



**CITY OF WAUSAU**  
**Wausau, Wisconsin**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**For the Year Ended  
December 31, 2012**

**Finance Department**  
Maryanne Groat, Finance Director / Treasurer  
Richard M. Whalen, Assistant Finance Director

**CITY OF WAUSAU, WISCONSIN  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 For the Year Ended December 31, 2012**

**TABLE OF CONTENTS**

| <b>INTRODUCTORY SECTION</b>  | <b>PAGE</b> |
|--|-------------|
| Letter of Transmittal .....  | iv          |
| Certificate of Achievement for Excellence in Financial Reporting .....   | vii         |
| Organization Chart .....   | viii        |
| List of Principal Officials .....  | ix          |
| <b>FINANCIAL SECTION</b>   |             |
| 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 .....  | 13          |
| Fund Financial Statements:   |             |
| Balance Sheet - Governmental Funds.....  | 15          |
| Statement of Revenues, Expenditures and Changes in Fund<br>Balances - Governmental Funds .....   | 16          |
| Reconciliation of the Statement of Revenues, Expenditures and Changes<br>in Fund Balances of Governmental Funds to the Statement of Activities ..... | 17          |
| Statement of Net Position - Proprietary Funds.....   | 18          |
| Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds.....   | 20          |
| Statement of Cash Flows - Proprietary Funds.....   | 22          |
| Statement of Fiduciary Net Position - Fiduciary Funds .....  | 24          |
| Statement of Changes in Fiduciary Net Position - Fiduciary Funds .....   | 25          |
| Notes to the Financial Statements.....   | 26          |
| Required Supplementary Information:  |             |
| Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget<br>and Actual - General Fund.....   | 68          |
| Other Postemployment Benefits Plan - Schedule of Funding Progress .....  | 69          |
| Combining and Individual Fund Statements and Schedules:  |             |
| Schedule of Revenues and Other Financing Sources - Budget and Actual - General Fund.....   | 70          |
| Schedule of Expenditures and Other Financing Uses - Budget and Actual - General Fund.....  | 72          |
| Combining Balance Sheet - Nonmajor Governmental Funds.....   | 73          |
| Combining Statement of Revenues, Expenditures and Changes in Fund<br>Balances - Nonmajor Governmental Funds .....                                    | 78          |
| Budgetary Comparison Schedule - Nonmajor Budgeted Governmental Funds .....   | 83          |
| Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget<br>And Actual - Debt Service Fund .....                                      | 88          |
| Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget<br>And Actual - TID #3 Downtown Development Fund.....                        | 89          |
| Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget<br>And Actual - Capital Improvements Fund.....                               | 90          |
| Combining Statement of Net Position - Internal Service Funds .....   | 91          |
| Combining Statement of Revenues, Expenses and Changes in Fund Net<br>Position - Internal Service Funds.....  | 92          |

