	1,586,533
Total special revenue funds	$ 7,394,014
Capital project funds	
Restricted for special purposes:	
TID #5 Industrial Park	$ 219,880
TID #8 Near West Side	1,358,962
Total restricted fund balance	1,578,842
Unassigned:	
TID #6 West Side Development (deficit)	(426,102)
TID #7 West Side Development (deficit)	(1,994,365)
TID #9 Big Bull Falls (deficit)	(78,800)
TID #10 Industrial Park (deficit)	(174,514)
Total unassigned fund balance	(2,673,781)
Total capital project funds	$ (1,094,939)

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

H. RESTRICTED ASSETS

The balance of restricted assets in the Water and Wastewater Utility Enterprise Funds is as follows:

Depreciation/Replacement accounts	$ 3,903,131

I. COMPONENT UNIT

The financial records of the City of Wausau Community Development Authority (CDA) are maintained in accordance with the accounting practices prescribed by the United States Department of Housing and Urban Development (HUD). Financial information for the Authority is presented as a discrete column in the statement of net position and statement of activities.

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

a. The Authority follows the full accrual basis of accounting and the flow of economic resources measurement focus.

b. The composition of cash, cash equivalents and investments at December 31, 2015 is as follows:

Deposits	$ 5,299,554
Petty cash	120
Total	$ 5,299,674
Financial statement presentation:	
Cash and cash equivalents	$ 4,426,095
Cash and cash equivalents - restricted	873,579
Total	$ 5,299,674

Custodial Credit Risk for Deposits
Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the CDA will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The CDA requires all funds in excess of federal and state depository insurance coverage to be secured.

At year end, the carrying value of the CDA's deposits was $5,299,674 and the financial institution balance was $5,389,236. Of the financial institution balance, $4,067,247 was covered by federal and state depository insurance and $1,321,989 was in excess of federal and state depository insurance limits and collateralized by securities held by the pledging institution or its trust department or agent.

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

I. COMPONENT UNIT (Continued)

Custodial Credit Risk for Investments
Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the CDA will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The CDA requires all funds in excess of federal and state depository insurance coverage to be secured.

Investment Policy
The CDA has adopted a formal investment policy; however, the CDA invests in accordance with Wisconsin State Statutes. Under the policy, investments are limited to: 1) time deposits in any credit union, bank, savings bank, trust company, or savings and loan association authorized to transact business in the state; and 2) the state local government investment pool.

Credit Risk
Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments as indicated above. The CDA does not have a formal policy on this type of risk.

Concentration of Credit Risk
Concentration of credit risk refers to risk of loss attributed to the CDA's investment in a single issuer. The CDA does not have a formal policy on this type of investment risk.

Interest Rate Risk
Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The CDA has no formal investment policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

c. Long-term debt activity for the year ended December 31, 2015 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Affordable Housing Program Loan	$ 750,000	$ -	$ -	$ 750,000	$ -
City of Wausau Loan	200,000	-	(200,000)	-	-
Compensated absences	64,982	-	(4,988)	59,994	21,745
	$1,014,982	$ -	$ (204,988)	$ 809,994	$ 21,745

The Affordable Housing Program Loan represents a 0%, non-amortizing note payable. The CDA must comply with all AHP provisions for 15 years at which time the loan balance will be forgiven. The City of Wausau loan represents a 2% loan for construction which was repaid in full in 2015.

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

I. COMPONENT UNIT (Continued)

d. Capital asset activity for the year ended December 31, 2015 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	$ 981,317	$ -	$ -	$ 981,317
Construction in progress	30,227	84,956	(106,532)	8,651
Total capital assets not being depreciated	1,011,544	84,956	(106,532)	989,968
Capital assets being depreciated:				
Buildings and improvements	21,256,394	91,902	-	21,348,296
Furniture and equipment	725,552	26,960	(20,583)	731,929
Total capital assets being depreciated	21,981,946	118,862	(20,583)	22,080,225
Less accumulated depreciation	(6,756,324)	(669,265)	19,474	(7,406,115)
Total capital assets being depreciated, net	15,225,622	(550,403)	(1,109)	14,674,110
Total Authority capital assets	$ 16,237,166	$ (465,447)	$ (107,641)	$ 15,664,078

NOTE 5 – OTHER INFORMATION

A. DEFINED BENEFIT PENSION PLAN

1. Plan description

The Wisconsin Retirement System (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 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.

NOTE 5 – OTHER INFORMATION (Continued)

A. DEFINED BENEFIT PENSION PLAN (Continued)

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.

2. 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%	7.0%
2006	0.8	3.0
2007	3.0	10.0
2008	6.6	0.0
2009	(2.1)	(42.0)
2010	(1.3)	22.0
2011	(1.2)	11.0
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0

NOTE 5 – OTHER INFORMATION (Continued)

A. DEFINED BENEFIT PENSION PLAN (Continued)

3. 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, including teachers, 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 $1,692,183 in contributions from the City.

Contribution rates as of December 31, 2015 are:

Employee Category	Employee	Employer
General (including teachers)	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%

4. Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows or Resources Related to Pensions

At December 31, 2015, the City reported an asset of $4,218,052 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 0.17172566% which was a decrease of 0.00114843% from its proportion measured as of December 31, 2013.

For the year ended December 31, 2015, the City recognized pension expense of $1,666,310.

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

NOTE 5 – OTHER INFORMATION (Continued)

A. DEFINED BENEFIT PENSION PLAN (Continued)

	Deferred Outflows of Resources
Differences between expected and actual experience	$ 611,486
Net differences between projected and actual earnings on pension plan investments	2,042,584
Changes in proportion and differences between employer contributions and proportionate share of contributions	48,514
Employer contributions subsequent to the measurement date	1,620,326
Total	$ 4,322,910

The $1,620,326 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 Outflows of Resources
2015	$ 616,156
2016	616,156
2017	616,156
2018	616,156
2019	237,960
Total	$ 2,702,584

5. Actuarial Assumption

The actual 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%

NOTE 5 – OTHER INFORMATION (Continued)

A. DEFINED BENEFIT PENSION PLAN (Continued)

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%)

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. 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

NOTE 5 – OTHER INFORMATION (Continued)

A. DEFINED BENEFIT PENSION PLAN (Continued)

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 schedule presents the City's proportionate share of the net pension asset calculated using the discount rate of 7.20%, 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%) or 1-percentage-point higher (8.20%) than the current rate.

	1% Decrease to Discount Rate (6.20%)	Current Discount Rate (7.20%)	1% Increase to Discount Rate (8.20%)
City's proportionate share of the net pension asset (liability)	$ (11,899,851)	$ 4,218,052	$ 16,947,320

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

6. Payable to the WRS

At December 31, 2015 the City reported a payable of $240,070 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2015.

In addition to the above-mentioned retirement fund, the State of Wisconsin administers a plan for three (3) employees who retired prior to the consolidation with the WRS. The total estimated future cost to the City at December 31, 2015, was approximately $55,671, substantially all of which relates to prior services. The current portion of the estimated liability of $13,768 is provided for in the General Fund. The estimated remaining period of amortization is four years.

B. COMMITMENTS AND CONTINGENCIES

LITIGATION
The City is currently involved in several legal proceedings. The City intends to vigorously defend any litigation. It is the opinion of management and the City's legal counsel that the ultimate outcome of any litigation will not have a material adverse effect on the City's financial position.

RISK MANAGEMENT
The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omission; injuries to employees; and natural disasters. The City purchases commercial insurance to protect against these potential losses. No significant reductions in prior year

NOTE 5 – OTHER INFORMATION (Continued)

B. COMMITMENTS AND CONTINGENCIES (Continued)

insurance coverage has occurred. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

The City provides health and dental care benefits to employees through individual plans with specific insurance coverage. For health insurance, employees have an HRA or an HSA option. The health plans are offered by WPS and dental coverage is offered through Delta Dental. Insurance premiums, based on historical cost, are paid into the Employee Benefits and Employee HRA/Wellness Funds from all other City funds and other participants and are available to pay claims, administrative costs and stop loss claims.

Under the health care program, the City pays up to a maximum of $60,000 annually for each covered employee and each covered dependent's health care cost. Expected claims are calculated at the end of each plan year by the third party administrator based on the number of single and family contracts covered and the expected claims. Administrative costs for 2015 totaled approximately $132,361.

The estimated liability for self-funded losses is based on reported claims for the year and those received subsequent to year end. The City does not allocate overhead costs or other costs to the claims liability. The estimated claims liability amount for 2014 and 2015 is as follows:

	Balance January 1	Claims and Changes in Estimates	Amounts Paid	Balance December 31
2014	$ -	$ 3,603,616	$ 3,001,824	$ 601,792
2015	601,792	3,848,661	3,878,482	571,971

Under the HRA program, the City pays a maximum of $1,750 per single contract ($3,500 for family). Under the HSA program, the City will make a maximum contribution of $600 per single contract ($1,200 for family) to the savings accounts for the high-deductible plan only. For dental, maximum covered costs were $1,500 per individual covered. Additional amounts are covered by insurance. Expected claims are calculated each plan year to determine premium rates to be charged.

The estimated liability for self-funded losses for the HRA program is based on reported claims for the year and those received subsequent to year end. On December 31, 2015 a claims liability of $60,000 is reported in the HRA fund based on the requirements of GASB 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 the loss can be reasonably estimated. A summary of the changes in the claims liability amount for 2014 and 2015 is as follows:

NOTE 5 – OTHER INFORMATION (Continued)

B. COMMITMENTS AND CONTINGENCIES (Continued)

	Balance January 1	Claims and Changes in Estimates	Amounts Paid	Balance December 31
2014	$ 60,000	$ 284,540	$ 284,540	$ 60,000
2015	60,000	149,982	149,982	60,000

The City is partially self-funded for liability insurance and pays premiums for its excess liability insurance coverage. The City's self-insured retention limit is $50,000 for any one occurrence, $200,000 aggregate. The limits of liability are $5,000,000 per occurrence less the retained limits. The City also carries excess insurance which covers the City up to $8,000,000. Premiums paid for insurance coverage are recorded in the Insurance internal service fund. The fund charges various City departments and operations for their portion of insurance coverage for the year.

On December 31, 2015, a claims liability of $117,118 is reported in the fund based on the requirements of GASB 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 the loss can be reasonably estimated. Changes in the claims liability amount for 2014 and 2015 are as follows:

	Balance January 1	Claims and Changes in Estimates	Amounts Paid	Balance December 31
2014	$ 184,399	$ (62,160)	$ 48,478	$ 73,761
2015	73,761	82,311	38,954	117,118

The City has also established a workers compensation self-insurance fund to finance workers compensation awards for City employees. The program is funded by charges to City departments. The program also is supplemented by stop loss protection, which limits the City's annual liability to $500,000 per occurrence.

The claims liability of $206,344 at December 31, 2015 is based on the requirements of GASB 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 the loss can be reasonably estimated. Changes in the claims liability amount for 2014 and 2015 are as follows:

NOTE 5 – OTHER INFORMATION (Continued)

B. COMMITMENTS AND CONTINGENCIES (Continued)

	Balance January 1	Claims and Changes in Estimates	Amounts Paid	Balance December 31
2014	$ 251,235	$ 229,970	$ 182,049	$ 299,156
2015	299,156	60,193	153,005	206,344

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

The City and Water and Wastewater Utilities have committed to construction projects in the ensuing year with estimated future costs to complete of approximately $11,600,000.

The City is currently involved in a number of tax litigation issues for refunds of property taxes based on property assessments. The expected outcome of these items along with an anticipated total of claim payments is not determinable at this time.

The City has entered into a number of developer agreements within the City's tax incremental financing districts. Payments under these agreements are contingent upon the developers fulfilling certain agreed upon matters. Total commitments at December 31, 2015 are $2,739,624.

C. ACCUMULATED UNPAID EMPLOYEE BENEFITS

City employees generally earn vacation and sick leave at different rates depending upon years of service. Vacation and sick leave accumulate on a biweekly basis. A liability for accrued vacation benefits of $885,024 has been recorded in the government-wide statement of net position.

When an employee retires or is forced to retire due to medical disability and meets specified requirements, a maximum of 60% (80 % for employees with at least 25 years of service and 100% for nonrepresented employees with at least 30 years of service as of December 31, 2012) of the remaining accumulated sick pay (employee's hourly rate, exclusive of longevity and shift differential) is used to pay premiums toward the hospital and surgical program then in effect for the employee. The liability for these benefits for current employees was $1,150,240 at December 31, 2015, and has also been recorded in the statement of net position. The employee may use the foregoing benefit until such time as one of the following occurs: the fund is depleted, the employee dies, or the employee becomes employed and/or eligible for other comparable hospital and surgical programs from another source.

NOTE 5 – OTHER INFORMATION (Continued)

C. ACCUMULATED UNPAID EMPLOYEE BENEFITS (CONTINUED)

In order to be eligible for the above-described benefit, the employee must meet all the following conditions:

1. Have been hired prior to January 1, 2013, and
2. Apply for Wisconsin Retirement Fund benefits within thirty (30) days of the last day of work, and
3. In cases of voluntary retirement, give the employer at least a three month notice of retirement date.

Provisions exist which allow City employees to earn compensatory time for hours worked in excess of 40 hours per week. This compensatory time is earned at either time or time-and-one half depending upon the employee's position classification. Compensatory balances that exceed the bank hour maximums shall be paid out. All balances in compensatory time banks must be used within the year it is earned or it will be paid out on the last pay period of each year. The City has recorded a liability of $90,639 at December 31, 2015.

D. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

In addition to pension benefits being provided through the Wisconsin Retirement System described earlier, the City provides health care benefits as provided for by union contracts or management ordinance. Retired employees who qualify are allowed to convert a maximum of 60% (80% for employees with at least 25 years of service and 100% for management employees with at least 30 years of service as of December 31, 2012) of their accumulated sick leave balance upon retirement into monetary value and draw down on the amount to pay costs of health insurance premiums.

The City's group health insurance plan provides coverage to active employees and retirees (or other qualified terminated employees) at blended premium rates. This results in an other-postemployment benefit (OPEB) for the retirees, commonly referred to as an implicit rate subsidy. The retirees pay 100% of the premium amounts under the plan. Employees retiring after December 31, 2012 may not remain on the group plan beyond the period of COBRA.

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with parameters of GASB Statement No. 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 (or funding excess) over a period not to exceed fourteen years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation to the Retiree Health Plan.

NOTE 5 – OTHER INFORMATION (Continued)

D. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Annual required contribution	$ 22,384
Interest on net OPEB obligation	8,548
Adjustment to annual required contribution	(16,891)
Annual OPEB cost	14,041
Contributions made	(142,948)
Decrease in net OPEB obligation	(128,907)
Net OPEB obligation - beginning of year	213,694
Net OPEB obligation - end of year	$ 84,787

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015 and the two preceding years are as follows:

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/15	$ 14,041	1018.08%	$ 84,787
12/31/14	11,394	695.03%	213,694
12/31/13	105,649	104.11%	281,492

The funded status of the plan as of January 1, 2014, the most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	$ 283,195
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	$ 283,195
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	$ 18,263,114
UAAL as a percentage of covered payroll	1.6%

NOTE 5 – OTHER INFORMATION (Continued)

D. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Actuarial valuations of an ongoing plan involve estimates for the value of reported amounts and assumptions about the probability of occurrence of events far in the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan is 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 benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and actuarial value of assets, consistent with the long-term perspective of the calculations.

In the actuarial valuation, the entry-age normal actuarial cost method was used. The actuarial assumptions include a 4.0 percent investment rate of return and an annual healthcare cost trend rate of 7.5 percent initially, decreasing by 0.50 percent per year down to 6.50 percent, then by 0.10 percent per year down to an ultimate rate of 5 percent. All rates include a 3 percent inflation assumption. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2014 was 14 years.

E. DEFERRED COMPENSATION PLAN

The City offers its employees certain deferred compensation plans created in accordance with the Internal Revenue Code. The plans, available to all City employees, permit them to defer a portion of their earnings until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. Plans are administered by private entities.

The City has amended all deferred compensation plans offered to comply with the modified laws governing IRC Section 457 plans. Accordingly, all amounts of compensation are held in trust for the exclusive benefit of the plan participants and their beneficiaries. All assets of the plans, all property and rights purchased with deferred amounts and all income attributable to those amounts, property or rights are (until made available to the employee or other beneficiary) held for the exclusive benefit of the employees and their beneficiaries. Since the City's deferred compensation plans are administered by private entities, in accordance with GASB Statement No. 32, no assets from these plans are presented in the City's financial statements.

NOTE 5 – OTHER INFORMATION (Continued)

F. JOINT VENTURE INFORMATION

The City is a participant in a joint and cooperative venture with Marathon County and North Central Health Care in the City-County Information Technology Commission (CCITC). The Commission provides for the implementation and operation of a cooperative data and management information system under the direction of the governing Board of Commissioners. North Central Health Care became a member as of April 1, 2009. Reimbursement of all operating expenses other than depreciation and interest are made by the City at a rate of 21%.

Complete financial statements can be obtained from:

City-County Information Technology Commission
407 Grant Street, Wausau, Wisconsin 54403-4783

The City has recorded its equity interest in the government-wide statement of net position. Summary financial information for the CCITC for the year ended December 31, 2015 is as follows:

Operating revenues	$ 3,671,138
Operating expenses	
Data processing expenses	3,480,246
Administrative and general expenses	190,892
Depreciation	467,638
Total operating expenses	4,138,776
Operating loss before contributions and reimbursements	(467,638)
Capital contributions and reimbursements	349,604
Change in net position	(118,034)
Total assets and deferred outflows of resources	2,235,382
Total liabilities and deferred inflows of resources	1,024,860
Total net position	1,210,522

G. TAX INCREMENTAL FINANCING DISTRICTS

Tax Incremental Financing District No. 3 was created on September 1, 1994. The last date to incur project costs is September 1, 2026. The City borrowed funds for the project that will be retired by tax increments. These debt issues are included within the City's long-term debt. The balances on debt issues outstanding at December 31, 2015 are summarized in the following schedule.

NOTE 5 – OTHER INFORMATION (Continued)

G. TAX INCREMENTAL FINANCING DISTRICTS (CONTINUED)

2008 General Obligation Notes	$ 90,000
2009 General Obligation Notes	140,000
2010A General Obligation Notes	855,447
2012A General Obligation Notes - Taxable	1,950,000
2012B General Obligation Notes	5,815,000
2013 Foundation loan	358,000
2013 Foundation loan	750,000
2014A General Obligation Refunding Bonds	270,000
2014B General Obligation Bonds	1,185,000
2015B General Obligation Bonds	1,420,000
2015C General Obligation Bonds - Taxable	2,655,000
Total	$ 15,488,447

Tax Incremental Financing District No. 5 was created on July 8, 1997. The last date to incur project costs is July 8, 2015. The City borrowed funds for the project that will be retired by tax increments. The remaining debt issue is included within the City's long-term debt. The balance on the debt issue outstanding at December 31, 2015 is as follows:

2010B General Obligation Notes	$ 555,000

Tax Incremental Financing District No. 6 was created on May 11, 2005. The expenditure period will end on May 11, 2023. The City borrowed funds for the project that will be retired by tax increments. The debt issues are included in the City's debt and the balances at December 31, 2015 are as follows:

2010A General Obligation Notes	$ 200,000
2011A General Obligation Notes	746,010
2012B General Obligation Notes	475,000
2013A General Obligation Notes	1,605,000
Total	$ 3,026,010

NOTE 5 – OTHER INFORMATION (Continued)

G. TAX INCREMENTAL FINANCING DISTRICTS (Continued)

The following schedule summarizes the cumulative status of Tax Incremental Financing Districts (TID) No. 3, 5 and 6 as of December 31, 2015.

	TID #3	TID #5	TID #6
Total revenues	$ 36,768,450	$ 13,005,527	$ 9,245,604
Expenditures:			
Project costs	45,195,662	3,328,795	8,783,318
Interest and related costs	11,382,634	1,901,619	674,707
Administration	569,529	406,823	397,350
Developer grants/incentives	6,534,997	7,703,410	2,657,926
Other costs	-	-	184,415
Total expenditures	63,682,822	13,340,647	12,697,716
Net recoverable costs	$ 26,914,372	$ 335,120	$ 3,452,112

Tax Incremental Financing District No. 7 was created January 11, 2006. The expenditure period will end on January 10, 2021. The City borrowed funds for the project that will be retired by tax increments. These debt issues are included in the City's debt and balances at December 31, 2015 are summarized as follows:

2008A General Obligation Notes	$ 1,095,000
2009A General Obligation Notes	280,000
2010A General Obligation Notes	48,000
2012B General Obligation Notes	34,465
2013B General Obligation Notes	340,000
2014A General Obligation Notes	90,000
Total	$ 1,887,465

Tax Incremental Financing District No. 8 was created on April 11, 2012. The expenditure period will end on April 10, 2034. The City borrowed funds for the project that will be retired by tax increments. These debt issues are included in the City's debt and the balance at December 31, 2015 is as follows:

2014 Foundation Loan	$ 190,000
2015A General Obligation Notes	1,020,000
	$ 1,210,000

NOTE 5 – OTHER INFORMATION (Continued)

G. TAX INCREMENTAL FINANCING DISTRICTS (Continued)

Tax Incremental Financing District No. 9 was created on September 26, 2012. The expenditure period will end on September 25, 2034. The City borrowed funds for the project that will be retired by tax increments. This debt issue is included in the City's debt and the balance at December 31, 2015 is as follows:

2013B General Obligation Notes	$ 500,000

Tax Incremental Financing District No. 10 was created on September 10, 2013. The expenditure period will end on September 10, 2028. The City borrowed funds for the project that will be retired by tax increments. These debt issues are included in the City's debt and the balances at December 31, 2015 are as follows:

2014B Community Development Bond	$ 310,000
2015B General Obligation Bonds	1,225,000
	$ 1,535,000

The following schedule summarizes the cumulative status of Tax Incremental Financing Districts (TID) No. 7, 8, 9 and 10 as of December 31, 2015.

	TID #7	TID #8	TID #9	TID #10
Total revenues	$ 3,321,216	$ 523,354	$ 89,483	$ 68,048
Expenditures:				
Project costs	5,542,423	320,000	4,550	442,473
Interest and related costs	907,013	19,842	52,413	60,458
Administration	139,837	34,550	11,320	74,631
Developer payments	513,484	-	600,000	1,200,000
Other costs	100,289	-	-	-
Total expenditures	7,203,046	374,392	668,283	1,777,562
Net recoverable costs	$ 3,881,830	$ (148,962)	$ 578,800	$ 1,709,514

NOTE 5 – OTHER INFORMATION (Continued)

H. CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE

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 for Governmental Activities is summarized in the schedule below:

	Governmental Activities		
	Governmental Funds	Internal Service Funds	Total
Net Pension Asset	$ 5,822,588	$ 89,636	$ 5,912,224
Deferred Outflows of Resources	1,440,134	24,639	1,464,773
Total Cumulative Effect of Change in Accounting Principle	$ 7,262,722	$ 114,275	$ 7,376,997

The cumulative effect of this change for Business-type Activities is summarized in the following schedule:

	Business-type Activities					
	Water Utility	Wastewater Utility	Parking Utility	Metro Ride	Animal Control	Total
Net Pension Asset	$ 244,268	$ 176,030	$ 54,774	$ 426,909	$ 1,353	$ 903,334
Deferred Outflows of Resources	63,875	48,258	11,680	101,439	2,158	227,410
Total Cumulative Effect of Change in Accounting Principle	$ 308,143	$ 224,288	$ 66,454	$ 528,348	$ 3,511	$ 1,130,744

I. 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.

NOTE 5 – OTHER INFORMATION (Continued)

I. UPCOMING ACCOUNTING PRONOUNCEMENTS (Continued)

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 while 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.

J. SUBSEQUENT EVENT

In May 2016, the City authorized issuance of General Obligation Promissory Note, Series 2016A in the amount of $8,705,000, General Obligation Corporate Purpose Bonds, Series 2016B in the amount of $6,530,000 and Taxable General Obligation Community Development Bonds, Series 2016C in the amount of $4,695,000 to finance current capital projects, Tax Incremental Financing District improvements and to refund the 2008 Promissory Note, Series A issue in the amount of $1,330,000.

CITY OF WAUSAU, WISCONSIN
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 2015

	Budgeted Amounts (Note A)			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 16,411,336	$ 16,411,336	$ 16,422,947	$ 11,611
Intergovernmental	8,171,194	8,171,194	8,107,748	(63,446)
Licenses and permits	743,050	743,050	799,876	56,826
Fines, forfeitures and penalties	398,000	398,000	337,841	(60,159)
Public charges for services	1,828,650	1,882,650	1,928,922	46,272
Intergovernmental charges for services	1,497,036	1,500,286	1,457,809	(42,477)
Commercial revenues	294,000	294,000	369,673	75,673
Miscellaneous revenues	332,622	338,749	350,072	11,323
Total Revenues	29,675,888	29,739,265	29,774,888	35,623
EXPENDITURES				
General government	3,997,261	4,090,730	4,159,669	(68,939)
Public safety	16,102,398	16,159,648	15,832,631	327,017
Transportation and streets	7,483,733	7,390,337	7,129,835	260,502
Sanitation, health and welfare	1,537,400	1,529,400	1,539,308	(9,908)
Natural resources and recreation	2,452,096	2,425,054	2,271,947	153,107
Total Expenditures	31,572,888	31,595,169	30,933,390	661,779
Deficiency of Revenues over Expenditures	(1,897,000)	(1,855,904)	(1,158,502)	697,402
OTHER FINANCING SOURCES (USES)				
Transfers in	1,897,000	1,897,000	1,883,444	(13,556)
Transfers out	-	(144,288)	(144,288)	-
Net Change in Fund Balance	-	(103,192)	580,654	683,846
Fund balance - beginning of year	9,443,494	9,443,494	9,443,494	-
Fund balance - end of year	$ 9,443,494	$ 9,340,302	$ 10,024,148	$ 683,846

Note A - Annual budget for the General Fund is prepared on a basis consistent with generally accepted accounting principles.

Note B - Expenditures exceeded appropriations for the following departmental cost centers: Finance department by $8,783, City Clerk/customer service by $5,167, Elections by $521, Unclassified by $183,153 and Garbage and refuse collection by $9,908.

CITY OF WAUSAU, WISCONSIN
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POSTEMPLOYMENT BENEFITS PLAN
SCHEDULE OF FUNDING PROGRESS
Year Ended December 31, 2015

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age Normal Cost	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/2008	$ -	$ 2,006,863	$ 2,006,863	0.0%	$ 15,265,869	13.1%
1/1/2009	$ -	$ 2,006,863	$ 2,006,863	0.0%	$ 16,259,665	12.3%
1/1/2010	$ -	$ 1,871,949	$ 1,871,949	0.0%	$ 16,425,193	11.4%
1/1/2011	$ -	$ 1,871,949	$ 1,871,949	0.0%	$ 16,952,936	11.0%
1/1/2012	$ -	$ 1,483,204	$ 1,483,204	0.0%	$ 16,816,458	8.8%
1/1/2013	$ -	$ 1,483,204	$ 1,483,204	0.0%	$ 17,651,581	8.4%
1/1/2014	$ -	$ 283,195	$ 283,195	0.0%	$ 18,263,114	1.6%
1/1/2015	$ -	$ 283,195	$ 283,195	0.0%	$ 18,135,976	1.6%

CITY OF WAUSAU, WISCONSIN
REQUIRED SUPPLEMENTARY INFORMATION
NET PENSION ASSET
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Year Ended December 31, 2015

Year	Required Contributions	Contributions Made	Contibution Deficiency (Excess)	Total Payroll	Contributions as a percentage of Payroll
2014	$ 1,692,183	$ 1,692,183	$ -	$ 18,179,898	9.31%

CITY OF WAUSAU, WISCONSIN
REQUIRED SUPPLEMENTARY INFORMATION
NET PENSION ASSET
SCHEDULE OF EMPLOYER PROPORTIONATE SHARE OF
NET PENSION LIABILITY (ASSET)
Year Ended December 31, 2015

Year	Proportion of Net Pension Asset	Beginning Balance of Net Pension Asset	Ending Balance of Net Pension Asset	Total Payroll	Ending Net Pension Asset as a Percentage of Payroll	Plan Fiduciary Net Position as a Percentage of Total Pension Liability/(Asset)
2014	0.17172566%	$ 6,815,558	$ 4,218,052	$ 18,179,898	23.2%	102.74%

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 the WRS.

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL
Year Ended December 31, 2015

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
TAXES				
General property taxes	$ 16,200,627	$ 16,200,627	$ 16,200,627	$ -
Mobile home parking fees	28,000	28,000	25,781	(2,219)
Payments in lieu of taxes	115,000	115,000	128,698	13,698
Other taxes	67,709	67,709	67,841	132
Total Taxes	16,411,336	16,411,336	16,422,947	11,611
INTERGOVERNMENTAL				
State shared taxes	4,434,045	4,434,045	4,397,539	(36,506)
Expenditure restraint	771,566	771,566	764,764	(6,802)
Fire insurance tax	105,000	105,000	102,678	(2,322)
Municipal services	195,000	195,000	184,010	(10,990)
Transportation aids	2,541,749	2,541,749	2,537,317	(4,432)
Other grants	123,834	123,834	121,440	(2,394)
Total Intergovernmental	8,171,194	8,171,194	8,107,748	(63,446)
LICENSES AND PERMITS				
Licenses	175,531	175,531	183,756	8,225
Franchise fees	340,000	340,000	354,938	14,938
Permits	227,519	227,519	261,182	33,663
Total Licenses and Permits	743,050	743,050	799,876	56,826
FINES, FORFEITURES AND PENALTIES	398,000	398,000	337,841	(60,159)
PUBLIC CHARGES FOR SERVICES				
General government	67,300	67,300	83,602	16,302
Public safety	1,377,200	1,431,200	1,454,518	23,318
Streets and related facilities	79,971	79,971	146,569	66,598
Recreation	144,700	144,700	151,093	6,393
Public areas	159,479	159,479	93,140	(66,339)
Total Public Charges for Services	1,828,650	1,882,650	1,928,922	46,272
INTERGOVERNMENTAL CHARGES FOR SERVICES				
State, federal and local reimbursements	11,340	11,340	1,082	(10,258)
County and other municipalities	236,264	239,514	273,283	33,769
City departments	1,249,432	1,249,432	1,183,444	(65,988)
Total Intergovernmental Charges for Services	1,497,036	1,500,286	1,457,809	(42,477)

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL
Year Ended December 31, 2015

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
COMMERCIAL				
Interest on general investments	$ 260,000	$ 260,000	$ 313,826	$ 53,826
Interest on special assessments	15,000	15,000	10,814	(4,186)
Other interest	19,000	19,000	45,033	26,033
Total Commercial	294,000	294,000	369,673	75,673
MISCELLANEOUS REVENUES				
Rent of land and buildings	210,100	210,100	212,489	2,389
Sale of City property/loss compensation	12,500	12,500	26,579	14,079
Other miscellaneous revenues	110,022	116,149	111,004	(5,145)
Total Miscellaneous Revenues	332,622	338,749	350,072	11,323
OTHER FINANCING SOURCES				
Transfers in	1,897,000	1,897,000	1,883,444	(13,556)
TOTAL REVENUES AND OTHER FINANCING SOURCES	$ 31,572,888	$ 31,636,265	$ 31,658,332	$ 22,067

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL
Year Ended December 31, 2015

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
GENERAL GOVERNMENT				
City Council	$ 112,122	$ 94,272	$ 88,427	$ 5,845
Mayor	203,263	203,263	200,925	2,338
City promotion	124,600	119,811	117,096	2,715
Finance department	471,638	488,638	497,421	(8,783)
Data processing	696,369	696,369	665,289	31,080
City clerk/customer service	492,398	492,398	497,565	(5,167)
Elections	34,950	19,950	20,471	(521)
Assessor	595,907	595,907	559,101	36,806
City attorney	490,025	494,814	489,757	5,057
Municipal court	128,529	128,529	125,183	3,346
Human resources	293,937	300,064	299,167	897
City hall and other municipal buildings	321,523	321,523	280,922	40,601
Unclassified	32,000	135,192	318,345	(183,153)
Total General Government	3,997,261	4,090,730	4,159,669	(68,939)
PUBLIC SAFETY				
Police department	8,973,536	8,968,536	8,839,760	128,776
Fire department	3,431,816	3,431,816	3,394,036	37,780
Ambulance	2,991,652	3,053,902	2,933,494	120,408
Inspections department	705,394	705,394	665,341	40,053
Total Public Safety	16,102,398	16,159,648	15,832,631	327,017
TRANSPORTATION AND STREETS				
Engineering	1,401,003	1,423,003	1,362,175	60,828
Public works	6,082,730	5,967,334	5,767,660	199,674
Total Transportation and Streets	7,483,733	7,390,337	7,129,835	260,502
SANITATION, HEALTH AND WELFARE				
Garbage and refuse collection	1,537,400	1,529,400	1,539,308	(9,908)
NATURAL RESOURCES/RECREATION				
Parks and recreation	2,452,096	2,425,054	2,271,947	153,107
OTHER FINANCING USES				
Transfers out	-	144,288	144,288	-
TOTAL EXPENDITURES AND OTHER FINANCING USES	$ 31,572,888	$ 31,739,457	$ 31,077,678	$ 661,779

CITY OF WAUSAU, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
December 31, 2015

	Special Revenue Funds			
	Grants	HUD Mortgage	DLAD Mortgage Program	Economic Development
ASSETS				
Cash and cash equivalents	$ 1,291,983	$ 13,128	$ 555,214	$ 379,635
Investments	-	-	-	-
Taxes receivable	156,375	-	-	-
Accounts receivable	-	-	-	500
Notes receivable	3,742,709	2,319,075	77,651	823,903
Due from other governments	142,220	-	-	-
Due from other funds	-	-	-	-
Advance to other funds	-	-	-	-
TOTAL ASSETS	$ 5,333,287	$ 2,332,203	$ 632,865	$ 1,204,038
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	$ 1,885	$ 374	$ -	$ 18,849
Employee compensation and benefits	9,222	-	-	-
Due to other funds	22,857	-	15,000	-
Unearned revenues	57,439	-	-	50,000
Advances from other funds	-	-	-	-
Total Liabilities	91,403	374	15,000	68,849
Deferred Inflows of Resources				
Unavailable revenue	3,742,709	2,319,075	77,651	823,903
Property taxes	156,375	-	-	-
Total Deferred Inflows of Resources	3,899,084	2,319,075	77,651	823,903
Fund Balances				
Nonspendable	-	-	-	-
Restricted for				
Special purposes	1,342,800	12,754	-	-
Committed to				
Special purposes	-	-	540,214	311,286
Unassigned	-	-	-	-
Total Fund Balances	1,342,800	12,754	540,214	311,286
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 5,333,287	$ 2,332,203	$ 632,865	$ 1,204,038

Special Revenue Funds					
Federal Rent Rehabilitation	WRRP Rehabilitation	Holtz-Krause Clean Up	Hazardous Materials Emergency Response	Housing Stock Improvement	Room Tax
$ 340,560	$ 1,504,309	$ 477,229	$ 109,565	$ 629,083	$ 78,668
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	79,012
-	338,474	210,861	-	-	100,000
-	-	-	20,250	-	-
-	37,857	-	-	-	-
-	-	1,239,432	-	-	-
$ 340,560	$ 1,880,640	$ 1,927,522	$ 129,815	$ 629,083	$ 257,680
$ -	$ -	$ 1,850	$ 27	$ -	$ 75,554
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,850	27	-	75,554
-	338,474	210,861	-	-	100,000
-	-	-	-	-	-
-	338,474	210,861	-	-	100,000
-	-	1,239,432	-	-	-
340,560	1,542,166	475,379	129,788	-	-
-	-	-	-	629,083	82,126
-	-	-	-	-	-
340,560	1,542,166	1,714,811	129,788	629,083	82,126
$ 340,560	$ 1,880,640	$ 1,927,522	$ 129,815	$ 629,083	$ 257,680

(Continued on next page)

CITY OF WAUSAU, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (Continued)
December 31, 2015

	Special Revenue Funds			
	Public Access Cable	Recycling	EMS Grant	Rental Licensing
ASSETS				
Cash and cash equivalents	$ 18,743	$ 37,442	$ 17,745	$ -
Investments	-	-	-	-
Taxes receivable	-	462,165	-	-
Accounts receivable	4,050	-	-	15,495
Notes receivable	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Advance to other funds	-	-	-	-
TOTAL ASSETS	$ 22,793	$ 499,607	$ 17,745	$ 15,495
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	$ 1,800	$ 36,277	$ -	$ -
Employee compensation and benefits	-	-	-	-
Due to other funds	-	-	-	12,809
Unearned revenues	3,450	-	-	-
Advances from other funds	-	-	-	-
Total Liabilities	5,250	36,277	-	12,809
Deferred Inflows of Resources				
Unavailable revenue	-	-	-	-
Property taxes	-	462,165	-	-
Total Deferred Inflows of Resources	-	462,165	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted for				
Special purposes	-	1,165	17,745	-
Committed to				
Special purposes	17,543	-	-	2,686
Unassigned	-	-	-	-
Total Fund Balances	17,543	1,165	17,745	2,686
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 22,793	$ 499,607	$ 17,745	$ 15,495

Special Revenue Funds			Capital Project Funds		
400 Block	Other grants & Special Purpose Accounts	Total	Central Capital Purchasing	TID #5 Industrial Park	TID #6 West Side Development
$ 3,595	$ 706,286	$ 6,163,185	$ -	$ 233,692	$ -
-	54,586	54,586	-	-	-
-	-	618,540	110,800	1,307,235	1,620,763
-	-	99,057	-	-	-
-	-	7,612,673	-	100,000	547,798
-	5,009	167,479	-	-	-
-	-	37,857	-	-	-
-	-	1,239,432	-	-	-
$ 3,595	$ 765,881	$ 15,992,809	$ 110,800	$ 1,640,927	$ 2,168,561
$ -	$ 60,189	$ 196,805	$ -	$ 13,812	$ 165,436
-	-	9,222	-	-	-
-	-	50,666	-	-	-
-	-	110,889	-	-	-
-	-	-	-	-	260,666
-	60,189	367,582	-	13,812	426,102
-	-	7,612,673	-	100,000	547,798
-	-	618,540	110,800	1,307,235	1,620,763
-	-	8,231,213	110,800	1,407,235	2,168,561
-	-	1,239,432	-	-	-
-	705,692	4,568,049	-	219,880	-
3,595	-	1,586,533	-	-	-
-	-	-	-	-	(426,102)
3,595	705,692	7,394,014	-	219,880	(426,102)
$ 3,595	$ 765,881	$ 15,992,809	$ 110,800	$ 1,640,927	$ 2,168,561

(Continued on next page)

CITY OF WAUSAU, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (Concluded)
December 31, 2015

	Capital Project Funds			
	TID #7 West Side Development	TID #8 Near West Side	TID #9 Big Bull Falls	TID #10 Industrial Park
ASSETS				
Cash and cash equivalents	$ -	$ 1,358,962	$ -	$ -
Investments	-	-	-	-
Taxes receivable	574,301	194,502	24,240	67,477
Accounts receivable	-	-	-	-
Notes receivable	-	-	370,795	-
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Advance to other funds	-	-	-	-
TOTAL ASSETS	$ 574,301	$ 1,553,464	$ 395,035	$ 67,477
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	$ 1,285	$ -	$ -	$ 4,859
Employee compensation and benefits	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenues	-	-	-	-
Advances from other funds	1,993,080	-	78,800	169,655
Total Liabilities	1,994,365	-	78,800	174,514
Deferred Inflows of Resources				
Unavailable revenue	-	-	370,795	-
Property taxes	574,301	194,502	24,240	67,477
Total Deferred Inflows of Resources	574,301	194,502	395,035	67,477
Fund Balances				
Nonspendable	-	-	-	-
Restricted for Special purposes	-	1,358,962	-	-
Committed to Special purposes	-	-	-	-
Unassigned	(1,994,365)	-	(78,800)	(174,514)
Total Fund Balances	(1,994,365)	1,358,962	(78,800)	(174,514)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 574,301	$ 1,553,464	$ 395,035	$ 67,477

Capital Project Funds Total	Total Nonmajor Governmental Funds
$ 1,592,654	$ 7,755,839
-	54,586
3,899,318	4,517,858
-	99,057
1,018,593	8,631,266
-	167,479
-	37,857
-	1,239,432
$ 6,510,565	$ 22,503,374
$ 185,392	$ 382,197
-	9,222
-	50,666
-	110,889
2,502,201	2,502,201
2,687,593	3,055,175
1,018,593	8,631,266
3,899,318	4,517,858
4,917,911	13,149,124
-	1,239,432
1,578,842	6,146,891
-	1,586,533
(2,673,781)	(2,673,781)
(1,094,939)	6,299,075
$ 6,510,565	$ 22,503,374

CITY OF WAUSAU, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended December 31, 2015

	Special Revenue Funds			
	Grants	HUD Mortgage	DLAD Mortgage Program	Economic Development
REVENUES				
Taxes	$ -	$ -	$ -	$ 48,500
Special assessments	-	-	-	-
Intergovernmental	730,360	-	-	-
Licenses and permits	-	-	-	-
Commercial revenues	408,768	65,778	898	-
Miscellaneous revenues	362,743	12,652	33,230	43,360
Total Revenues	1,501,871	78,430	34,128	91,860
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Sanitation, health and welfare	-	-	-	-
Natural resources and recreation	-	-	-	-
Economic development	1,311,497	68,845	1,375	77,835
Capital outlay	-	-	-	-
Total expenditures	1,311,497	68,845	1,375	77,835
Excess (deficiency) of revenues over expenditures	190,374	9,585	32,753	14,025
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	-	-	-
Premium on debt issued	-	-	-	-
Transfers in	58,838	-	-	-
Transfers out	(133,000)	(15,696)	-	(78,142)
Total other financing sources (uses)	(74,162)	(15,696)	-	(78,142)
Net change in fund balances	116,212	(6,111)	32,753	(64,117)
Fund balances (deficit) - beginning of year	1,226,588	18,865	507,461	375,403
Fund balances (deficit) - end of year	$ 1,342,800	$ 12,754	$ 540,214	$ 311,286

Special Revenue Funds					
Federal Rent Rehabilitation	WRRP Rehabilitation	Holtz-Krause Clean Up	Hazardous Materials Emergency Response	Housing Stock Improvement	Room Tax
$ -	$ -	$ -	$ -	$ -	$ 845,155
-	-	-	-	-	-
-	-	-	81,000	-	-
-	-	-	-	-	-
-	205,023	62,410	-	-	-
-	13	-	3,000	-	-
-	205,036	62,410	84,000	-	845,155
-	-	-	-	-	-
-	-	-	48,291	-	-
-	-	33,535	-	-	-
-	-	-	-	-	-
4,305	60	-	-	4,307	647,465
-	-	-	-	-	-
4,305	60	33,535	48,291	4,307	647,465
(4,305)	204,976	28,875	35,709	(4,307)	197,690
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	(205,000)
-	-	-	-	-	(205,000)
(4,305)	204,976	28,875	35,709	(4,307)	(7,310)
344,865	1,337,190	1,685,936	94,079	633,390	89,436
$ 340,560	$ 1,542,166	$ 1,714,811	$ 129,788	$ 629,083	$ 82,126

(Continued on next page)

CITY OF WAUSAU, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Continued)
Year Ended December 31, 2015