## TABLE OF CONTENTS (Continued)

| <b>FINANCIAL SECTION (Continued)</b>   | <b>PAGE</b> |
|--|-------------|
| Combining Statement of Cash Flows - Internal Service Funds .....                           | 93          |
| Combining Statement of Fiduciary Net Position - Agency Funds .....                         | 94          |
| Combining Statement of Changes in Assets and Liabilities - Agency Funds .....              | 95          |
| Capital Assets Used in the Operation of Governmental Funds:                                |             |
| Schedule by Function and Activity.....   | 96          |
| Schedule of Changes by Function and Activity.....  | 97          |
| <b>STATISTICAL SECTION</b>   |             |
| Index to the Statistical Section .....   | 98          |
| <b>Schedules:</b>  |             |
| 1 Net Position by Component Last Ten Fiscal Years .....                                    | 99          |
| 2 Changes in Net Position Last Ten Fiscal Years .....                                      | 100         |
| 3 Program Revenues by Function/Program Last Ten Fiscal Years.....                          | 102         |
| 4 Fund Balances – Governmental Funds .....   | 103         |
| 5 Changes in Fund Balances – Governmental Funds .....                                      | 104         |
| 6 Assessed Value and Estimated Actual Value (Equalized Value)<br>of Taxable Property ..... | 106         |
| 7 Property Tax Rates – Direct and Overlapping Governments<br>Last Ten Fiscal Years .....   | 107         |
| 8 Principal Taxpayers, Current Year and Nine Years Prior .....                             | 109         |
| 9 Property Tax Levies and Collections Last Ten Fiscal Years .....                          | 110         |
| 10 Direct and Overlapping Sales Tax Rates Last Ten Fiscal Years.....                       | 111         |
| 11 Outstanding Debt by Type Last Ten Fiscal Years .....                                    | 112         |
| 12 General Obligation Debt Last Ten Fiscal Years .....                                     | 113         |
| 13 Computation of Direct and Overlapping General Obligation Debt .....                     | 114         |
| 14 Legal Debt Margin Calculation .....   | 115         |
| 15 Mortgage Revenue Bond Coverage Last Ten Fiscal Years .....                              | 116         |
| 16 Demographic Statistics Last Ten Fiscal Years.....                                       | 118         |
| 17 Principal Employers Current Year and Nine Years Prior .....                             | 119         |
| 18 Budgeted Full-Time Equivalent Personnel Positions Last Ten Fiscal Years .....           | 120         |
| 19 Operating Indicators by Function/Program.....   | 121         |
| 20 Capital Asset Statistics by Function/Program.....                                       | 122         |

## **INTRODUCTORY SECTION**



June 19, 2013

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, 2012 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 185 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 1,545 square miles. The City of Wausau covers 18.78 square miles with approximately 250.8 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 transfers of budgeted amounts within expenditures of a cost center up to \$2,500 for the General Fund and Special Revenue Funds and up to \$20,000 for the Capital Projects Funds. Transfers of all other appropriations require two-thirds (2/3) Common Council approval to amend the budget.

### **Long-Range Financial Plan**

The City is in the process of preparing a long-range financial plan with the assistance of the GFOA. This is a comprehensive focus including a strategic plan and financial forecasting tool. In the fall of 2012 the City conducted focus group meetings, obtained feedback from a citizen survey and conducted a planning retreat to identify the major issues facing the city. The information obtained from this process, results of the financial forecast, along with the City's existing multi-year capital plan and long-range debt analysis will provide a map for the financial future. The City's new budget policy requires an annual review of these planning tools to ensure that the City remains focused on the future.

### **Economic Condition and Outlook/Major Initiatives**

Wausau is a significant regional center for the insurance industry, paper manufacturing, medical facilities, and home construction industry. In the past few years, the City of Wausau and surrounding area within the County, have become appreciated as a travel/tourist destination. The area is now ranked 9<sup>th</sup> in the state for traveler tourism spending. The City's position as a tourism leader will strengthen due to new destinations recently constructed or under construction. The new eight sheet curling facility, dedicated in 2012, is considered to be the largest in the United States. This facility is expected to generate national, state and regional competitions. Also in 2012, significant enhancements were made to the Wausau Downtown Kayak course. This course is one of only two natural kayak competition courses in the United States. In 2012, the City hosted the International Canoe Federation Junior Canoe Slalom World Championships. This competition drew 300 athletes from 27 countries. The Leigh Yawkey Art Museum, known worldwide for the annual Birds in Art Exhibit, completed a building project which added gallery space to debut the Owen J. Gromme collection which was a gift from BMO Harris Bank. Projects under construction include the redevelopment of the former Holtz-Krause Landfill site into 15 soccer fields. These fields will be ready for competition in 2014. Also scheduled for 2013 and 2014 is a \$2.7 million dollar enhancement to Athletic Park, home of the Woodchucks, a collegiate baseball team.