	Special Revenue Funds			
	Public Access Cable	Recycling	EMS Grant	Rental Licensing
REVENUES				
Taxes	$ -	$ 517,275	$ -	$ -
Special assessments	-	-	-	-
Intergovernmental	-	147,736	8,267	-
Licenses and permits	39,190	-	-	121,385
Commercial revenues	-	-	-	-
Miscellaneous revenues	18,111	765	-	-
Total Revenues	57,301	665,776	8,267	121,385
EXPENDITURES				
Current:				
General government	45,522	-	-	-
Public safety	-	-	1,759	156,867
Sanitation, health and welfare	-	697,574	-	-
Natural resources and recreation	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	45,522	697,574	1,759	156,867
Excess (deficiency) of revenues over expenditures	11,779	(31,798)	6,508	(35,482)
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	-	-	-
Premium on debt issued	-	-	-	-
Transfers in	-	30,262	-	24,679
Transfers out	-	-	-	-
Total other financing sources (uses)	-	30,262	-	24,679
Net change in fund balances	11,779	(1,536)	6,508	(10,803)
Fund balances (deficit) - beginning of year	5,764	2,701	11,237	13,489
Fund balances (deficit) - end of year	$ 17,543	$ 1,165	$ 17,745	$ 2,686

Special Revenue Funds			Capital Project Funds		
400 Block	Other grants & Special Purpose Accounts	Total	Central Capital Purchasing	TID #5 Industrial Park	TID #6 West Side Development
$ -	$ -	$ 1,410,930	$ -	$ 1,185,556	$ 1,507,029
-	-	-	-	-	35,011
-	33,968	1,001,331	-	40,872	85,647
-	-	160,575	-	-	-
-	483	743,360	-	-	4,594
3,199	359,111	836,184	-	111,042	22,854
3,199	393,562	4,152,380	-	1,337,470	1,655,135
-	-	45,522	-	-	119,415
-	98,773	305,690	-	-	-
-	-	731,109	-	-	-
66,146	182,212	248,358	-	-	-
-	-	2,115,689	-	637,674	327,484
-	-	-	-	-	300,311
66,146	280,985	3,446,368	-	637,674	747,210
(62,947)	112,577	706,012	-	699,796	907,925
-	-	-	-	-	-
-	-	-	-	-	-
66,542	-	180,321	-	-	-
-	-	(431,838)	-	(281,028)	(703,182)
66,542	-	(251,517)	-	(281,028)	(703,182)
3,595	112,577	454,495	-	418,768	204,743
-	593,115	6,939,519	-	(198,888)	(630,845)
$ 3,595	$ 705,692	$ 7,394,014	$ -	$ 219,880	$ (426,102)

(Continued on next page)

CITY OF WAUSAU, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Concluded)
Year Ended December 31, 2015

	Capital Project Funds			
	TID #7 West Side Development	TID #8 Near West Side	TID #9 Big Bull Falls	TID #10 Industrial Park
REVENUES				
Taxes	$ 532,544	$ 140,328	$ 12,130	$ 14,795
Special assessments	-	-	-	-
Intergovernmental	8,039	195,509	101	18,206
Licenses and permits	-	-	-	-
Commercial revenues	-	-	57,534	-
Miscellaneous revenues	-	125	18,379	-
Total Revenues	540,583	335,962	88,144	33,001
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Sanitation, health and welfare	-	-	-	-
Natural resources and recreation	-	-	-	-
Economic development	86,054	21,155	554	1,253,953
Capital outlay	40,000	76,326	-	240,564
Total expenditures	126,054	97,481	554	1,494,517
Excess (deficiency) of revenues over expenditures	414,529	238,481	87,590	(1,461,516)
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	1,020,000	-	1,225,000
Premium on debt issued	-	3,732	-	35,047
Transfers in	-	-	-	-
Transfers out	(631,951)	(8,957)	(75,405)	(42,672)
Total other financing sources (uses)	(631,951)	1,014,775	(75,405)	1,217,375
Net change in fund balances	(217,422)	1,253,256	12,185	(244,141)
Fund balances (deficit) - beginning of year	(1,776,943)	105,706	(90,985)	69,627
Fund balances (deficit) - end of year	$ (1,994,365)	$ 1,358,962	$ (78,800)	$ (174,514)

Capital Project Funds Total	Total Nonmajor Governmental Funds
$ 3,392,382	$ 4,803,312
35,011	35,011
348,374	1,349,705
-	160,575
62,128	805,488
152,400	988,584
3,990,295	8,142,675
119,415	164,937
-	305,690
-	731,109
-	248,358
2,326,874	4,442,563
657,201	657,201
3,103,490	6,549,858
886,805	1,592,817
2,245,000	2,245,000
38,779	38,779
-	180,321
(1,743,195)	(2,175,033)
540,584	289,067
1,427,389	1,881,884
(2,522,328)	4,417,191
$ (1,094,939)	$ 6,299,075

CITY OF WAUSAU, WISCONSIN
NONMAJOR BUDGETED GOVERNMENTAL FUNDS
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2015

	Special Revenue Funds			
	Grants		HUD Mortgage	
	Budget	Actual	Budget	Actual
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Special assessments	-	-	-	-
Intergovernmental	804,585	730,360	-	-
Licenses and permits	-	-	-	-
Commercial revenues	207,630	408,768	16,127	65,778
Miscellaneous revenues	215,071	362,743	-	12,652
Total Revenues	1,227,286	1,501,871	16,127	78,430
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Sanitation, health and welfare	-	-	-	-
Natural resources and recreation	-	-	-	-
Economic development	1,097,522	1,311,497	16,127	68,845
Capital outlay	-	-	-	-
Total expenditures	1,097,522	1,311,497	16,127	68,845
Excess (deficiency) of revenues over expenditures	129,764	190,374	-	9,585
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	-	-	-
Premium on debt issued	-	-	-	-
Transfers in	65,000	58,838	-	-
Transfers out	(142,395)	(133,000)	-	(15,696)
Total other financing sources (uses)	(77,395)	(74,162)	-	(15,696)
Net change in fund balances	$ 52,369	116,212	$ -	(6,111)
Fund balances (deficit) - beginning of year		1,226,588		18,865
Fund balances (deficit) - end of year		$ 1,342,800		$ 12,754

Special Revenue Funds

Economic Development		WRRP Rehabilitation		Holtz-Krause Clean Up	
Budget	Actual	Budget	Actual	Budget	Actual
$ 48,500	$ 48,500	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	46,000	205,023	62,410	62,410
-	43,360	-	13	-	-
48,500	91,860	46,000	205,036	62,410	62,410
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	69,981	33,535
-	-	-	-	-	-
68,500	77,835	50,000	60	-	-
-	-	-	-	-	-
68,500	77,835	50,000	60	69,981	33,535
(20,000)	14,025	(4,000)	204,976	(7,571)	28,875
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(83,500)	(78,142)	-	-	-	-
(83,500)	(78,142)	-	-	-	-
$ (103,500)	(64,117)	$ (4,000)	204,976	$ (7,571)	28,875
	375,403		1,337,190		1,685,936
	$ 311,286		$ 1,542,166		$ 1,714,811

(Continued on next page)

CITY OF WAUSAU, WISCONSIN
NONMAJOR BUDGETED GOVERNMENTAL FUNDS
BUDGETARY COMPARISON SCHEDULE (Continued)
Year Ended December 31, 2015

	Special Revenue Funds			
	Hazardous Materials Emergency Response		Room Tax	
	Budget	Actual	Budget	Actual
REVENUES				
Taxes	$ -	$ -	$ 750,000	845,155
Special assessments	-	-	-	-
Intergovernmental	81,000	81,000	-	-
Licenses and permits	-	-	-	-
Commercial revenues	-	-	-	-
Miscellaneous revenues	-	3,000	-	-
Total Revenues	81,000	84,000	750,000	845,155
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	73,330	48,291	-	-
Sanitation, health and welfare	-	-	-	-
Natural resources and recreation	-	-	-	-
Economic development	-	-	626,203	647,465
Capital outlay	-	-	-	-
Total expenditures	73,330	48,291	626,203	647,465
Excess (deficiency) of revenues over expenditures	7,670	35,709	123,797	197,690
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	-	-	-
Premium on debt issued	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(205,000)	(205,000)
Total other financing sources (uses)	-	-	(205,000)	(205,000)
Net change in fund balances	$ 7,670	35,709	$ (81,203)	(7,310)
Fund balances (deficit) - beginning of year		94,079		89,436
Fund balances (deficit) - end of year		$ 129,788		$ 82,126

Special Revenue Funds

Public Access Cable		Recycling		EMS Grant	
Budget	Actual	Budget	Actual	Budget	Actual
$ -	$ -	$ 517,275	$ 517,275	$ -	$ -
-	-	-	-	-	-
-	-	147,500	147,736	5,000	8,267
39,190	39,190	-	-	-	-
-	-	-	-	-	-
12,200	18,111	800	765	-	-
51,390	57,301	665,575	665,776	5,000	8,267
47,348	45,522	-	-	-	-
-	-	-	-	5,000	1,759
-	-	695,837	697,574	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
47,348	45,522	695,837	697,574	5,000	1,759
4,042	11,779	(30,262)	(31,798)	-	6,508
-	-	-	-	-	-
-	-	-	-	-	-
-	-	30,262	30,262	-	-
-	-	-	-	-	-
-	-	30,262	30,262	-	-
$ 4,042	11,779	$ -	(1,536)	$ -	6,508
	5,764		2,701		11,237
	$ 17,543		$ 1,165		$ 17,745

(Continued on next page)

CITY OF WAUSAU, WISCONSIN
NONMAJOR BUDGETED GOVERNMENTAL FUNDS
BUDGETARY COMPARISON SCHEDULE (Continued)
Year Ended December 31, 2015

	Special Revenue Funds			
	Rental Licensing		400 Block	
	Budget	Actual	Budget	Actual
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Special assessments	-	-	-	-
Intergovernmental	-	-	-	-
Licenses and permits	130,000	121,385	-	-
Commercial revenues	-	-	-	-
Miscellaneous revenues	-	-	3,800	3,199
Total Revenues	130,000	121,385	3,800	3,199
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	167,945	156,867	-	-
Sanitation, health and welfare	-	-	-	-
Natural resources and recreation	-	-	70,342	66,146
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	167,945	156,867	70,342	66,146
Excess (deficiency) of revenues over expenditures	(37,945)	(35,482)	(66,542)	(62,947)
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	-	-	-
Premium on debt issued	-	-	-	-
Transfers in	24,679	24,679	66,542	66,542
Transfers out	-	-	-	-
Total other financing sources (uses)	24,679	24,679	66,542	66,542
Net change in fund balances	$ (13,266)	(10,803)	$ -	3,595
Fund balances (deficit) - beginning of year		13,489		-
Fund balances (deficit) - end of year		$ 2,686		$ 3,595

Capital Project Funds

TID #5 Industrial Park		TID #6 West Side Development		TID #7 West Side Development	
Budget	Actual	Budget	Actual	Budget	Actual
$ 1,143,063	$ 1,185,556	$ 1,453,014	$ 1,507,029	$ 513,457	532,544
-	-	31,350	35,011	-	-
39,000	40,872	75,000	85,647	9,000	8,039
-	-	-	-	-	-
-	-	-	4,594	-	-
-	111,042	6,435	22,854	-	-
1,182,063	1,337,470	1,565,799	1,655,135	522,457	540,583
-	-	-	119,415	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
690,000	637,674	453,600	327,484	212,000	86,054
-	-	5,172,814	300,311	185,000	40,000
690,000	637,674	5,626,414	747,210	397,000	126,054
492,063	699,796	(4,060,615)	907,925	125,457	414,529
-	-	4,660,000	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(281,028)	(281,028)	(703,182)	(703,182)	(631,951)	(631,951)
(281,028)	(281,028)	3,956,818	(703,182)	(631,951)	(631,951)
$ 211,035	418,768	$ (103,797)	204,743	$ (506,494)	(217,422)
	(198,888)		(630,845)		(1,776,943)
	$ 219,880		$ (426,102)		$ (1,994,365)

(Continued on next page)

CITY OF WAUSAU, WISCONSIN
NONMAJOR BUDGETED GOVERNMENTAL FUNDS
BUDGETARY COMPARISON SCHEDULE (Concluded)
Year Ended December 31, 2015

	Capital Projects Funds			
	TID #8 Near West Side		TID #9 Big Bull Falls	
	Budget	Actual	Budget	Actual
REVENUES				
Taxes	$ 135,299	$ 140,328	$ 11,695	$ 12,130
Special assessments	-	-	-	-
Intergovernmental	130,000	195,509	-	101
Licenses and permits	-	-	-	-
Commercial revenues	-	-	48,534	57,534
Miscellaneous revenues	-	125	-	18,379
Total Revenues	265,299	335,962	60,229	88,144
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Sanitation, health and welfare	-	-	-	-
Natural resources and recreation	-	-	-	-
Economic development	108,000	21,155	3,200	554
Capital outlay	1,579,983	76,326	-	-
Total expenditures	1,687,983	97,481	3,200	554
Excess (deficiency) of revenues over expenditures	(1,422,684)	238,481	57,029	87,590
OTHER FINANCING SOURCES (USES)				
Issuance of debt	1,400,000	1,020,000	-	-
Premium on debt issued	-	3,732	-	-
Transfers in	-	-	-	-
Transfers out	(5,225)	(8,957)	(75,405)	(75,405)
Total other financing sources (uses)	1,394,775	1,014,775	(75,405)	(75,405)
Net change in fund balances	$ (27,909)	1,253,256	$ (18,376)	12,185
Fund balances (deficit) - beginning of year		105,706		(90,985)
Fund balances (deficit) - end of year		$ 1,358,962		$ (78,800)

Capital Projects Funds	
TID #10 Industrial Park	
Budget	Actual
$ 14,265	$ 14,795
-	-
-	18,206
-	-
-	-
-	-
14,265	33,001
-	-
-	-
-	-
-	-
1,200,000	1,253,953
203,910	240,564
1,403,910	1,494,517
(1,389,645)	(1,461,516)
1,200,000	1,225,000
-	35,047
-	-
(7,625)	(42,672)
1,192,375	1,217,375
$ (197,270)	(244,141)
	69,627
	$ (174,514)

CITY OF WAUSAU, WISCONSIN
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 2015

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
General property taxes	$ 4,123,000	$ 4,123,000	$ 4,123,000	$ -
Reimbursement of expenditures	-	-	46,201	46,201
Total Revenues	4,123,000	4,123,000	4,169,201	46,201
EXPENDITURES				
Debt Service:				
Principal retirement	7,022,550	7,022,550	7,022,550	-
Interest and debt service charges	994,250	994,250	994,947	(697)
Total Expenditures	8,016,800	8,016,800	8,017,497	(697)
Deficiency of Revenues over Expenditures	(3,893,800)	(3,893,800)	(3,848,296)	45,504
OTHER FINANCING SOURCES				
Transfers in	3,953,204	3,953,204	3,987,473	34,269
Net change in fund balance	59,404	59,404	139,177	79,773
Fund balance - beginning of year	741,269	741,269	741,269	-
Fund balance - end of year	$ 800,673	$ 800,673	$ 880,446	$ 79,773

CITY OF WAUSAU, WISCONSIN
TID #3 - DOWNTOWN DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 2015

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
General property taxes	$ 1,801,692	$ 1,801,692	$ 1,868,669	$ 66,977
Special assessments	-	-	34	34
Intergovernmental	49,000	49,000	898,790	849,790
Other miscellaneous	1,751,302	1,751,302	614,413	(1,136,889)
Total Revenues	3,601,994	3,601,994	3,381,906	(220,088)
EXPENDITURES				
Economic development	-	1,139,000	132,683	1,006,317
Capital outlay:				
Economic development	4,955,000	7,537,694	4,528,747	3,008,947
Total expenditures	4,955,000	8,676,694	4,661,430	4,015,264
Deficiency of Revenues over Expenditures	(1,353,006)	(5,074,700)	(1,279,524)	3,795,176
OTHER FINANCING SOURCES (USES)				
Issuance of debt	3,000,000	4,704,000	4,075,000	(629,000)
Premium on debt issued	-	-	82,307	82,307
Transfers out	(2,090,133)	(2,090,133)	(2,172,440)	(82,307)
Total Other Financing Sources (Uses)	909,867	2,613,867	1,984,867	(629,000)
Net change in fund balance	(443,139)	(2,460,833)	705,343	3,166,176
Fund balance - beginning of year	(3,248,091)	(3,248,091)	(3,248,091)	-
Fund balance - end of year	$ (3,691,230)	$ (5,708,924)	$ (2,542,748)	$ 3,166,176

CITY OF WAUSAU, WISCONSIN
CAPITAL IMPROVEMENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 2015

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
General property taxes	$ 406,090	$ 406,090	$ 406,090	$ -
Special assessments	359,000	359,000	430,813	71,813
Intergovernmental	-	-	29,570	29,570
Other miscellaneous	-	-	2,200	2,200
Total Revenues	765,090	765,090	868,673	103,583
EXPENDITURES				
Capital outlay	7,007,651	10,955,605	7,614,871	3,340,734
Deficiency of Revenues over Expenditures	(6,242,561)	(10,190,515)	(6,746,198)	3,444,317
OTHER FINANCING SOURCES				
Issuance of debt	5,849,716	5,904,928	5,970,000	65,072
Premium on debt issued	-	-	71,838	71,838
Transfers in	392,845	432,845	253,000	(179,845)
Transfers out	-	-	(71,838)	(71,838)
Total Other Financing Sources	6,242,561	6,337,773	6,223,000	(114,773)
Net change in fund balance	-	(3,852,742)	(523,198)	3,329,544
Fund balance - beginning of year	4,002,210	4,002,210	4,002,210	-
Fund balance - end of year	$ 4,002,210	$ 149,468	$ 3,479,012	$ 3,329,544

CITY OF WAUSAU, WISCONSIN
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
December 31, 2015

	Airport Fund	Animal Control Fund	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	$ 34,693	$ 51,626	$ 86,319
Taxes receivable	80,000	37,105	117,105
Accounts receivable	3,416	10,825	14,241
Total Current Assets	118,109	99,556	217,665
Noncurrent Assets:			
Property, Plant and Equipment:			
Property and equipment	4,134,543	-	4,134,543
Accumulated depreciation	(1,880,924)	-	(1,880,924)
Net pension asset	-	4,869	4,869
Total noncurrent assets	2,253,619	4,869	2,258,488
TOTAL ASSETS	2,371,728	104,425	2,476,153
DEFERRED OUTFLOWS OF RESOURCES			
Proportionate share of WRS pension plan	-	3,447	3,447
Pension contributions for subsequent year	-	1,870	1,870
TOTAL DEFERRED OUTFLOWS OF RESOURCES	-	5,317	5,317
LIABILITIES			
Current Liabilities:			
Accounts payable	3,285	497	3,782
Due to other governments	-	2,402	2,402
Unearned revenues	6,597	8,893	15,490
TOTAL LIABILITIES	9,882	11,792	21,674
DEFERRED INFLOWS OF RESOURCES			
Property taxes	80,000	37,105	117,105
NET POSITION			
Net investment in capital assets	2,253,619	-	2,253,619
Restricted for pension benefits	-	10,186	10,186
Unrestricted	28,227	50,659	78,886
TOTAL NET POSITION	$ 2,281,846	$ 60,845	$ 2,342,691

CITY OF WAUSAU, WISCONSIN
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Year Ended December 31, 2015

	Airport Fund	Animal Control Fund	Total
OPERATING REVENUES			
Charges for services and sales	$ 140,430	$ 78,404	$ 218,834
Intergovernmental	-	39,443	39,443
Total Operating Revenues	140,430	117,847	258,277
OPERATING EXPENSES			
Operating and maintenance	250,041	170,038	420,079
Depreciation	156,943	-	156,943
Total Operating Expenses	406,984	170,038	577,022
Operating income (loss)	(266,554)	(52,191)	(318,745)
NONOPERATING REVENUES			
Property taxes	80,000	78,489	158,489
Income (loss) before Capital Contributions and Transfers	(186,554)	26,298	(160,256)
Transfers in	40,155	13,850	54,005
Change in Net Position	(146,399)	40,148	(106,251)
Net position - beginning of year, as previously stated	2,428,245	17,186	2,445,431
Cumulative effect of change in accounting principle	-	3,511	3,511
Net position, as restated	2,428,245	20,697	2,448,942
Net position - end of year	$ 2,281,846	$ 60,845	$ 2,342,691

CITY OF WAUSAU, WISCONSIN
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
Year Ended December 31, 2015

	Airport Fund	Animal Control Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers, users and others	$ 142,235	$ 124,622	$ 266,857
Payments to suppliers	(254,557)	(143,796)	(398,353)
Payments to employees	-	(34,553)	(34,553)
Net Cash Used by Operating Activities	(112,322)	(53,727)	(166,049)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Property taxes	80,000	78,489	158,489
Transfers in	40,155	13,850	54,005
Net Cash Provided by Noncapital Financing Activities	120,155	92,339	212,494
Net Increase in Cash and Cash Equivalents	7,833	38,612	46,445
Cash and cash equivalents - beginning of year	26,860	13,014	39,874
Cash and cash equivalents - end of year	$ 34,693	$ 51,626	$ 86,319
Reconciliation of operating loss to net cash used by operating activities:			
Operating loss	$ (266,554)	$ (52,191)	$ (318,745)
Adjustments to reconcile operating loss to net cash used by operating activities:			
Depreciation expense	156,943	-	156,943
Changes in assets and liabilities:			
Accounts receivable	3,336	757	4,093
Inventories and prepayments	-	1,503	1,503
Accounts payable	(4,516)	(3,139)	(7,655)
Net pension expense	-	(6,675)	(6,675)
Unearned revenues	(1,531)	6,018	4,487
Net cash used by operating activities	$ (112,322)	$ (53,727)	$ (166,049)

CITY OF WAUSAU, WISCONSIN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
December 31, 2015

	Motor Pool	Insurance Fund	Employee Benefits Fund	Employee HRA/Wellness Fund	Total
ASSETS					
Current Assets:					
Cash and cash equivalents	$ 718,065	$ 952,059	$ 744,326	$ 437,535	$ 2,851,985
Accounts receivable	2,023	89,141	64,612	4,536	160,312
Inventories and prepayments	299,386	-	5,779	-	305,165
Total Current Assets	1,019,474	1,041,200	814,717	442,071	3,317,462
Noncurrent Assets:					
Property, Plant and Equipment:					
Property and equipment	11,864,296	-	-	-	11,864,296
Accumulated depreciation	(7,580,967)	-	-	-	(7,580,967)
Net pension asset	63,591	-	-	-	63,591
Total noncurrent assets	4,346,920	-	-	-	4,346,920
TOTAL ASSETS	5,366,394	1,041,200	814,717	442,071	7,664,382
DEFERRED OUTFLOWS OF RESOURCES					
Proportionate share of WRS pension plan	39,351	-	-	-	39,351
Pension contributions for subsequent year	24,428	-	-	-	24,428
TOTAL DEFERRED OUTFLOWS OF RESOURCES	63,779	-	-	-	63,779
LIABILITIES					
Current Liabilities:					
Accounts payable	128,756	36,567	-	-	165,323
Claims payable	-	39,616	571,971	60,000	671,587
Unearned revenues	-	-	404,180	25,609	429,789
Total Current Liabilities	128,756	76,183	976,151	85,609	1,266,699
Noncurrent Liabilities:					
Accrued liability - claims payable	-	283,846	-	-	283,846
Compensated absences payable	21,554	-	-	-	21,554
Total Noncurrent Liabilities	21,554	283,846	-	-	305,400
TOTAL LIABILITIES	150,310	360,029	976,151	85,609	1,572,099
NET POSITION (DEFICIT)					
Net investment in capital assets	4,283,329	-	-	-	4,283,329
Restricted for pension benefits	127,370	-	-	-	127,370
Unrestricted (Deficit)	869,164	681,171	(161,434)	356,462	1,745,363
TOTAL NET POSITION (DEFICIT)	$ 5,279,863	$ 681,171	$ (161,434)	$ 356,462	$ 6,156,062

CITY OF WAUSAU, WISCONSIN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Year Ended December 31, 2015

	Motor Pool	Insurance Fund	Employee Benefits Fund	Employee HRA/Wellness Fund	Total
OPERATING REVENUES					
Charges for services and sales	$ 2,987,713	$ 872,030	$ 5,208,543	$ 314,107	$ 9,382,393
Other operating revenues	57,390	58,314	-	-	115,704
Total Operating Revenues	3,045,103	930,344	5,208,543	314,107	9,498,097
OPERATING EXPENSES					
Operating and maintenance	1,657,161	-	-	-	1,657,161
Depreciation	866,729	-	-	-	866,729
Insurance, claims and administation	-	715,064	5,447,893	205,023	6,367,980
Total Operating Expenses	2,523,890	715,064	5,447,893	205,023	8,891,870
Operating income (loss)	521,213	215,280	(239,350)	109,084	606,227
NONOPERATING REVENUES					
Gain on sale of capital assets	35,668	-	-	-	35,668
Income (loss) before transfers	556,881	215,280	(239,350)	109,084	641,895
Transfers out	(175,000)	-	-	-	(175,000)
Change in Net Position	381,881	215,280	(239,350)	109,084	466,895
Total net position - beginning of year, as previously stated	4,783,707	465,891	77,916	247,378	5,574,892
Cumulative effect of change in accounting principle	114,275	-	-	-	114,275
Total net position - beginning , as restated	4,897,982	465,891	77,916	247,378	5,689,167
Total net position (deficit) - end of year	$ 5,279,863	$ 681,171	$ (161,434)	$ 356,462	$ 6,156,062

CITY OF WAUSAU, WISCONSIN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
Year Ended December 31, 2015

	Motor Pool	Insurance Fund	Employee Benefits Fund	Employee HRA/Wellness Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers, users and others	$ 3,044,345	$ 879,634	$ 5,206,845	$ 313,172	$ 9,443,996
Payments to suppliers	(1,242,129)	(752,482)	(5,477,809)	(205,087)	(7,677,507)
Payments to employees	(372,387)	-	-	-	(372,387)
Net Cash Provided (Used) by Operating Activities	1,429,829	127,152	(270,964)	108,085	1,394,102
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers out	(175,000)	-	-	-	(175,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(870,813)	-	-	-	(870,813)
Proceeds from sale of capital assets	35,668	-	-	-	35,668
Net Cash Used by Capital and Related Financing Activities	(835,145)	-	-	-	(835,145)
Net Increase (Decrease) in Cash and Cash Equivalents	419,684	127,152	(270,964)	108,085	383,957
Cash and cash equivalents - beginning of year	298,381	824,907	1,015,290	329,450	2,468,028
Cash and cash equivalents - end of year	$ 718,065	$ 952,059	$ 744,326	$ 437,535	$ 2,851,985
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	$ 521,213	$ 215,280	$ (239,350)	$ 109,084	$ 606,227
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	866,729	-	-	-	866,729
Changes in assets and liabilities:					
Accounts receivable	(758)	(50,710)	(19,312)	(2,595)	(73,375)
Inventories and prepayments	(9,738)	8,734	(95)	-	(1,099)
Accounts payable	65,479	3,303	-	(64)	68,718
Net pension expense	(13,095)	-	-	-	(13,095)
Unearned revenues	-	-	17,614	1,660	19,274
Claims payable	-	(49,455)	(29,821)	-	(79,276)
Accrued compensated absences	(1)	-	-	-	(1)
Net cash provided (used) by operating activities	$ 1,429,829	$ 127,152	$ (270,964)	$ 108,085	$ 1,394,102

CITY OF WAUSAU, WISCONSIN
AGENCY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
December 31, 2015

	Entrepreneurial & Education Center	Wausau Events	Main Street Wausau	Totals
ASSETS				
Cash and cash equivalents	$ 251,892	$ 211,849	$ 74,787	$ 538,528
Accounts receivable	8,162	-	325	8,487
TOTAL ASSETS	$ 260,054	$ 211,849	$ 75,112	$ 547,015
LIABILITIES				
Accounts payable	$ 260,054	$ 211,849	$ 75,112	$ 547,015

CITY OF WAUSAU, WISCONSIN
AGENCY FUNDS
COMBINING STATEMENT OF
CHANGES IN ASSETS AND LIABILITIES
Year Ended December 31, 2015

	Balance 1/1/2015	Additions	Deductions	Balance 12/31/2015
Entrepreneurial & Education Center				
ASSETS				
Cash and cash equivalents	$ 233,772	$ 229,249	$ 211,129	$ 251,892
Accounts receivable	554	239,272	231,664	8,162
TOTAL ASSETS	$ 234,326	$ 468,521	$ 442,793	$ 260,054
LIABILITIES				
Accounts payable	$ 234,326	$ 468,521	$ 442,793	$ 260,054
TOTAL LIABILITIES	$ 234,326	$ 468,521	$ 442,793	$ 260,054
Wausau Events				
ASSETS				
Cash and cash equivalents	$ 112,545	$ 564,821	$ 465,517	$ 211,849
Accounts receivable	-	61,390	61,390	-
TOTAL ASSETS	$ 112,545	$ 626,211	$ 526,907	$ 211,849
LIABILITIES				
Accounts payable	$ 112,545	$ 626,211	$ 526,907	$ 211,849
TOTAL LIABILITIES	$ 112,545	$ 626,211	$ 526,907	$ 211,849
Main Street Wausau				
ASSETS				
Cash and cash equivalents	$ 59,365	$ 239,441	$ 224,019	$ 74,787
Accounts receivable	500	12,825	13,000	325
TOTAL ASSETS	$ 59,865	$ 252,266	$ 237,019	$ 75,112
LIABILITIES				
Accounts payable	$ 59,865	$ 252,266	$ 237,019	$ 75,112
TOTAL LIABILITIES	$ 59,865	$ 252,266	$ 237,019	$ 75,112
Business Improvement District				
ASSETS				
Cash and cash equivalents	$ -	$ 60,000	$ 60,000	$ -
TOTAL ASSETS	$ -	$ 60,000	$ 60,000	$ -
LIABILITIES				
Accounts payable	$ -	$ 60,000	$ 60,000	$ -
TOTAL LIABILITIES	$ -	$ 60,000	$ 60,000	$ -

CITY OF WAUSAU, WISCONSIN
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
December 31, 2015

	Land	Buildings and Improvements	Machinery and Equipment	Infrastructure	Totals
FUNCTION AND ACTIVITY					
General government	$ 35,833,521	$ 6,479,831	$ 1,777,443	$ -	$ 44,090,795
Public safety:					
Police protection	813,377	3,718,569	891,278	-	5,423,224
Fire protection	253,942	1,883,767	5,532,784	-	7,670,493
Public works:					
Maintenance	221,071	2,531,482	12,585,783	-	15,338,336
Sidewalks	-	-	-	10,278,973	10,278,973
Street system	-	-	-	119,000,500	119,000,500
Parks and recreation	403,104	11,678,097	1,912,977	-	13,994,178
TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	$ 37,525,015	$ 26,291,746	$ 22,700,265	$ 129,279,473	$ 215,796,499

CITY OF WAUSAU, WISCONSIN
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
Year Ended December 31, 2015

	Balance January 1, 2015	Additions	Deletions	Balance December 31, 2015
FUNCTION AND ACTIVITY				
General government	$ 43,855,519	$ 268,339	$ 33,063	$ 44,090,795
Public safety:				
Police protection	5,328,369	94,855	-	5,423,224
Fire protection	7,389,727	282,023	1,257	7,670,493
Public works:				
Maintenance	15,118,190	942,232	722,086	15,338,336
Sidewalks	9,862,202	471,157	54,386	10,278,973
Street system	116,344,408	3,279,769	623,677	119,000,500
Parks and recreation	11,525,306	3,153,836	684,964	13,994,178
TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	$ 209,423,721	$ 8,492,211	$ 2,119,433	$ 215,796,499

CITY OF WAUSAU, WISCONSIN

INDEX TO THE STATISTICAL SECTION
December 31, 2015

CONTENTS Page

I. Financial Trends 118
These schedules contain trend information to aid in the understanding of how the City's financial performance and well-being have changed over time.

II. Revenue Capacity 125
These schedules offer information about the City's most significant revenue source, the property tax.

III. Debt Capacity 131
These schedules present information about the affordability of the City's current levels of outstanding debt and ability to issue additional debt in the future.

IV. Demographic and Economic Information 137
These schedules contain demographic and economic indicators about the environment within which the City's financial activities take place.

V. Operating Information 139
These schedules include service and infrastructure data about how the information in the City's financial report relates to the services the City provides and activities it performs.

CITY OF WAUSAU

Schedule 1

Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities										
Net investment in capital assets	$ 53,529,030	$ 55,095,222	$ 60,825,711	$ 68,308,631	$ 75,413,530	$ 79,344,570	$ 84,193,691	$ 88,488,799	$ 98,405,399	$ 98,825,542
Restricted	5,776,256	3,075,046	3,332,378	3,635,751	3,711,046	12,789,388	9,729,737	10,610,753	8,818,623	16,311,881
Unrestricted	13,373,455	15,047,711	14,455,757	14,749,802	19,031,751	10,409,561	14,924,479	14,678,918	13,483,982	14,199,650
Total governmental activities net position	$ 72,678,741	$ 73,217,979	$ 78,613,846	$ 86,694,184	$ 98,156,327	$ 102,543,519	$ 108,847,907	$ 113,778,470	$ 120,708,004	$ 129,337,073
Business-type activities										
Net investment in capital assets	$ 76,721,443	$ 79,877,355	$ 82,191,063	$ 83,142,144	$ 84,232,295	$ 88,572,360	$ 93,046,689	$ 93,217,875	$ 93,098,660	$ 92,670,116
Restricted	3,986,878	3,348,431	3,280,758	2,505,824	1,427,932	1,148,802	1,280,921	1,337,308	1,469,203	2,911,504
Unrestricted	3,320,475	3,921,663	2,810,801	2,294,567	1,946,083	4,583,292	4,192,056	4,451,943	3,885,029	5,418,467
Total business-type activities net position	$ 84,028,796	$ 87,147,449	$ 88,282,622	$ 87,942,535	$ 87,606,310	$ 94,304,454	$ 98,519,666	$ 99,007,126	$ 98,452,892	$ 101,000,087
Primary government										
Net investment in capital assets	$ 130,250,473	$ 134,972,577	$ 143,016,774	$ 151,450,775	$ 159,645,825	$ 167,916,930	$ 177,240,380	$ 181,706,674	$ 191,504,059	$ 191,495,658
Restricted	9,763,134	6,423,477	6,613,136	6,141,575	5,138,978	13,938,190	11,010,658	11,948,061	10,287,826	19,223,385
Unrestricted	16,693,930	18,969,374	17,266,558	17,044,369	20,977,834	14,992,853	19,116,535	19,130,861	17,369,011	19,618,117
Total primary government net position	$ 156,707,537	$ 160,365,428	$ 166,896,468	$ 174,636,719	$ 185,762,637	$ 196,847,973	$ 207,367,573	$ 212,785,596	$ 219,160,896	$ 230,337,160

Notes:

The City established a Parking Utility on January 1, 2006 and transferred the associated capital assets into this fund, therefore, transferring the assets from the governmental activities into the business-type activities. The City also reclassified the Metro Ride fund as an enterprise fund on January 1, 2011 and transferred the associated capital assets from the governmental activities into the business-type activities. In addition, the Airport Enterprise Fund was created as of January 1, 2012 and the associated capital assets were transferred from the governmental activities to the business-type activities.

The City recorded all previously unrecorded infrastructure assets as of December 31, 2006, accounting for an increase in net position of $25,339,134.

CITY OF WAUSAU
Schedule 2
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses - Governmental activities:										
General government	$ 4,622,132	$ 6,033,037	$ 5,268,888	$ 4,069,716	$ 4,230,618	$ 4,071,945	$ 4,376,515	$ 4,250,476	$ 4,670,657	$ 4,804,089
Public safety	14,030,085	14,654,852	15,714,601	15,381,881	15,918,394	16,788,709	15,845,111	16,246,258	16,668,463	16,478,842
Transportation and streets	13,247,438	16,766,522	17,204,411	17,139,868	16,753,873	11,160,237	11,704,756	11,242,010	12,671,152	11,845,960
Sanitation, health and welfare	1,834,002	1,913,189	1,915,740	1,922,031	1,823,980	1,868,410	2,073,673	2,146,465	2,156,309	2,218,162
Natural resources and recreation	2,248,861	2,261,035	2,449,712	2,517,631	2,514,161	2,597,337	2,598,645	2,592,265	2,716,181	3,160,068
Economic development	5,538,980	5,667,342	2,965,673	3,434,146	3,960,765	4,868,292	3,580,425	3,629,494	3,514,056	7,582,129
Interest on long-term debt	2,124,013	2,061,409	2,151,103	2,059,540	1,620,096	1,459,235	1,247,791	1,329,912	1,238,864	1,209,574
Total governmental activities	43,645,511	49,357,386	47,670,128	46,524,813	46,821,887	42,814,165	41,426,916	41,436,880	43,635,682	47,298,824
Expenses - Business-type activities:										
Water	2,976,625	2,962,640	3,272,109	3,373,672	3,393,118	3,450,680	3,364,222	3,258,433	3,764,878	3,775,876
Wastewater	3,796,929	3,886,577	3,951,702	4,000,695	4,019,767	3,887,577	3,765,140	3,847,818	4,023,395	3,686,067
Parking	1,540,251	1,623,619	1,911,490	1,913,347	1,759,984	1,887,449	1,746,004	1,972,388	1,789,677	1,792,090
Metro Ride	-	-	-	-	-	4,049,837	3,557,036	3,613,252	3,895,784	3,594,314
Airport	-	-	-	-	-	-	309,398	378,832	395,171	406,984
Animal Control	-	-	-	-	-	-	-	70,081	191,191	170,038
Total business-type activities	8,313,805	8,472,836	9,135,301	9,287,714	9,172,869	13,275,543	12,741,800	13,140,804	14,060,096	13,425,369
Total primary government	$ 51,959,316	$ 57,830,222	$ 56,805,429	$ 55,812,527	$ 55,994,756	$ 56,089,708	$ 54,168,716	$ 54,577,684	$ 57,695,778	$ 60,724,193
Program revenues - Governmental activities:										
Charges for service:										
Transportation & streets	$ 533,344	$ 508,890	$ 646,036	$ 487,468	$ 297,690	$ 347,545	$ 310,297	$ 471,664	$ 485,025	$ 750,399
Conservation & development	1,164,129	960,850	941,424	1,062,703	582,312	2,042,703	955,572	994,072	897,634	1,206,003
Ambulance	1,277,222	1,209,473	1,394,593	1,154,805	1,271,790	1,442,386	1,521,895	1,330,680	1,396,509	1,440,123
Other activities	5,371,652	6,084,177	6,192,386	6,052,956	6,155,059	3,878,218	3,489,437	2,917,742	2,765,487	2,958,376
Operating grants & contributions	7,138,318	6,942,999	7,299,152	7,821,171	8,372,182	4,930,014	4,724,318	4,259,090	4,049,715	4,294,633
Capital grants & contributions	2,708,386	1,634,826	2,391,908	3,494,387	6,699,662	3,153,287	4,102,154	2,534,980	5,825,175	2,451,032
Total governmental activities	18,193,051	17,341,215	18,865,499	20,073,490	23,378,695	15,794,153	15,103,673	12,508,228	15,419,545	13,100,566
Program revenues - Business-type activities:										
Charges for service										
Water	4,676,062	4,804,528	4,774,634	4,644,707	4,583,056	4,658,894	4,768,408	4,607,291	4,513,955	5,236,584
Wastewater	4,052,274	4,238,361	3,997,672	3,935,667	4,207,392	5,265,216	5,400,672	5,291,328	5,365,411	5,290,542
Parking	948,188	999,920	1,031,594	973,163	898,413	943,029	971,294	1,088,714	1,139,420	953,884
Metro Ride	-	-	-	-	-	484,881	469,915	501,638	497,431	485,620
Airport	-	-	-	-	-	-	115,797	141,018	131,582	140,430
Animal Control	-	-	-	-	-	-	-	71,420	124,645	78,404
Operating grants & contributions	-	-	-	-	-	2,504,065	1,887,934	1,976,766	2,227,192	1,980,409
Capital grants & contributions	2,115,497	1,602,684	1,060,860	458,732	239,944	2,602,532	1,794,853	438,672	54,771	1,220,530
Total business-type activities	11,792,021	11,645,493	10,864,760	10,012,269	9,928,805	16,458,617	15,408,873	14,116,847	14,054,407	15,386,403
Total primary government	$ 29,985,072	$ 28,986,708	$ 29,730,259	$ 30,085,759	$ 33,307,500	$ 32,252,770	$ 30,512,546	$ 26,625,075	$ 29,473,952	$ 28,486,969

CITY OF WAUSAU
Schedule 2 (Continued)
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Net (expense)/revenue										
Governmental activities	$ (25,452,460)	$ (32,016,171)	$ (28,804,629)	$ (26,451,323)	$ (23,443,192)	$ (27,020,012)	$ (26,323,243)	$ (28,928,652)	$ (28,216,137)	$ (34,198,258)
Business-type activities	3,478,216	3,172,657	1,729,459	724,555	755,936	3,183,074	2,667,073	976,043	(5,689)	1,961,034
Total primary government net position	$ (21,974,244)	$ (28,843,514)	$ (27,075,170)	$ (25,726,768)	$ (22,687,256)	$ (23,836,938)	$ (23,656,170)	$ (27,952,609)	$ (28,221,826)	$ (32,237,224)
General revenues & other changes in net position										
Governmental activities:										
Taxes										
Property taxes	$ 21,211,012	$ 22,746,399	$ 24,122,853	$ 24,701,712	$ 25,980,766	$ 25,927,605	$ 25,799,254	$ 25,471,313	$ 26,062,523	$ 26,556,543
Other taxes	1,277,752	1,316,389	1,261,411	1,188,455	1,247,031	1,282,138	1,339,550	1,396,225	1,426,281	1,461,604
Intergovernmental revenues not restricted to specific purposes	6,173,713	6,219,960	6,346,665	6,435,883	6,083,605	6,170,550	5,550,727	5,425,951	5,420,811	5,346,313
Investment income (loss)	954,555	1,352,467	1,090,103	477,921	314,408	323,802	260,412	(124,187)	531,589	369,673
Miscellaneous	309,620	378,743	288,644	298,070	284,869	111,834	86,492	98,042	107,268	83,091
Gain on sale of capital assets	57,201	14,812	28,319	11,965	48,206	40,676	4,947	24,508	57,336	67,467
Transfers	(20,856,779)	526,639	1,062,501	1,417,655	1,435,046	(2,604,305)	(447,532)	1,523,712	1,539,863	1,565,639
Total governmental activities	9,127,074	32,555,409	34,200,496	34,531,661	35,393,931	31,252,300	32,593,850	33,815,564	35,145,671	35,450,330
Business-type activities:										
Taxes	333,632	227,746	375,971	317,785	300,000	898,786	1,090,950	1,047,966	973,289	1,016,883
Investment income	226,023	184,889	90,244	33,684	42,885	11,979	7,127	6,206	3,529	1,613
Gain on sale of capital assets	80,206	60,000	2,000	1,544	-	-	2,530	-	14,500	2,560
Transfers	20,856,779	(526,639)	(1,062,501)	(1,417,655)	(1,435,046)	2,604,305	447,532	(1,523,712)	(1,539,863)	(1,565,639)
Total business-type activities	21,496,640	(54,004)	(594,286)	(1,064,642)	(1,092,161)	3,515,070	1,548,139	(469,540)	(548,545)	(544,583)
Total primary government	$ 30,623,714	$ 32,501,405	$ 33,606,210	$ 33,467,019	$ 34,301,770	$ 34,767,370	$ 34,141,989	$ 33,346,024	$ 34,597,126	$ 34,905,747
Change in net position										
Governmental activities	$ (16,325,386)	$ 539,238	$ 5,395,867	$ 8,080,338	$ 11,950,739	$ 4,232,288	$ 6,270,607	$ 4,886,912	$ 6,929,534	$ 1,252,072
Business-type activities	24,974,856	3,118,653	1,135,173	(340,087)	(336,225)	6,698,144	4,215,212	506,503	(554,234)	1,416,451
Total primary government	$ 8,649,470	$ 3,657,891	$ 6,531,040	$ 7,740,251	$ 11,614,514	$ 10,930,432	$ 10,485,819	$ 5,393,415	$ 6,375,300	$ 2,668,523