The City has been fortunate that commercial and residential development continue to improve. The valuation of 2012 building permits at \$56,848,034 was the highest since 2007. While the majority of the development is occurring along the interstate, the City has been working to remediate approximately 17 acres along the riverfront in the downtown area. This property is expected to host commercial, residential and recreational activities.

The City has also seen growth in higher education focused in the area of health care; the Medical College of Wisconsin is opening a campus in Wausau along with the University of Wisconsin expanding its physician assistant program.

### **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) for the fiscal year ended December 31, 2011. 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 twelfth 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, Assistant Finance Director 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

# 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, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Christopher P. Morrell*

President

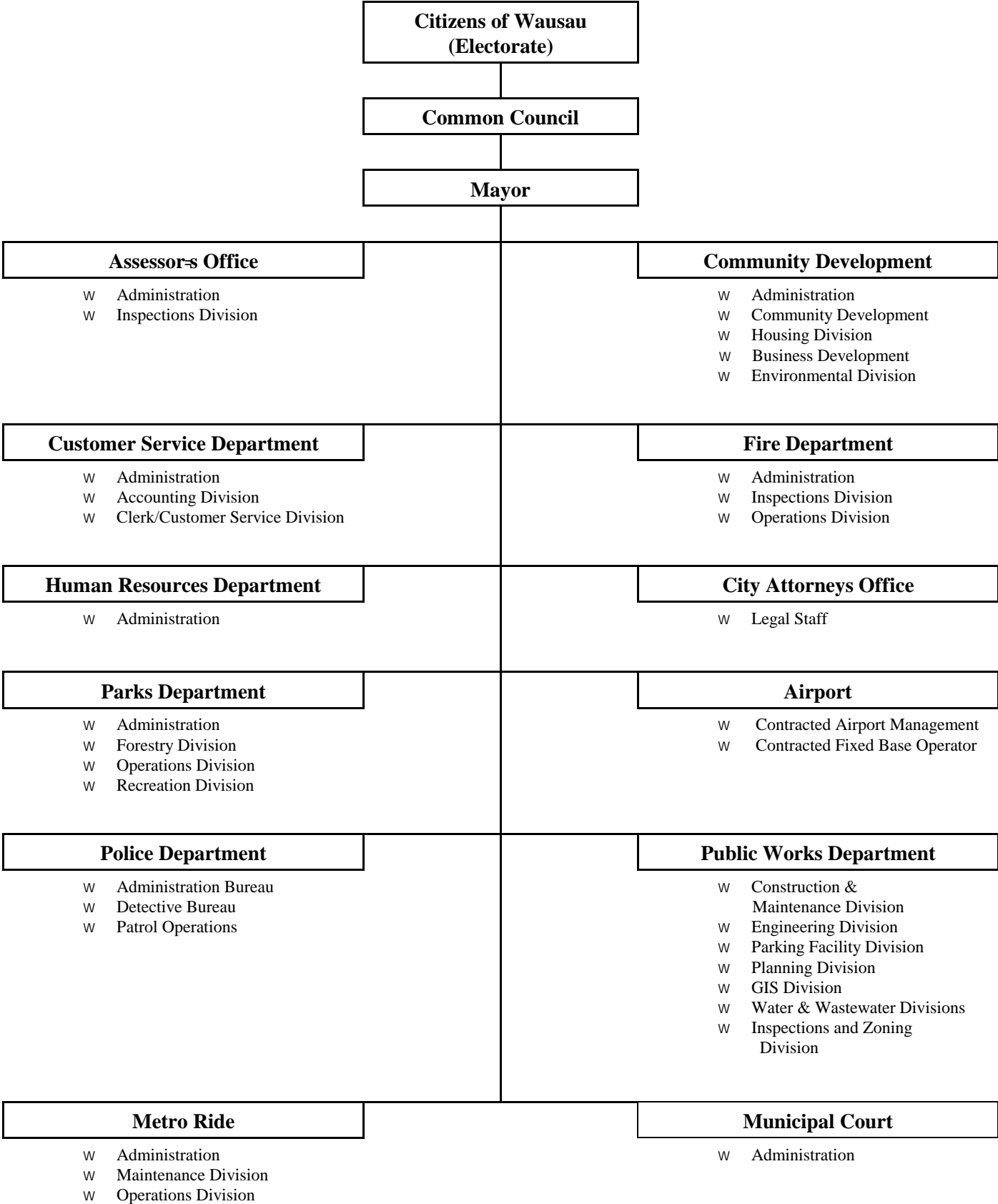
*Jeffrey R. Emswiler*

Executive Director



# CITY OF WAUSAU

## Organizational Chart



**CITY OF WAUSAU**  
**List of Principal Officials on December 31, 2012**

ELECTED

Mayor .....James E. Tipple  
Municipal Judge ..... Mark Sauer  
Common Council President .....Lisa Rasmussen

Alderman District

First ..... William Nagle  
Second ..... Romey Wagner  
Third ..... David Nutting  
Fourth ..... Jim Brezinski  
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  
Assistant Finance Director ..... Richard M. Whalen  
City Clerk ..... Toni Rayala  
City Attorney ..... Anne Jacobson  
Police Chief ..... Jeff Hardel  
Fire Chief ..... Gary Buchberger  
City Assessor ..... Nan Giese  
Director of Administration-Public Works & Utilities ..... Bradley Marquardt  
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

## **FINANCIAL SECTION**



## INDEPENDENT AUDITORS' REPORT

To the City Council  
City of Wausau, Wisconsin

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Wausau, Wisconsin ("the City") as of and for the year ended December 31, 2012, 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 auditor considers 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 of Wausau, Wisconsin, as of December 31, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As described in Note 5.1, the City has implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, for the year ended December 31, 2012. 