CITY OF WAUSAU

Schedule 3

Program Revenues by Function/Program

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Function/program										
Governmental activities:										
General government	$ 1,841,644	$ 1,973,065	$ 1,844,981	$ 1,033,772	$ 1,218,871	$ 2,122,953	$ 2,042,080	$ 1,858,919	$ 1,811,314	$ 1,823,146
Public safety	2,221,366	2,277,781	2,521,246	2,127,650	2,390,722	2,581,844	3,058,071	2,811,548	2,753,741	3,050,244
Transportation and streets	10,382,221	9,765,040	11,494,513	13,392,246	16,454,918	4,766,167	6,289,861	4,409,985	4,112,915	4,010,985
Sanitation, health and welfare	296,112	315,413	341,192	265,644	275,953	200,451	238,835	363,358	575,827	572,492
Natural resources and recreation	283,231	258,104	369,784	273,672	238,127	285,894	362,202	396,725	3,920,660	255,666
Economic development	3,168,477	2,751,812	2,293,783	2,980,506	2,800,104	5,836,844	3,112,624	2,667,693	2,245,088	3,388,033
Total governmental activities	18,193,051	17,341,215	18,865,499	20,073,490	23,378,695	15,794,153	15,103,673	12,508,228	15,419,545	13,100,566
Business-type activities:										
Water	5,636,234	5,645,950	5,246,955	4,739,304	4,634,157	4,684,042	4,816,525	4,640,766	4,524,723	5,248,742
Wastewater	5,159,952	4,999,623	4,586,211	4,086,261	4,340,435	5,579,673	5,475,224	5,340,727	5,381,982	5,349,266
Parking	995,835	999,920	1,031,594	1,186,704	954,213	943,029	1,406,123	1,383,705	1,139,420	1,904,117
Metro Ride	-	-	-	-	-	5,251,873	2,643,144	2,529,306	2,724,623	2,626,001
Airport	-	-	-	-	-	-	1,067,857	150,923	159,014	140,430
Animal Control	-	-	-	-	-	-	-	71,420	124,645	117,847
Total business-type activities	11,792,021	11,645,493	10,864,760	10,012,269	9,928,805	16,458,617	15,408,873	14,116,847	14,054,407	15,386,403
Total primary government	$ 29,985,072	$ 28,986,708	$ 29,730,259	$ 30,085,759	$ 33,307,500	$ 32,252,770	$ 30,512,546	$ 26,625,075	$ 29,473,952	$ 28,486,969

CITY OF WAUSAU

Schedule 4

Fund Balances - Governmental Funds

(modified accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Nonspendable for:										
Inventories and prepaids	$ 447,499	$ 352,951	$ 360,338	$ 362,790	$ 364,724	$ 68,337	$ 58,959	$ 327,990	$ 415,912	$ 401,836
Noncurrent receivables/advances	2,619,766	2,050,675	1,495,446	1,463,905	1,839,138	2,036,413	2,405,884	2,405,049	3,899,019	3,870,098
Committed to contingencies	500,000	500,000	500,000	500,000	500,000	500,000	460,400	361,900	266,250	163,059
Committed to economic development	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Committed to subsequent year's expenditures	1,616,060	1,613,909	1,546,482	950,000	1,013,496	1,397,958	220,951	209,424	-	57,078
Unassigned	5,894,984	5,375,267	5,433,697	5,548,941	5,045,637	5,215,907	6,335,651	5,837,182	4,362,313	5,032,077
Total General Fund	11,578,309	10,392,802	9,835,963	9,325,636	9,262,995	9,718,615	9,981,845	9,641,545	9,443,494	10,024,148
All Other Governmental Funds										
Nonspendable for:										
Inventories and prepaids	159,121	171,510	188,513	187,052	203,992	-	-	-	-	-
Noncurrent receivables/advances	-	-	-	-	-	-	219,119	1,239,432	1,239,432	1,239,432
Restricted for:										
Debt service	2,193,326	2,103,881	1,734,460	1,847,536	1,818,620	180,536	556,338	666,846	741,269	880,446
Capital improvements	-	-	-	-	-	7,548,985	4,098,922	5,709,269	4,002,210	3,479,012
Special purposes	-	-	-	-	-	5,059,867	5,074,477	4,234,638	4,250,477	6,146,891
Trust purposes	398,029	443,996	532,181	617,919	631,450	-	-	-	-	-
Committed to special purposes	-	-	-	-	-	661,952	1,087,696	1,063,948	1,624,943	1,586,533
Unassigned, reported in:										
Special revenue funds	1,149,999	2,752,392	3,240,496	3,085,377	3,358,295	-	-	-	-	-
Capital project funds	1,377,774	1,274,260	3,723,553	3,228,926	4,205,327	(4,865,139)	(3,824,641)	(4,285,312)	(5,945,752)	(5,216,529)
Total all other governmental funds	5,278,249	6,746,039	9,419,203	8,966,810	10,217,684	8,586,201	7,211,911	8,628,821	5,912,579	8,115,785
Total governmental funds	$ 16,856,558	$ 17,138,841	$ 19,255,166	$ 18,292,446	$ 19,480,679	$ 18,304,816	$ 17,193,756	$ 18,270,366	$ 15,356,073	$ 18,139,933

CITY OF WAUSAU

Schedule 5

Changes in Fund Balances - Governmental Funds

(modified accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
REVENUES										
Taxes	$ 22,172,762	$ 23,746,926	$ 25,053,421	$ 25,554,003	$ 26,885,969	$ 26,865,199	$ 26,782,764	$ 26,495,169	$ 27,095,207	$ 27,624,018
Special assessments	504,270	448,394	929,784	700,401	876,605	328,135	616,891	596,029	567,718	465,858
Intergovernmental	15,564,534	13,804,769	14,731,078	17,279,636	14,574,198	14,178,400	11,112,225	9,471,826	9,895,929	10,385,813
Licenses and permits	751,379	849,619	732,375	672,926	677,438	668,741	743,971	744,441	889,567	960,451
Fines, forfeitures and penalties	364,019	372,608	359,132	321,558	323,783	371,580	387,646	353,662	355,105	337,841
Public charges for services	2,537,051	2,628,540	3,124,289	2,155,563	2,108,028	1,900,605	1,844,875	1,807,857	1,879,793	1,928,922
Intergovernmental charges for services	980,846	1,225,529	1,170,324	1,409,005	1,217,706	1,199,461	1,527,173	1,393,301	1,422,142	1,457,809
Commercial revenues	2,128,918	2,592,922	2,109,673	991,208	918,347	790,104	843,322	353,092	1,148,051	1,175,161
Miscellaneous revenues	1,100,995	1,295,656	1,277,069	1,076,544	1,330,767	2,631,295	1,713,531	1,163,845	1,427,900	2,001,470
Total revenues	46,104,774	46,964,963	49,487,145	50,160,844	48,912,841	48,933,520	45,572,398	42,379,222	44,681,412	46,337,343
EXPENDITURES										
Current:										
General government	4,360,868	4,393,385	4,787,342	4,023,315	3,899,944	3,663,394	4,113,413	3,908,946	4,112,230	4,324,606
Public safety	13,563,524	14,135,484	14,715,228	15,218,716	15,438,786	16,227,647	15,560,272	15,875,081	15,994,216	16,138,321
Transportation and streets	9,720,377	10,840,937	11,582,084	11,339,567	10,494,061	7,626,927	7,421,412	7,675,360	8,104,483	7,129,835
Sanitation, health and welfare	1,773,222	1,819,901	1,828,223	1,901,434	1,817,462	1,945,996	2,050,598	2,172,294	2,176,076	2,270,417
Natural resources and recreation	2,018,785	2,079,307	2,215,340	2,269,495	2,259,798	2,323,491	2,282,795	2,294,146	2,343,691	2,520,305
Economic development	5,393,409	4,790,380	2,240,898	3,343,577	3,458,377	3,615,689	3,605,277	3,550,250	3,719,899	4,575,246
Capital outlay	8,166,128	7,981,230	11,681,885	10,431,681	7,345,540	12,737,146	10,489,321	9,819,062	10,307,096	12,800,819
Debt service:										
Principal retirement	6,123,812	6,557,888	9,487,176	11,865,474	10,566,792	6,835,896	7,455,729	7,528,344	9,799,708	7,022,550
Interest and debt service charges	2,099,721	1,981,955	1,949,372	2,039,318	1,660,110	1,443,873	1,128,629	1,165,826	1,103,436	994,947
Total expenditures	53,219,846	54,580,467	60,487,548	62,432,577	56,940,870	56,420,059	54,107,446	53,989,309	57,660,835	57,777,046
Excess (deficiency) of revenues over expenditures	(7,115,072)	(7,615,504)	(11,000,403)	(12,271,733)	(8,028,029)	(7,486,539)	(8,535,048)	(11,610,087)	(12,979,423)	(11,439,703)

CITY OF WAUSAU
Schedule 5 (Continued)
Changes in Fund Balances - Governmental Funds
(modified accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
OTHER FINANCING SOURCES (USES)										
Issuance of debt	$ 2,751,098	$ 6,741,760	$ 11,595,117	$ 9,560,000	$ 8,290,000	$ 4,672,480	$ 6,582,239	$ 10,513,000	$ 5,640,000	$ 12,290,000
Issuance of refunding debt	-	-	-	-	-	-	9,678,336	-	2,450,000	-
Premium on debt issued	-	-	-	-	-	-	453,829	270,185	238,267	192,924
Discount on debt issued	(5,531)	(21,315)	(32,250)	(18,642)	(20,188)	-	(132,631)	(79,425)	-	-
Payment to escrow agents	(3,320,000)	-	-	-	-	-	(10,756,767)	-	-	-
Transfers in	7,383,086	7,459,909	7,841,039	7,156,502	7,162,165	6,917,866	14,135,843	7,022,720	7,276,359	6,304,238
Transfers out	(5,990,725)	(6,282,567)	(6,287,178)	(5,388,847)	(5,727,119)	(5,279,670)	(12,536,861)	(5,302,008)	(5,539,496)	(4,563,599)
Total other financing sources (uses)	817,928	7,897,787	13,116,728	11,309,013	9,704,858	6,310,676	7,423,988	12,424,472	10,065,130	14,223,563
Net change in fund balance	(6,297,144)	282,283	2,116,325	(962,720)	1,676,829	(1,175,863)	(1,111,060)	814,385	(2,914,293)	2,783,860
FUND BALANCES - BEGINNING	23,153,702	16,856,558	17,138,841	19,255,166	17,803,850	19,480,679	18,304,816	17,455,981	18,270,366	15,356,073
FUND BALANCES - ENDING	$ 16,856,558	$ 17,138,841	$ 19,255,166	$ 18,292,446	$ 19,480,679	$ 18,304,816	$ 17,193,756	$ 18,270,366	$ 15,356,073	$ 18,139,933
					(*)			(*)		
Debt service as a percentage of noncapital expenditures	18.3%	18.3%	23.4%	26.3%	25.2%	17.8%	18.9%	19.5%	21.7%	16.1%

(*) Beginning balance restated

CITY OF WAUSAU

Schedule 6

Assessed Value and Estimated Actual Value (Equalized Value) of Taxable Property

Levy Year	Fiscal Year	Residential Property	Commercial Property	Manufacturing Property	Agricultural/Forest/ Other Property	Personal Property	Total Taxable Assessed Value [A]	Total Direct Tax Rate [B]	Estimated Actual Taxable Value [C]	Assessed as Percent of Estimated Actual Value
2005	2006	$ 1,304,299,400	$ 689,555,600	$ 105,641,000	$ 401,700	$ 94,274,000	$ 2,194,171,700	$ 8.72	$ 2,233,469,700	98.24%
2006	2007	1,346,763,900	726,349,600	99,376,800	1,162,000	100,637,000	2,274,289,300	8.85	2,433,934,300	93.44%
2007	2008	1,529,616,400	841,589,000	108,212,500	1,532,200	114,498,000	2,595,448,100	8.19	2,504,826,100	103.62%
2008	2009	1,555,181,300	893,498,400	102,964,600	1,839,400	116,767,500	2,670,251,200	8.23	2,768,967,000	96.43%
2009	2010	1,565,407,600	918,019,100	115,368,300	1,839,500	110,243,300	2,710,877,800	8.41	2,726,775,100	99.42%
2010	2011	1,568,484,400	930,236,800	113,245,700	2,048,800	115,441,000	2,729,456,700	8.49	2,681,223,200	101.80%
2011	2012	1,573,004,100	930,553,700	114,836,700	1,863,400	114,831,000	2,735,088,900	8.49	2,652,252,200	103.12%
2012	2013	1,574,854,000	919,300,800	114,093,600	1,040,500	114,117,200	2,723,406,100	8.51	2,554,319,700	106.62%
2013	2014	1,573,632,500	936,065,700	108,291,100	1,276,400	118,934,800	2,738,200,500	8.61	2,520,917,800	108.62%
2014	2015	1,575,983,700	945,149,800	103,976,100	1,658,200	121,810,800	2,748,578,600	8.77	2,655,928,800	103.49%
2015	2016	1,479,061,800	941,140,500	102,907,100	1,671,300	122,816,800	2,647,597,500	9.43	2,633,849,300	100.52%

[A] Source: Wisconsin Department of Revenue, Final Statement of Assessment. Values include TIF districts.

[B] Source: City of Wausau Budget document. The rate shown is for properties served by the Wausau School District.

[C] Source: Wisconsin Department of Revenue, County Equalization Report.

Notes:

Property in the City of Wausau is reassessed every five to six years on average, with the goal of assessing property at 100% of market value. Between major reassessments, property values are updated based on sales of comparable properties.

CITY OF WAUSAU
Schedule 7
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years

Marathon County/Wausau School District

Per $1,000 of Assessed Value

Levy Year	Collection Year	Basic Rate	G.O. Debt Service	City of Wausau Direct Rate	Wausau School District	NTC	Marathon County	State of Wisconsin	Gross Tax Rate	State Tax Credit	Net Tax Rate
2006	2007	$ 7.02	$ 1.83	$ 8.85	$ 10.10	$ 2.02	$ 5.86	$ 0.19	$ 27.02	$ 1.54	$ 25.48
2007	2008	6.59	1.60	8.19	9.35	1.80	5.21	0.16	24.71	1.50	23.21
2008	2009	6.67	1.56	8.23	9.64	1.92	5.38	0.18	25.35	1.57	23.78
2009	2010	6.76	1.65	8.41	10.48	1.92	5.22	0.17	26.20	1.53	24.67
2010	2011	6.85	1.64	8.49	10.90	1.94	5.10	0.17	26.60	1.54	25.06
2011	2012	6.88	1.61	8.49	10.85	1.96	5.03	0.17	26.50	1.57	24.93
2012	2013	6.89	1.62	8.51	10.37	1.90	4.87	0.16	25.81	1.60	24.21
2013	2014	7.00	1.61	8.61	10.21	1.92	4.78	0.16	25.68	1.57	24.11
2014	2015	7.15	1.62	8.77	10.76	1.18	5.01	0.16	25.88	1.54	24.34
2015	2016	7.87	1.56	9.43	11.41	1.25	5.12	0.17	27.38	1.81	25.57

(Continued)

CITY OF WAUSAU
Schedule 7 (Continued)
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years

Marathon County/DC Everest School District

Per $1,000 of Assessed Value

Levy Year	Collection Year	Basic Rate	G.O. Debt Service	City of Wausau Direct Rate	DC Everest School District	NTC	Marathon County	State of Wisconsin	Gross Tax Rate	State Tax Credit	Net Tax Rate
2006	2007	$ 7.02	$ 1.83	$ 8.85	$ 9.08	$ 2.02	$ 5.86	$ 0.19	$ 26.00	$ 1.54	$ 24.46
2007	2008	6.59	1.60	8.19	8.16	1.80	5.21	0.16	23.52	1.50	22.02
2008	2009	6.67	1.56	8.23	9.17	1.92	5.38	0.18	24.88	1.57	23.31
2009	2010	6.76	1.65	8.41	9.58	1.92	5.22	0.17	25.30	1.53	23.77
2010	2011	6.85	1.64	8.49	9.90	1.94	5.10	0.17	25.60	1.54	24.06
2011	2012	6.88	1.61	8.49	10.15	1.96	5.03	0.17	25.80	1.57	24.23
2012	2013	6.89	1.62	8.51	10.08	1.90	4.87	0.16	25.52	1.60	23.92
2013	2014	7.00	1.61	8.61	10.29	1.92	4.78	0.16	25.76	1.57	24.19
2014	2015	7.15	1.62	8.77	10.34	1.18	5.01	0.16	25.46	1.54	23.92
2015	2016	7.87	1.56	9.43	10.73	1.25	5.12	0.17	26.70	1.81	24.89

Notes:
Through the State of Wisconsin Expenditure Restraint Program, a pool of money is distributed annually to local governments that meet certain restrictions on the growth of General Fund expenditures. In general, the program limits the growth of General fund expenditures to 60% of the change in equalized value due to net new construction, up to a maximum of 2%, plus the change in the Consumer Price Index.

CITY OF WAUSAU
Schedule 8
Principal Taxpayers, Current Year and Nine Years Prior

		2015			2006		
Taxpayer	Type of Business	Taxable Assessed Value [A]	Percent of Total Assessed Value [B]	Rank	Taxable Assessed Value [A]	Percent of Total Assessed Value [B]	Rank
Ghidorzi	Office/Real Estate Development	$ 78,587,400	2.97%	1	$ 58,834,700	2.59%	1
Employers Insurance/Liberty	Insurance	31,522,700	1.19%	2	40,834,000	1.80%	2
Apogee/Wausau Metals	Manufacturing	29,488,900	1.11%	3	14,298,400	0.63%	9
Eastbay	Retail/Distribution	28,629,900	1.08%	4	18,121,000	0.80%	7
Marshfield Clinic	Medical	27,749,900	1.05%	5	27,538,600	1.21%	4
Wausau Benefits/Fiserv	Insurance	25,823,200	0.98%	6	18,702,800	0.82%	6
Aspirus/Wausau Hospital	Medical	23,643,300	0.89%	7	27,979,700	1.23%	3
First Wausau Tower	Office	21,120,600	0.80%	8			
L & L Properties LLC	Apartments	18,532,800	0.70%	9			
Menards	Retail	14,276,200	0.54%	10			
Wausau Center Mall	Retail				19,216,400	0.84%	5
Kolbe & Kolbe	Manufacturing				16,415,900	0.72%	8
Rosemurgy	Retail				12,971,400	0.57%	10
	TOTAL	$ 299,374,900	11.31%		$ 254,912,900	11.21%	

[A] Per City Assessor records.
[B] Based on the City's total assessed valuation on January 1, 2015 and 2006 of $2,647,597,500 and $2,274,289,300, respectively.

CITY OF WAUSAU
Schedule 9
Property Tax Levies and Collections
Last Ten Fiscal Years

Collection Year	Total Tax Levy	Collections Prior to Transfer of Roll on August 1	Percent of Levy Collected	Total Tax Collections at December 31	Total Collections as Percent of Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as Percent of Levy
2006	$ 17,971,506	$ 17,649,845	98.21%	$ 17,658,728	98.26%	$ 36,138	0.20%
2007	18,718,941	18,340,492	97.98%	18,346,569	98.01%	39,019	0.21%
2008	19,611,064	19,167,854	97.74%	19,297,873	98.40%	43,896	0.22%
2009	20,500,585	19,999,139	97.55%	20,451,137	99.76%	49,448	0.24%
2010	21,142,347	20,509,189	97.01%	21,100,405	99.80%	41,942	0.20%
2011	21,462,314	20,808,718	96.95%	21,434,158	99.87%	28,156	0.13%
2012	21,492,379	20,688,591	96.26%	21,473,246	99.91%	19,133	0.09%
2013	21,517,379	20,970,838	97.46%	21,500,089	99.92%	17,290	0.08%
2014	21,824,002	21,407,308	98.09%	21,806,793	99.92%	17,209	0.08%
2015	22,312,375	21,896,425	98.14%	22,281,568	99.86%	30,807	0.14%

Notes:
The amount of outstanding taxes represents uncollected personal property taxes at the end of each year.
For delinquent taxes that are deemed to be uncollectible, the portions attributable to overlapping districts are charged back to those jurisdictions as allowed per state statutes.

CITY OF WAUSAU
Schedule 10
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

	City Direct Rate	Marathon County Direct Rate	State of Wisconsin
2006	0.0%	0.5%	5.0%
2007	0.0%	0.5%	5.0%
2008	0.0%	0.5%	5.0%
2009	0.0%	0.5%	5.0%
2010	0.0%	0.5%	5.0%
2011	0.0%	0.5%	5.0%
2012	0.0%	0.5%	5.0%
2013	0.0%	0.5%	5.0%
2014	0.0%	0.5%	5.0%
2015	0.0%	0.5%	5.0%

Note:
Wisconsin counties have the option of levying a 0.5% sales tax.
Cities do no have the option of levying sales tax.

CITY OF WAUSAU
Schedule 11
Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities		Business-type Activities					
Fiscal Year	General Obligation Bonds	Capital Leases	General Obligation Bonds	Water Utility Revenue Bonds	Wastewater Utility Revenue Bonds	Total Primary Government	Percentage of Personal Income	Per Capita
2006	$ 47,952,653	$ -	$ 3,462,841	$ 3,330,000	$ 3,885,000	$ 58,630,494	6.33%	$ 1,475
2007	48,136,525	-	5,548,642	-	3,170,000	56,855,167	6.09%	1,419
2008	50,322,466	-	4,817,690	-	2,420,000	57,560,156	6.21%	1,426
2009	48,016,991	-	4,317,084	-	1,630,000	53,964,075	6.30%	1,326
2010	45,938,199	-	3,816,478	-	-	49,754,677	5.71%	1,222
2011	43,774,783	-	6,328,392	-	-	50,103,175	5.57%	1,280
2012	42,800,635	-	5,544,940	-	-	48,345,575	5.10%	1,235
2013	45,785,291	-	4,688,284	-	-	50,473,575	5.22%	1,288
2014	44,110,583	-	3,827,992	-	-	47,938,575	4.84%	1,225
2015	49,378,033	-	6,995,542	-	-	56,373,575	N/A	1,443

CITY OF WAUSAU
Schedule 12
General Obligation Debt
Last Ten Fiscal Years

Fiscal Year	General Obligation Debt [A]	Less Assets Restricted for Debt Service	Total Net Debt	Percentage of Actual Taxable Property Value [B]	Per Capita [C]
2006	$ 51,415,494	$ 636,877	$ 50,778,617	2.09%	$ 1,278
2007	53,685,167	454,144	53,231,023	2.13%	1,328
2008	55,140,156	-	55,140,156	1.99%	1,366
2009	52,334,075	92,479	52,241,596	1.92%	1,284
2010	49,754,677	57,045	49,697,632	1.85%	1,221
2011	50,103,175	180,536	49,922,639	1.88%	1,275
2012	48,345,575	556,338	47,789,237	1.87%	1,220
2013	50,473,575	666,846	49,806,729	1.98%	1,271
2014	47,938,575	741,269	47,197,306	1.78%	1,206
2015	56,373,575	880,446	55,493,129	2.11%	1,421

[A] Total amount includes general obligation debt for business-type activities. The details on outstanding debt can be found in the notes to the financial statements.

[B] Actual Taxable Property Values can be found in Schedule 6.

[C] Population data can be found in Schedule 16.

CITY OF WAUSAU
Schedule 13
Computation of Direct and Overlapping General Obligation Debt
December 31, 2015

Taxing Jurisdiction	Debt Outstanding	Percentage Applicable to City of Wausau	Amount Applicable to City of Wausau
City of Wausau	$ 56,373,575	100.00%	$ 56,373,575
Overlapping Debt:			
Wausau School District	66,091,467	61.21%	40,454,587
DC Everest School District	29,205,000	5.31%	1,550,786
Northcentral Technical College	32,450,000	15.86%	5,146,570
Marathon County	8,900,000	26.73%	2,378,970
Total Overlapping Debt			49,530,913
Total Direct and Overlapping Debt			$ 105,904,488

[A] Overlapping debt percentages are based on actual taxable property values contained within each entity.

CITY OF WAUSAU
Schedule 14
Legal Debt Margin Calculation
Fiscal Year Ended December 31, 2015

Legal Debt Margin at December 31, 2015

Equalized Value of Real & Personal Property	$ 2,633,849,300
Legal Debt Limit (5% of equalized value)	$ 131,692,465
Total Debt Applicable to Debt Limitation	56,373,575
Less: Available funds reserved for debt retirement	(880,446)
Net Amount Applicable to Debt Limitation	55,493,129
Remaining Legal Debt Margin	$ 76,199,336

Fiscal Year	Total Equalized Value	Debt Limit	Net debt applicable to limit	Legal Debt Margin	Net debt applicable to limit as percent of Debt Limit
2006	$ 2,433,934,300	$ 121,696,715	$ 50,778,617	$ 70,918,098	41.73%
2007	2,504,826,100	125,241,305	53,231,023	72,010,282	42.50%
2008	2,768,967,000	138,448,350	55,140,156	83,308,194	39.83%
2009	2,726,775,100	136,338,755	52,241,596	84,097,159	38.32%
2010	2,681,223,200	134,061,160	49,697,632	84,363,528	37.07%
2011	2,652,252,200	132,612,610	49,922,639	82,689,971	37.65%
2012	2,554,319,700	127,715,985	47,789,237	79,926,748	37.42%
2013	2,520,917,800	126,045,890	49,806,729	76,239,161	39.51%
2014	2,655,928,800	132,796,440	47,197,306	85,599,134	35.54%
2015	2,633,849,300	131,692,465	55,493,129	76,199,336	42.14%

CITY OF WAUSAU
Schedule 15
Mortgage Revenue Bond Coverage - Water Utility
Last Ten Fiscal Years

Fiscal Year	Gross Revenues [1]	Direct Operating Expenses [2]	Net Revenue Available for Debt Service	Debt Service Requirements [3]			Coverage
				Principal	Interest	Total	
2006	$ 4,773,658	$ 1,982,641	$ 2,791,017	$ 535,000	$ 193,250	$ 728,250	3.83
2007	4,852,507	2,021,190	2,831,317	-	-	-	n/a
2008	4,788,113	2,225,481	2,562,632	-	-	-	n/a
2009	4,648,554	2,308,633	2,339,921	-	-	-	n/a
2010	4,587,302	2,317,467	2,269,835	-	-	-	n/a
2011	4,661,349	2,380,701	2,280,648	-	-	-	n/a
2012	4,769,443	2,315,388	2,454,055	-	-	-	n/a
2013	4,607,865	2,211,938	2,395,927	-	-	-	n/a
2014	4,514,046	2,562,127	1,951,919	-	-	-	n/a
2015	5,236,584	2,594,898	2,641,686	-	-	-	n/a

(Continued)

[1] Includes Total Operating Revenues and Investment Income .
[2] Includes Total Operating Expenses less Depreciation.
[3] Water System Revenue Bonds, Series 1999. These bonds were refunded during 2007.

CITY OF WAUSAU
Schedule 15 (Continued)
Mortgage Revenue Bond Coverage - Wastewater Utility
Last Ten Fiscal Years

Fiscal Year	Gross Revenues [1]	Direct Operating Expenses [2]	Net Revenue Available for Debt Service	Debt Service Requirements [3]			Coverage
				Principal	Interest	Total	
2006	$ 4,180,701	$ 2,490,487	$ 1,690,214	$ 705,000	$ 222,450	$ 927,450	1.82
2007	4,375,271	2,559,557	1,815,714	715,000	194,250	909,250	2.00
2008	4,074,437	2,690,897	1,383,540	750,000	158,500	908,500	1.52
2009	3,965,504	2,748,388	1,217,116	790,000	121,000	911,000	1.34
2010	4,246,031	2,878,361	1,367,670	-	-	-	n/a
2011	5,274,740	2,761,714	2,513,026	-	-	-	n/a
2012	5,406,764	2,628,577	2,778,187	-	-	-	n/a
2013	5,296,960	2,597,587	2,699,373	-	-	-	n/a
2014	5,368,849	2,782,434	2,586,415	-	-	-	n/a
2015	5,292,155	2,462,792	2,829,363	-	-	-	n/a

[1] Includes Total Operating Revenues and Investment Income .

[2] Includes Total Operating Expenses less Depreciation.

[3] Sewerage System Revenue Refunding Bonds, Series 2001. These bonds were retired during 2010.

CITY OF WAUSAU
Schedule 16
Demographic Statistics
Last Ten Fiscal Years

Fiscal Year	City of Wausau Population [1]	Personal Income [2]	AGI Per Return [3]	School System Enrollment [4]	Unemployment Rate [5]
2006	39,740	$ 926,385,502	$ 46,221	8,836	5.1%
2007	40,080	934,089,922	41,816	8,780	4.9%
2008	40,360	927,042,024	42,674	8,681	6.8%
2009	40,700	856,501,154	40,535	8,522	12.8%
2010	39,106	870,788,312	40,691	8,546	10.1%
2011	39,142	899,556,630	41,620	8,574	9.0%
2012	39,160	947,821,670	43,570	8,623	8.7%
2013	39,180	967,741,170	43,250	8,663	7.4%
2014	39,131	990,629,330	44,140	8,637	4.1%
2015	39,063	n/a	n/a	8,628	3.7%

[1] Source: Wisconsin Department of Administration estimates.

[2] Source: Wisconsin Department of Revenue. Adjusted Gross Income for all tax returns filed for City of Wausau residents.

[3] Source: Wisconsin Department of Revenue. Average Adjusted Gross Income for returns filed.

[4] Source: Wisconsin Department of Public Instruction.

[5] Source: Wisconsin Department of Workforce Development. Annual rates not seasonally adjusted.

CITY OF WAUSAU
Schedule 17
Principal Employers
Current Year and Nine Years Prior

		2015			2006		
Employer	Type of business	Number of Employees*	Percentage of Total City Employment	Rank	Number of Employees*	Percentage of Total City Employment	Rank
Aspirus/Wausau Hospital	Medical	3,755	19.64%	1	2,693	14.17%	1
Eastbay	Retail/distribution	1,469	7.68%	2	1,180	6.21%	5
United Health Care	Benefits Administration	1,300	6.80%	3	1,070	5.63%	6
Wausau School District	Education	1,281	6.70%	4	1,300	6.84%	4
Kolbe & Kolbe	Window/door manufacturing	1,045	5.46%	5	1,700	8.95%	2
Employers Insurance/Liberty	Insurance	850	4.45%	6	1,500	7.89%	3
North Central Health Care	Health care/medical	830	4.34%	7			
Apogee-Linetec	Metal coating/window manufacturing	822	4.30%	8			
Marathon County	Government	737	3.85%	9			
Marshfield Clinic	Health care/medical				938	4.94%	7
Total		12,089	63.22%		10,381	54.63%	
Total City Employment		19,121			19,001		

*Includes full- and part-time employees.

Source: Employer contacts and information provided by Wisconsin Department of Workforce Development.

CITY OF WAUSAU
Schedule 18
Budgeted Full-Time Equivalent Personnel Positions
Last Ten Fiscal Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government										
Mayor's office	3.50	3.50	3.50	3.50	2.50	2.50	3.00	2.50	2.50	2.00
Customer service	14.15	14.15	13.65	13.20	11.20	11.20	11.46	11.46	11.46	11.84
Assessment	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	7.00	7.00
Human resources	2.50	2.50	2.00	2.00	2.00	2.00	3.00	2.50	2.50	3.00
City attorney	3.75	4.00	4.00	3.25	3.25	3.25	3.25	3.75	3.75	3.75
Municipal court	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Total General Government	31.90	32.15	31.15	29.95	26.95	26.95	28.71	28.21	28.71	29.09
Public Safety										
Police department	76.50	76.50	77.50	77.50	75.50	75.50	76.50	79.00	81.00	84.00
Fire department	60.00	59.00	59.00	59.00	60.00	60.00	60.00	60.00	60.00	60.00
Inspections and electrical	13.00	12.00	11.00	11.00	10.00	6.00	-	-	-	-
Total Public Safety	149.50	147.50	147.50	147.50	145.50	141.50	136.50	139.00	141.00	144.00
Public Works	66.00	64.00	65.85	63.50	60.85	67.00	67.50	67.50	70.00	69.50
Community Development	12.75	12.75	11.75	11.75	11.75	11.75	12.00	12.00	12.75	12.75
Metro Ride	33.00	33.00	32.00	33.00	33.00	33.00	30.50	31.50	31.50	31.50
Water & Sewer Utilities	27.50	26.50	26.50	26.50	26.50	26.50	26.50	26.50	26.50	26.50
Total Regular Employees	320.65	315.90	314.75	312.20	304.55	306.70	301.71	304.71	310.46	313.34

Source: Finance and Human Resource Departments.

Beginning in 2012, employees originally reported in the Inspections and electrical category were transferred to Public Works.

CITY OF WAUSAU
Schedule 19
Operating Indicators by Function/Program

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government										
Building permits issued										
Residential	750	766	646	600	943	827	842	920	1,161	1,180
Non-residential	179	231	156	142	140	170	178	196	214	211
Total construction value ($000)										
Residential	24,397	31,732	25,530	10,953	14,848	15,085	12,772	9,811	12,365	13,384
Non-residential	45,361	99,352	16,411	21,018	16,506	18,599	44,076	51,571	44,456	71,950
Police										
Calls for service *	50,519	51,841	53,741	50,148	50,580	51,996	55,065	31,121	30,024	36,024
Parking tickets issued	9,509	16,435	12,968	10,907	6,970	6,781	9,112	16,774	16,196	11,873
Total arrests	3,413	3,389	3,451	3,255	3,047	3,159	3,262	3,412	3,305	3,223
Fire										
Fire responses	1,433	1,393	1,437	1,285	1,333	1,493	1,618	2,100	2,117	2,097
Emergency responses	4,003	4,185	4,617	4,074	4,161	4,224	4,311	4,436	4,491	4,999
Inspections	4,018	4,043	3,971	3,951	4,004	3,919	3,922	4,105	4,193	4,144
Public works										
Miles of street swept	6,127	6,470	5,485	6,304	5,419	4,614	5,151	5,986	5,035	4,731
Cu. yds. of debris - sweeping	4,963	3,530	3,293	3,817	2,833	2,935	4,986	3,761	3,398	3,539
Tons of asphalt used (potholes)	598	570	701	719	1,381	475	614	423	694	646
Water										
Ave. daily consumption (000 gal.)	5,347	5,527	5,114	4,979	5,125	5,205	5,322	4,158	4,672	4,196
Peak daily consumption (000 gal.)	8,531	7,725	9,043	7,510	7,033	6,855	7,921	6,345	6,656	6,218
Number of customers	15,405	15,533	15,692	15,613	15,675	15,719	15,839	15,722	15,815	15,950
Wastewater										
Ave. daily sewage treatment (000 gal.)	4,166	4,122	4,199	3,900	3,842	4,335	4,258	4,462	5,539	5,188
Metro Ride										
Total route miles	739,055	720,858	604,793	573,876	573,105	571,175	401,126	439,668	436,435	402,905
Total passengers	865,988	857,010	851,895	794,121	774,081	788,748	631,360	672,224	654,078	577,044
Cost per passenger	$3.64	$3.86	$3.89	$3.88	$4.02	$4.24	$4.28	$4.23	$4.48	$4.56

* Prior to 2013, calls for service included total number of officers responding to each call.

CITY OF WAUSAU
Schedule 20
Capital Asset Statistics by Function/Program

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Fire										
Stations	3	3	3	3	3	3	3	3	3	3
Fire suppression units	8	8	8	8	8	8	8	8	8	8
Public works										
Miles of streets	223.4	225.5	228.7	233.8	239.0	245.0	250.8	250.9	252.5	258.8
Parks & recreation										
Parks	36	36	35	36	36	37	37	39	40	40
Acreage	343	343	342	342	342	342	342	433	434	436
Swimming pools	3	3	3	3	3	3	3	3	3	3
Water										
Miles of main	229.8	230.6	231.6	231.9	232.3	232.3	232.3	233.3	233.4	233.3
Storage capacity (000 gal.)	5,550	5,550	5,550	5,550	5,550	5,550	5,550	5,550	5,550	5,550
Fire hydrants	1,571	1,587	1,600	1,602	1,606	1,607	1,612	1,619	1,627	1,624
Wastewater										
Miles of main	224.3	225.2	225.6	226.2	226.4	226.6	226.6	227.3	227.3	230.4
Stormwater										
Miles of main	128.3	128.6	129.3	129.7	129.9	130.4	130.8	130.9	131.9	132.7

City of Wausau

2015 FINANCIAL REPORT

GENERAL FUND ACTIVITIES

- Administration – Council, Mayor, HR, Attorney, Assessor, Customer Service, CCITC
- Public Safety – Police, Fire,
- Refuse
- Transportation – Street Maintenance, Inspections, Storm Water, Engineering, Planning and GIS, Street Lighting
- Parks and Recreation

General fund Balance History

Total Fund Balance

2011 $9,718,615

2012 $9,981,845

2013 $9,641,545

2014 $9,443,494

2015 $10,037,405

Nonspendable:

Advances:

TID #3 $1,367,897

TID #6 $260,666

TID #7 $1,993,080

TID #9 $78,799

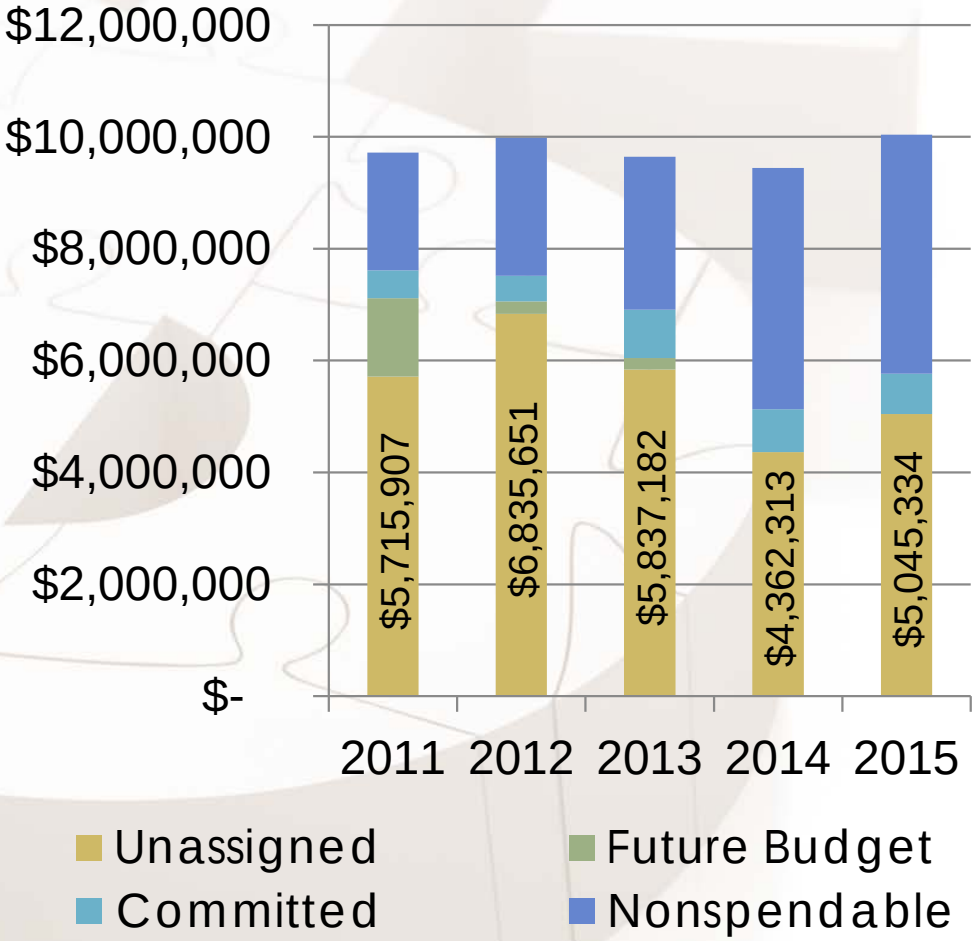
Inventory $401,836

Committed:

Contingency $ 163,059

Commercial Rehab Fund $ 500,000

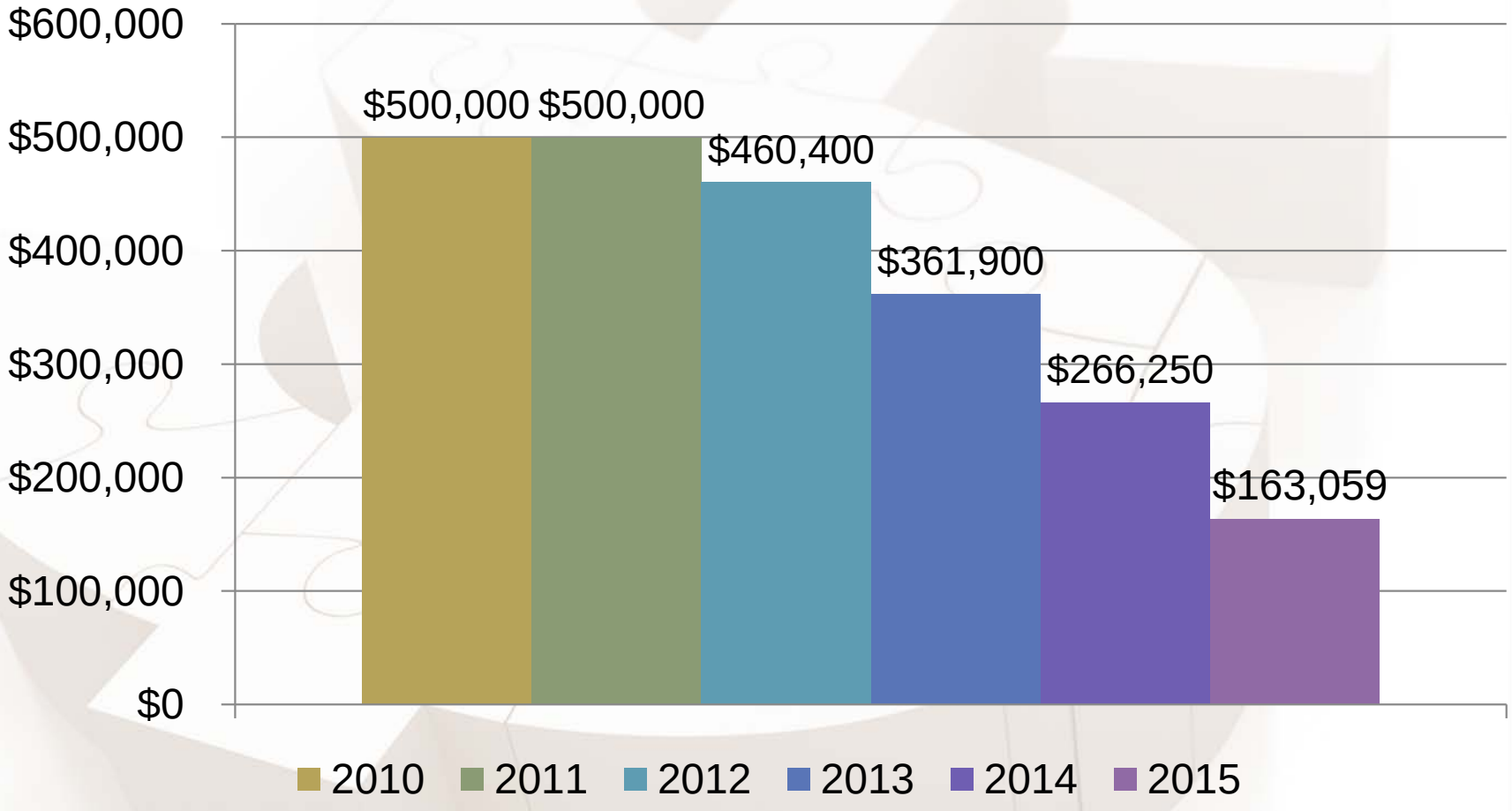
Per Fund Balance Policy unassigned fund balance should be no less than 16.67% or expenditures or $5,154,386