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, the budgetary comparison for the general fund and the schedule of funding progress on pages 3 through 11, page 68 and page 69 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 other information, such as the introductory and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information 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.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2013, 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.



Certified Public Accountants  
Green Bay, Wisconsin  
June 19, 2013

## CITY OF WAUSAU, WISCONSIN MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Wausau (City) presents the following discussion and analysis of the City's financial performance during the fiscal year ended December 31, 2012. 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 of the City exceeded its liabilities at the close of the most recent fiscal year by \$207,367,573.
- The City's total net position increased by \$10,485,819.
- As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$17,193,756, a decrease of \$1,111,060 from the prior year. The total unrestricted fund balance of \$4,780,057 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 \$7,517,002, or 24.63% of expenditures. Of this amount, \$681,351 is committed or assigned and \$6,835,651 is unassigned. The General Fund is in compliance with the City's fund balance policy at December 31, 2012.
- The City of Wausau's total general obligation debt decreased \$1,757,600, or 3.51%. The major reason for this decrease is due to early payments of \$834,672 to retire outstanding state trust fund loans and an increase in scheduled debt payments.

### **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 and liabilities, with the difference between the two 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 and airport 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 12-14 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-four 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 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 15-17 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 and airport 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, Metro Ride and airport enterprise funds and the four internal service funds. Individual fund data 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 18-23 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 24-25 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 26 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 68-97 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City of Wausau's net position at fiscal year-end is \$207,367,573.

By far, the largest portion of the City of Wausau's net position (85.5 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                 |                       |
|----------------------------------|-------------------------|-----------------------|--------------------------|----------------------|-----------------------|-----------------------|
|                                  | 2012                    | 2011                  | 2012                     | 2011                 | 2012                  | 2011                  |
| Current and other assets         | \$ 102,971,666          | \$ 106,417,749        | \$ 7,538,513             | \$ 8,404,432         | \$ 110,510,179        | \$ 114,822,181        |
| Capital assets                   | 125,742,816             | 120,680,788           | 98,695,907               | 94,789,230           | 224,438,723           | 215,470,018           |
| Total assets                     | <u>228,714,482</u>      | <u>227,098,537</u>    | <u>106,234,420</u>       | <u>103,193,662</u>   | <u>334,948,902</u>    | <u>330,292,199</u>    |
| Long-term liabilities            | 47,683,398              | 48,803,546            | 5,888,356                | 6,784,325            | 53,571,754            | 55,587,871            |
| Other liabilities                | 72,183,177              | 75,717,691            | 1,826,398                | 2,104,883            | 74,009,575            | 77,822,574            |
| Total liabilities                | <u>119,866,575</u>      | <u>124,521,237</u>    | <u>7,714,754</u>         | <u>8,889,208</u>     | <u>127,581,329</u>    | <u>133,410,445</u>    |
| Net position:                    |                         |                       |                          |                      |                       |                       |
| Net investment in capital assets | 84,193,691              | 79,344,570            | 93,046,689               | 88,572,360           | 177,240,380           | 167,916,930           |
| Restricted                       | 9,729,737               | 12,789,388            | 1,280,921                | 1,148,802            | 11,010,658            | 13,938,190            |
| Unrestricted                     | <u>14,924,479</u>       | <u>10,443,342</u>     | <u>4,192,056</u>         | <u>4,583,292</u>     | <u>19,116,535</u>     | <u>15,026,634</u>     |
| Total net position               | <u>\$ 108,847,907</u>   | <u>\$ 102,577,300</u> | <u>\$ 98,519,666</u>     | <u>\$ 94,304,454</u> | <u>\$ 207,367,573</u> | <u>\$ 196,881,754</u> |

An additional portion of the City's net position (5.3%) represents resources that are subject to restrictions on how they may be used. The remaining balance represents unrestricted net position of \$19,116,535 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 \$10,485,819 during the current fiscal year.

The changes by net position category are as follows:

|                                  |                      |
|----------------------------------|----------------------|
| Net investment in capital assets | \$ 9,323,450         |
| Restricted                       | (2,927,532)          |
| Unrestricted                     | <u>4,089,901</u>     |
| Total                            | <u>\$ 10,485,819</u> |