Advances to TID Funds History

	2011	2012	2013	2014	2015
TID 3		$1,184,402	$880,865	$1,419,107	$1,367,897
TID 4	$1,037,208				
TID 5					
TID 6				$611,984	$260,667
TID 7	$999,205	$1,221,482	$1,524,184	$1,776,943	$1,993,080
TID 8					
TID 9				$90,985	$78,799
TID 10					$169,655
TOTAL	$2,036,413	$2,405,884	$2,405,049	$3,899,019	$4,271,934

Contingency Balance



2015 GENERAL FUND REVENUES

	2015 Budget	2015 Actual	Variance
Taxes	$16,411,336	$16,422,947	$11,611
Intergovernmental Grants	8,171,194	8,107,748	(63,446)
Licenses and Permits	743,050	799,876	56,826
Fines and Forfeitures	398,000	337,841	(60,159)
Public Charges for Services	1,882,650	1,928,922	46,272
Intergovtl Charges	1,500,286	1,457,809	(42,477)
Commercial Revenue	294,000	369,673	75,673
Miscellaneous Revenue	338,749	350,072	11,323
Transfers In	1,897,000	1,883,444	(13,556)
Total	$31,636,265	$31,658,332	$22,067

Property Tax Income

	2015	2014	Change
General Fund	$16,200,627	$15,843,883	$356,744
Economic Dev Fund	48,500	50,000	(1,500)
Recycling Fund	517,275	497,750	19,525
Debt Service	4,123,000	4,088,000	35,000
Capital Projects Fund	406,090	371,080	35,010
Airport Fund	80,000	70,000	10,000
Transit Fund	647,342	679,289	(31,947)
Parking Fund	211,052	224,000	(12,948)
Animal Control Fund	78,489	-	78,489
Total	$22,312,375	$21,824,002	$488,373

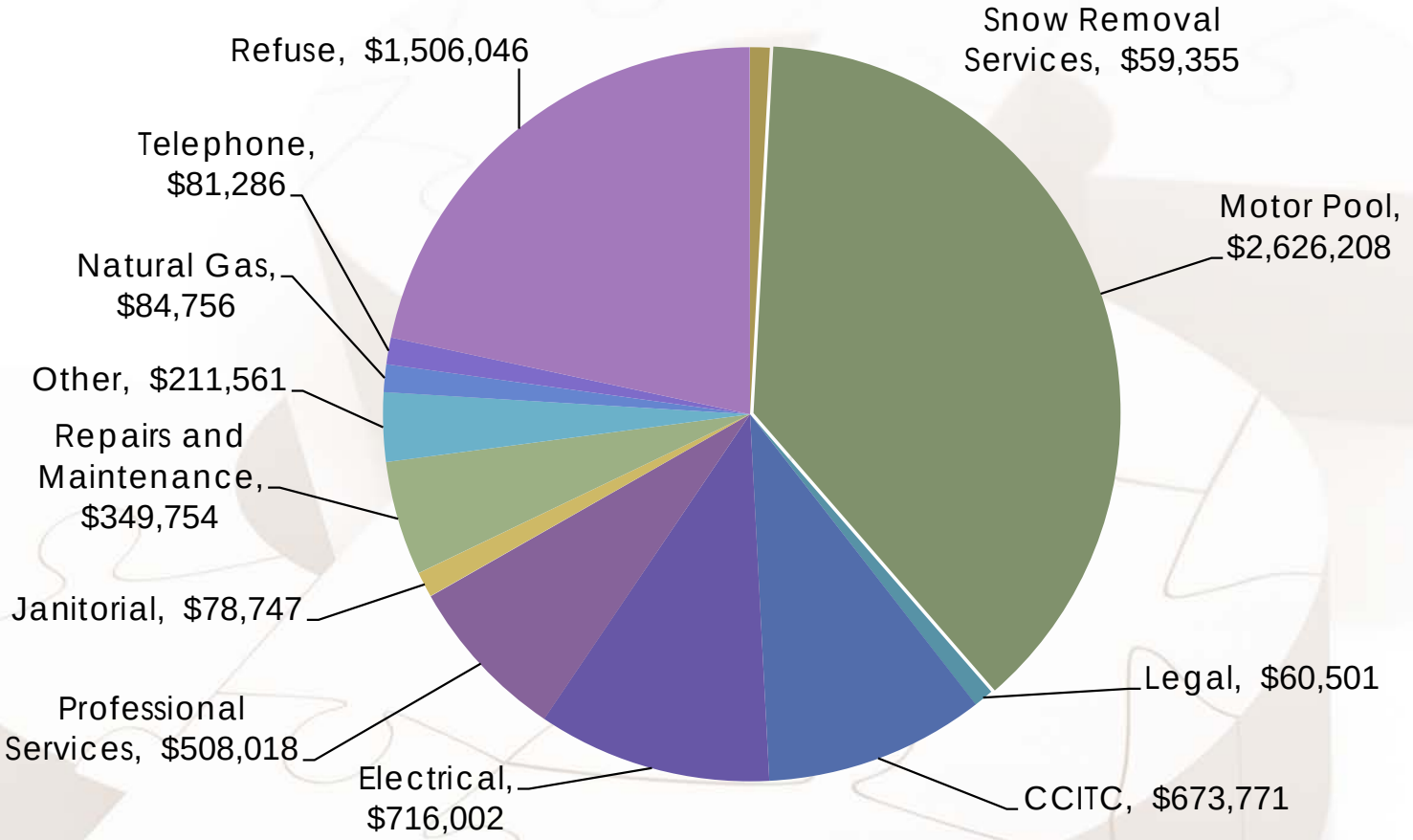
2015 GENERAL FUND EXPENDITURES

	2015 Budget	2015 Actual	Variance
General Government	$4,090,730	$4,146,412	($55,682)
Public Safety	16,159,648	15,832,631	327,017
Transportation/Streets	7,390,337	7,129,835	260,502
Sanitation/Health	1,529,400	1,539,308	(9,908)
Nat Resource/Parks	2,425,054	2,271,947	153,107
Transfers Out	144,288	144,288	0
Total	$31,739,457	$31,064,421	$675,036

General Fund Salaries and Benefits

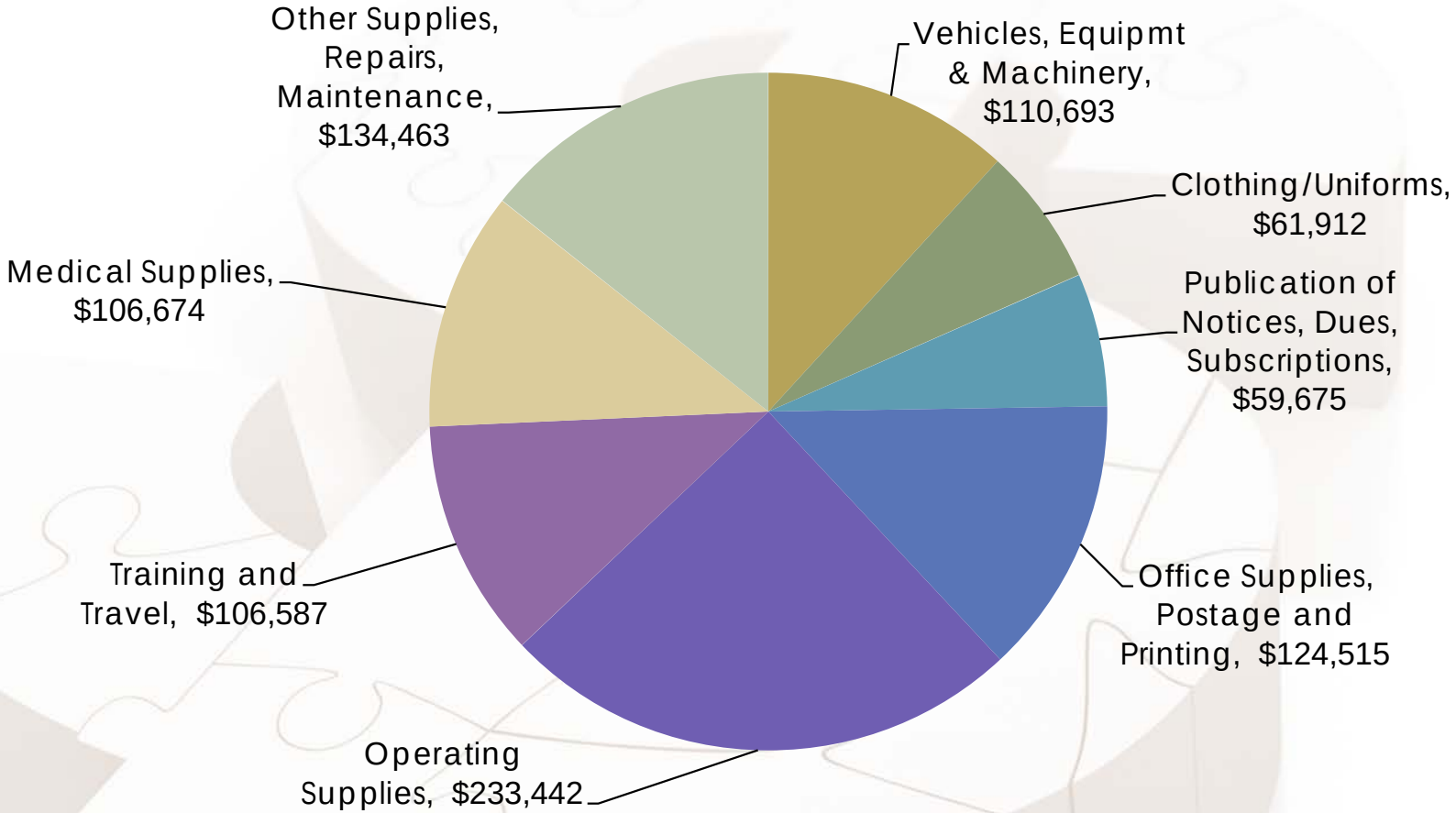
	2015 Budget	2015 Actual	Budget Variance
Salaries and Wages	$15,786,700	$15,535,906	$250,794
FICA	956,606	872,020	84,586
Retirement - ER	1,487,437	1,422,460	64,977
Health Insurance	3,564,211	3,446,438	117,773
Dental Insurance	112,583	112,209	374
Workers Compensation	390,087	357,783	32,304
Life Insurance	5,929	4,097	1,832
Unemployment	2,580	2,601	(21)
TOTALS	$22,306,133	$21,753,514	$552,619

General Fund Contractual Services



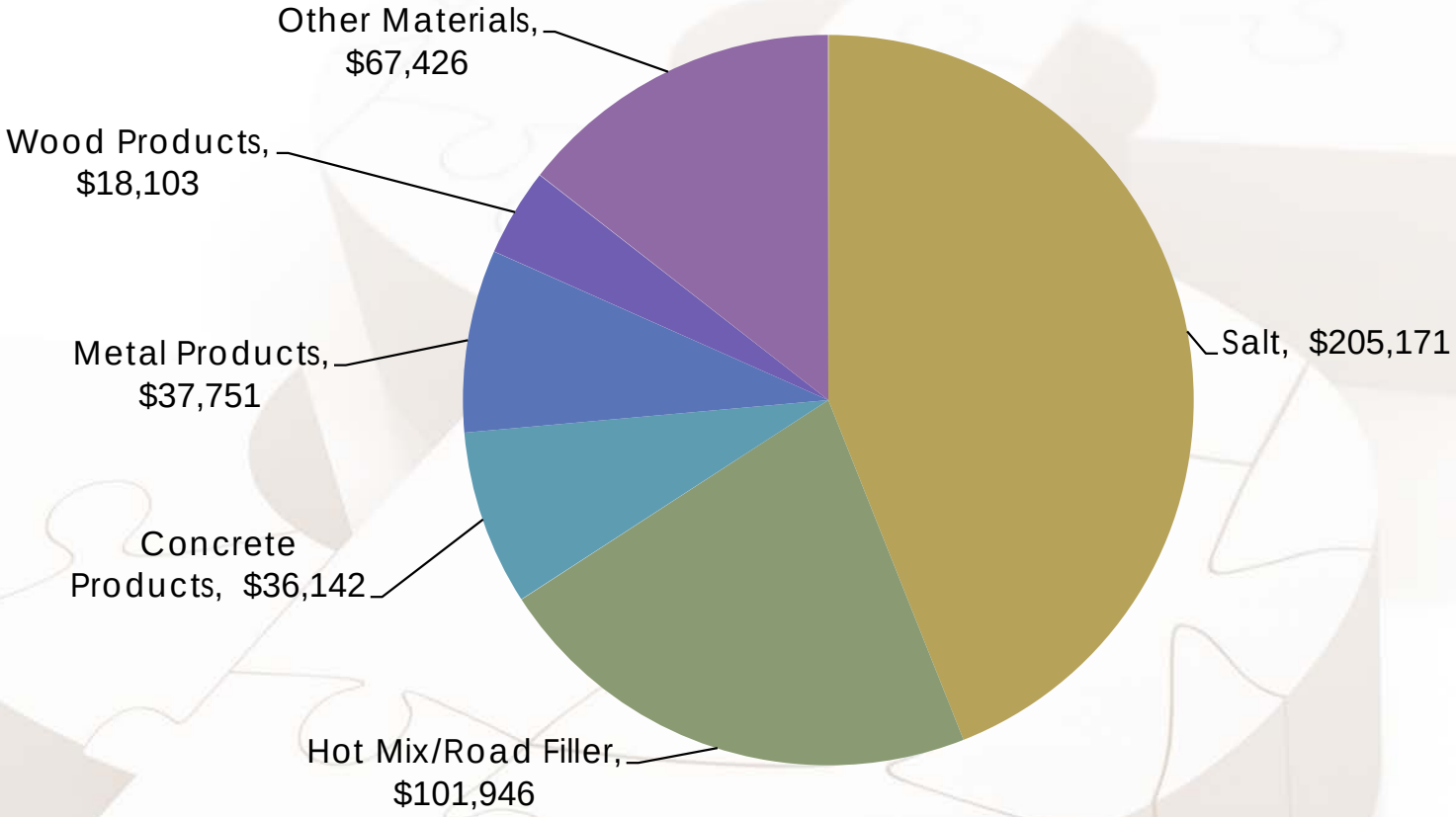
	2015 Budget	2015 Actual	2014 Actual
Contractual Services	7,077,074	$6,956,005	$7,344,695

General Fund Supplies and Expenses



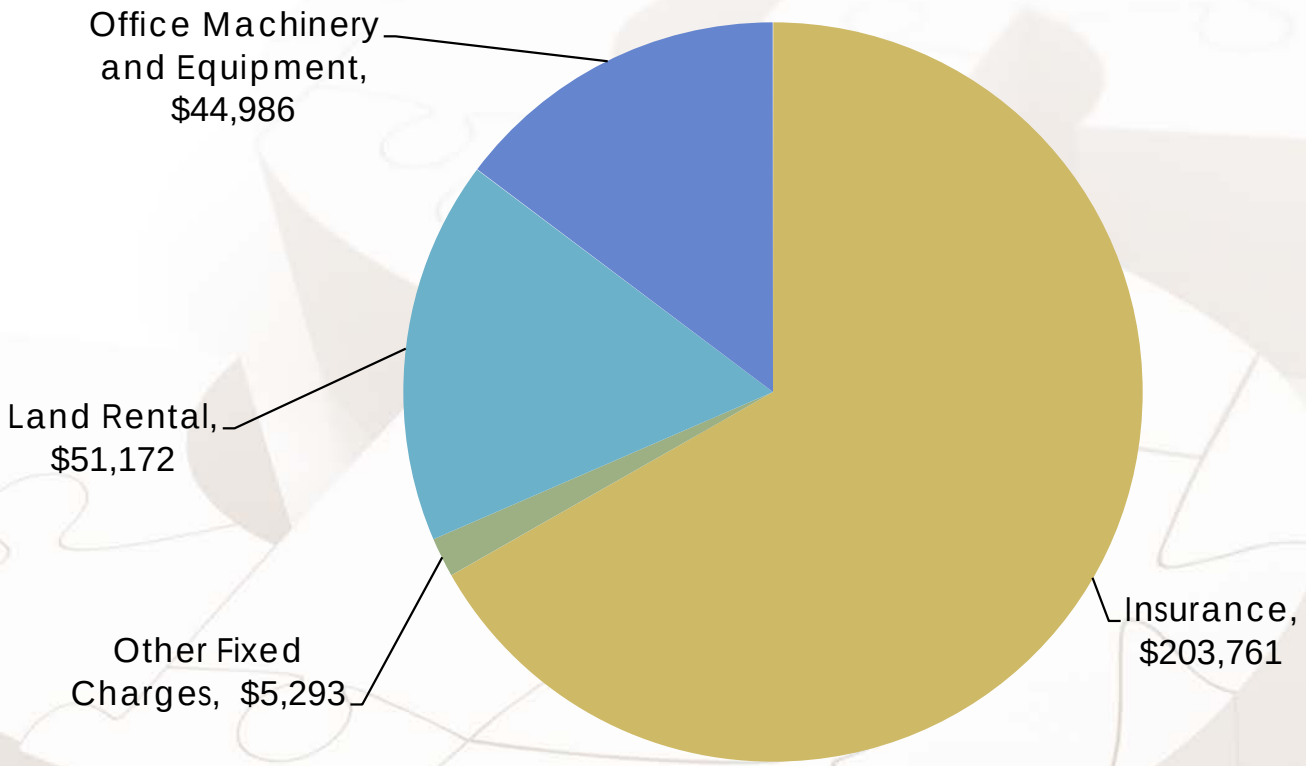
	2015 Budget	2015 Actual	2014 Actual
Supplies and Expenses	$1,038,598	$937,961	$975,550

General Fund - Building Materials



	2015 Budget	2015 Actual	2014 Actual
Supplies and Expenses	$542,350	$466,539	$677,787

General Fund Fixed Charges



	2015 Budget	2015 Actual	2014 Actual
Supplies and Expenses	$313,956	$305,212	$368,002

General Fund Other Expenditures

	2015 Budget	2015 Actual	Budget Variance
Bad Debt and Other Charges	$135,192	$318,345	($183,153)
EPA /Groundwater	65,000	81,096	(16,096)
Capital Outlay	116,866	101,460	15,406

Net Tax Refunds $242,442
Reserve for Uncollectibles $54,920
Delinquent PP $19,212

Special Revenue Funds

	2015	2014	2013
HUD Mortgage Fund	$12,754	$18,865	$13,954
Economic Development Fund	311,286	375,403	410,458
Room Tax Fund	82,126	89,436	130,525
EMS Grant Fund	17,745	11,237	53,257
Holtz Krause Fund	1,714,811	1,685,936	1,810,082
Other Grants and Special Purpose Accounts	705,692	593,115	570,085
Housing Stock Improvement Fund	629,083	633,390	-

- The City of Wausau maintains a number of Special Revenue Funds that account for activity where the revenue source is restricted for specific purposes

Special Revenue Funds cont.

	2015	2014	2013
CDBG Grants Fund	$1,342,800	$1,226,588	$1,218,804
DLAD Mortgage Program Fund	540,214	507,461	519,322
Federal Rent Rehabilitation Fund	340,560	344,865	349,147
WRRP Fund	1,542,166	1,337,190	1,106,167
HazMat Fund	129,788	94,079	90,898
Public Access Fund	17,543	5,764	3,643
Recycling Fund	1,165	2,701	-
Rental Licensing	2,686	13,489	-
400 Block Fund	3,595	-	-

Debt Service Fund

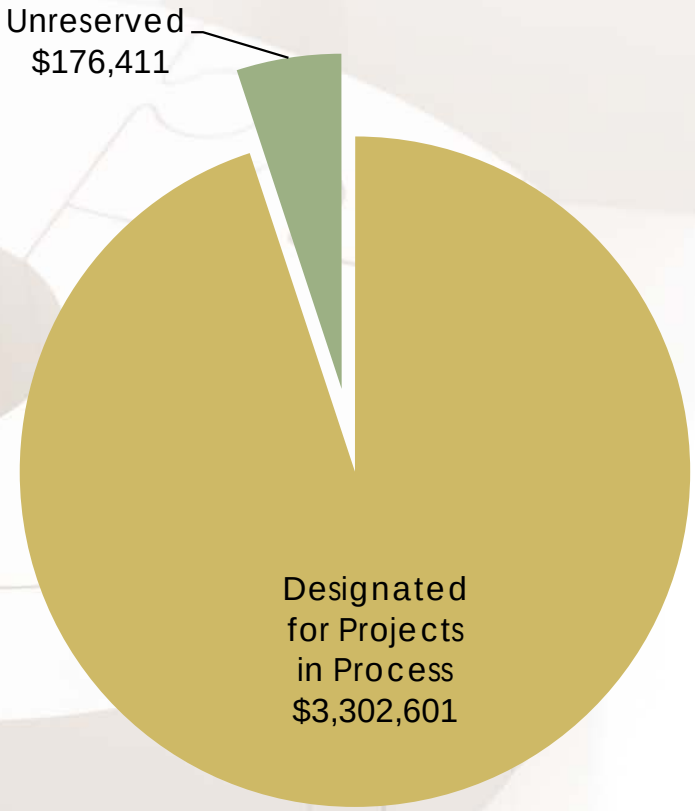
Debt Service Funds are used to account for governmental fund debt. Debt financed by the tax increment districts is funded through transfers into the Debt Service Fund

Revenues	
Taxes	$4,123,000
Other Revenue	46,201
Transfers In	3,987,473
Total Revenue	8,156,674
Expenditures	
Principal	7,022,550
Interest	994,947
Total Expenditures	8,017,497
Net Change in Fund Balance	139,177
Beginning Fund Balance	741,269
Ending Fund Balance	$880,446

Capital Projects Fund

The Capital Projects Fund accounts for the annual CIP Plan. Revenues including Property Taxes, Debt Proceeds, Special Assessment Income, Grants and Transfers from Other Funds. At yearend, the Council considered a carryover resolution to complete projects in 2016 which were started in 2015.

2015 Fund Balance - $3,479,012



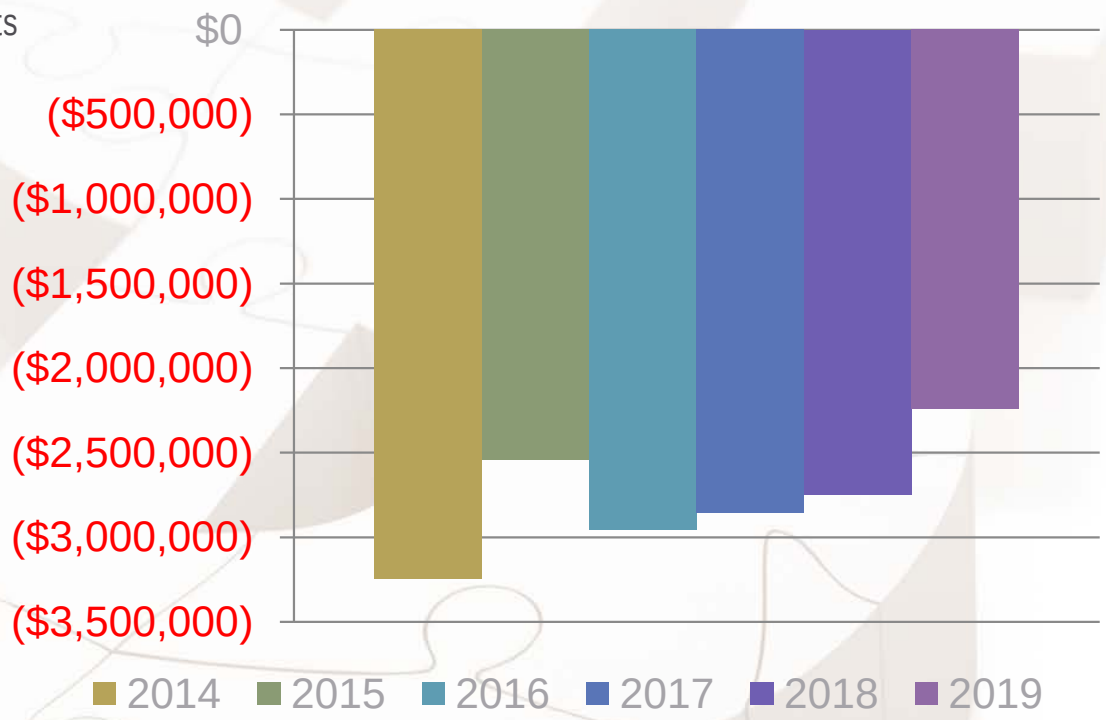
Tax Increment District Funds

	2015	2014
TID #3	(2,542,748)	(3,248,091)
TID #5	219,880	(198,888)
TID #6	(426,102)	(630,845)
TID #7	(1,994,365)	(1,776,943)
TID #8	1,358,962	105,706
TID #9	(78,800)	(90,985)
TID #10	(174,514)	69,627
Total	($3,857,567)	($5,770,419)

TID #3

Current and Future Projects

- River Edge Trail
- Remediation
- WOW
- Savo Supply
- New Developments
- 1st Street
- McClellan
- Wausau Club
- Church Site
- Skywalk
- Parking Ramp
- Wausau Center Mall



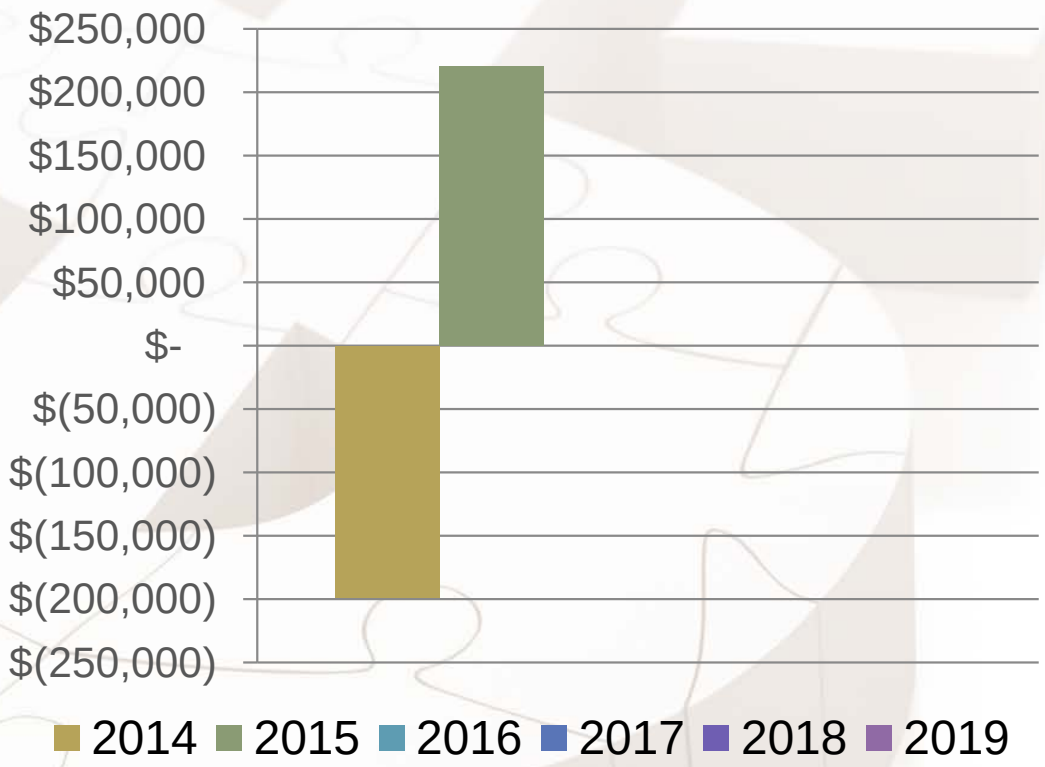
FUND DEFICIT

TID #5

Current/Future Projects

None

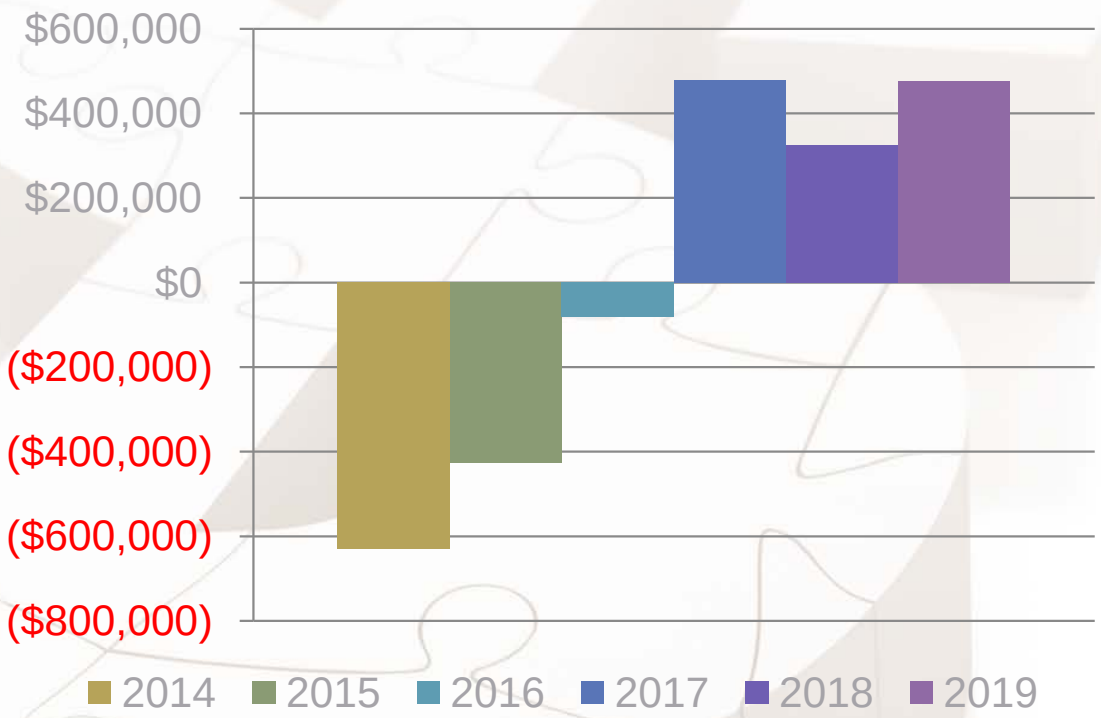
Excess Increment will be donated to TID #3



FUND BALANCE

TID #6

Current/Future Projects
Thomas Street
Developer Payments

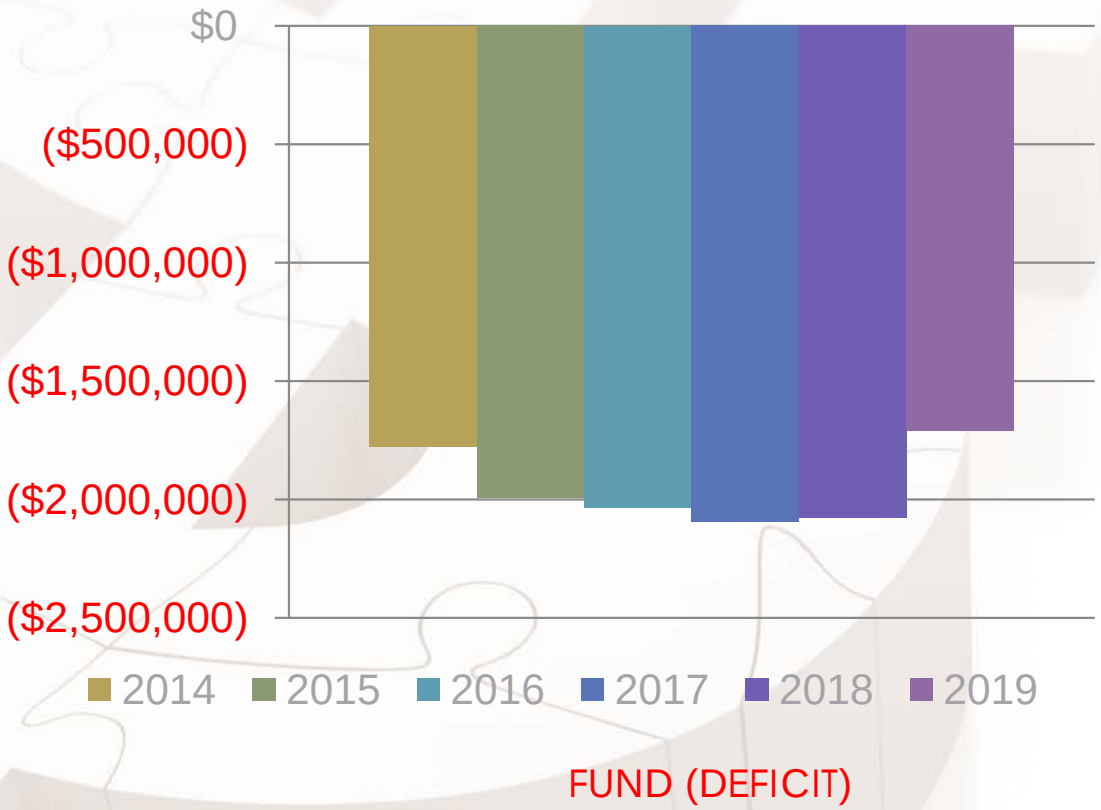


FUND BALANCE/ (DEFICIT)

TID #7

Current/Future Projects

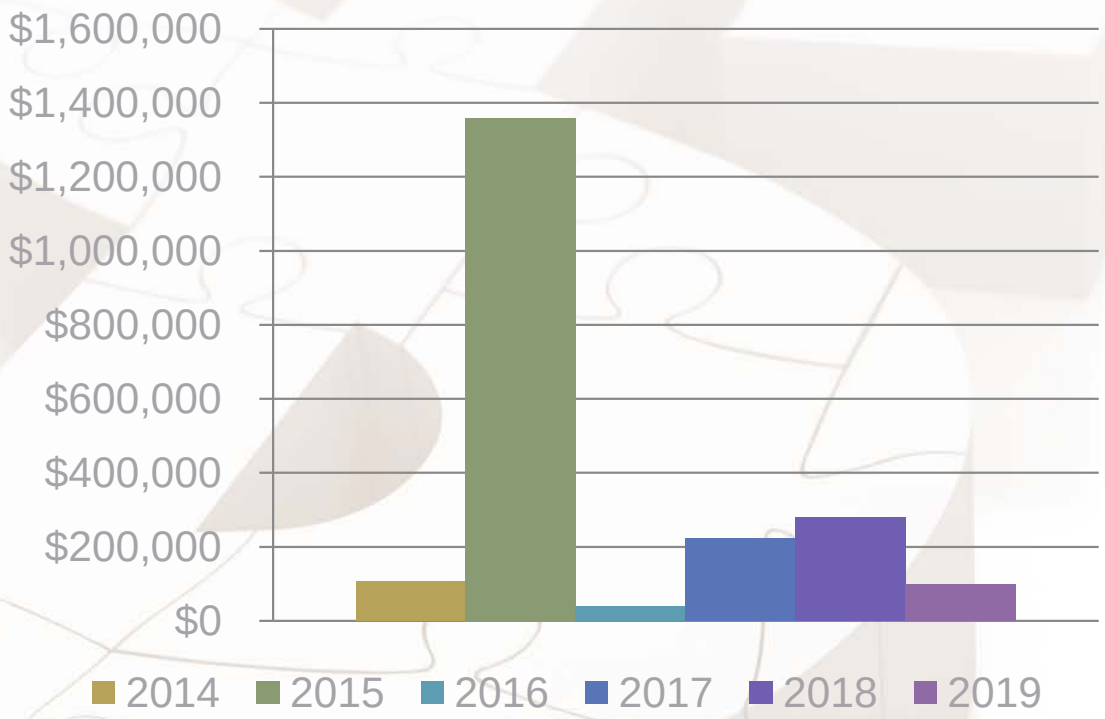
Outstanding Ghidorzi project



TID #8

Current/Future Projects

- 2nd Avenue
- Parking Expenses

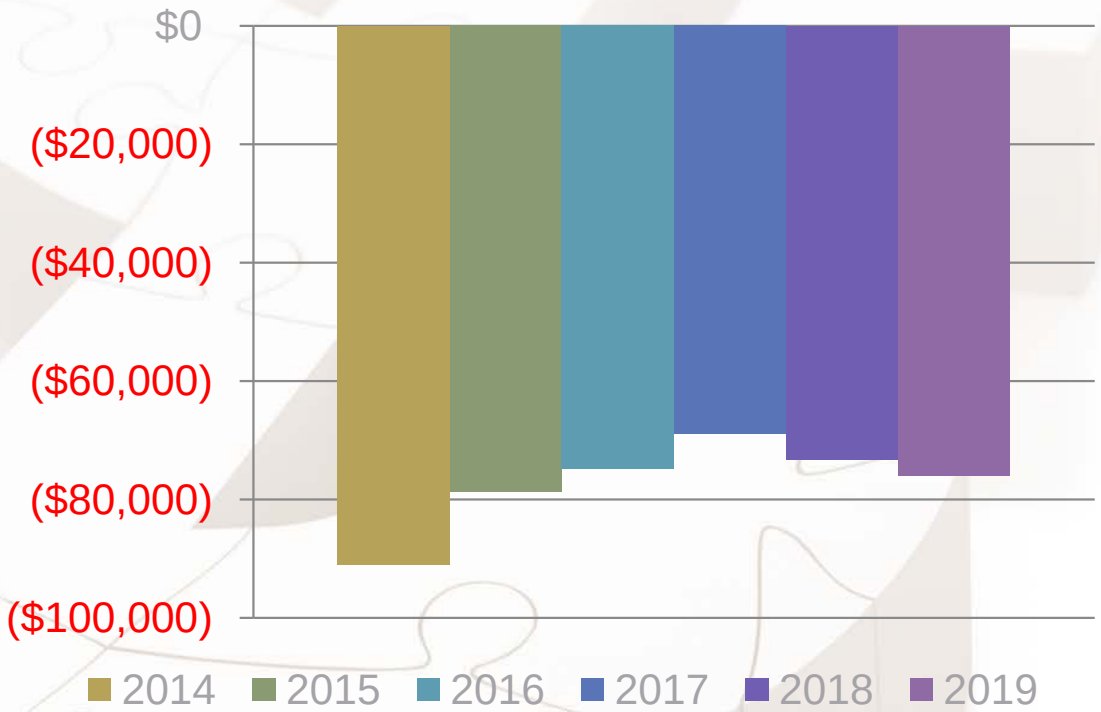


FUND BALANCE/(DEFICIT)

TID #9

Current/Future Projects

None

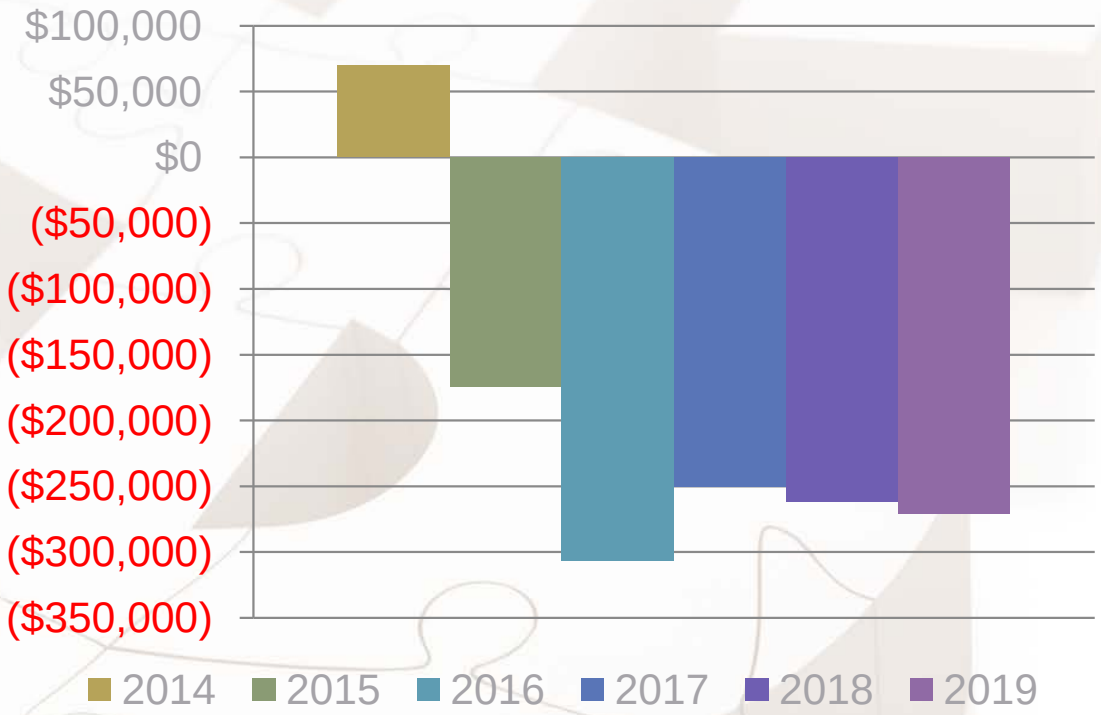


FUND /(DEFICIT)

TID #10

Current Projects

JARP $125,000



FUND BALANCE /(DEFICIT)

Internal Service Funds

	Motor Pool	Insurance Fund	Employee Benefit Fund	Health Reimbursement Account Fund
Change in Net Assets	$381,881	$169,034	($239,350)	$109,084
Depreciation	$866,729			
New Equipment Purchases	$870,813			
Unrestricted Net Position 12/31/2015	$869,164	$681,171	($161,434)	$356,462
Unrestricted Net Position 12/31/2014	$504,462	$465,891	$77,916	$247,378

Enterprise Funds

	Waste Water Utility	Water Utility
Change In Net Position 2015	$1,174,812	$345,782
Change in Net Position 2014	$901,525	($306,427)
Unrestricted Net Position 12/31/2015	$2,461,789	$431,801
Unrestricted Net Position 12/31/2014	$2,492,568	$1,145,034

Enterprise Funds – Levy Dependent

	Metro Ride Fund	Parking Fund	Airport Fund	Animal Control Fund
Change in Net Position - Profit/(Loss)	($320,971)	$323,079	($146,399)	$40,148
Depreciation and contributions	$376,017	($281,183)	$156,943	$-
Unrestricted Net Position 12/31/2015	$192,833	$702,723	$28,227	$50,659
Unrestricted Net Position 12/31/2014	$131,048	$652,365	$17,683	20,697
2014 Property Tax Levy	$679,289	$211,052	$70,000	$63,500
2015 Property Tax Levy	$647,342	$211,052	$80,000	$78,489
2015 Transfer In	0	0	$40,155	$13,850
2016 Property Tax Levy	$547,342	$211,052	$80,000	$37,105

Fiduciary & Agency Funds

- Funds Held for Others
- $547,015

- Entrepreneurial Center $260,054
- Wausau Events $211,849
- Main Street $75,112

Cemetery Trust Fund $529,098

Fiduciary Funds