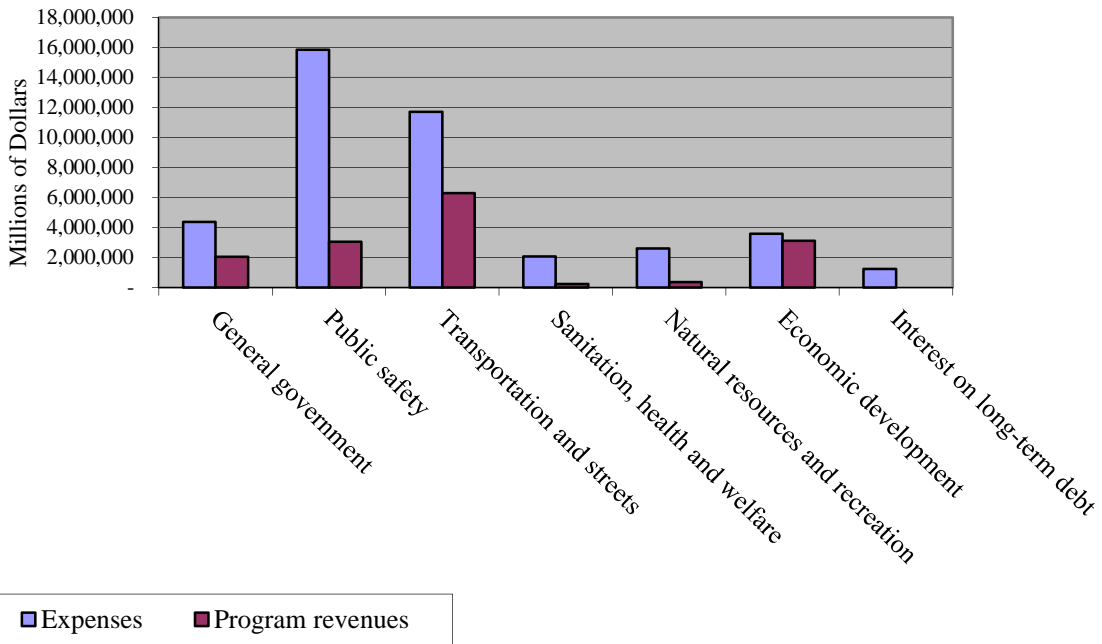


The following table provides a summary of the City's operations for the year ended December 31, 2012 and a comparison to the year ended December 31, 2011.

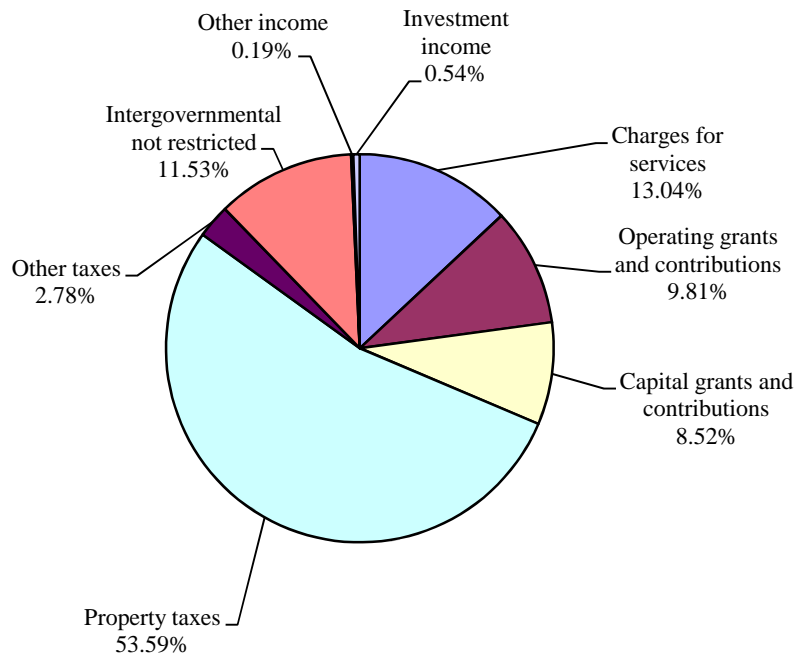
| CITY OF WAUSAU   |                         |                      |                          |                     |                      |                      |
|--|-------------------------|----------------------|--------------------------|---------------------|----------------------|----------------------|
| CHANGES IN NET POSITION                                      |                         |                      |                          |                     |                      |                      |
| FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011               |                         |                      |                          |                     |                      |                      |
|  | Governmental Activities |                      | Business-type Activities |                     | Total                |                      |
|  | 2012                    | 2011                 | 2012                     | 2011                | 2012                 | 2011                 |
| Revenues:  |                         |                      |                          |                     |                      |                      |
| Program Revenues   |                         |                      |                          |                     |                      |                      |
| Charges for services   | \$ 6,277,201            | \$ 7,710,852         | \$11,726,086             | \$11,352,020        | \$ 18,003,287        | \$ 19,062,872        |
| Operating grants and contributions                           | 4,724,318               | 4,930,014            | 1,887,934                | 2,504,065           | 6,612,252            | 7,434,079            |
| Capital grants and contributions                             | 4,102,154               | 3,153,287            | 1,794,853                | 2,602,532           | 5,897,007            | 5,755,819            |
| General Revenues   |                         |                      |                          |                     |                      |                      |
| Property taxes   | 25,799,254              | 25,927,605           | 1,090,950                | 898,786             | 26,890,204           | 26,826,391           |
| Other taxes  | 1,339,550               | 1,282,138            | -                        | -                   | 1,339,550            | 1,282,138            |
| Grants and contributions not restricted to specific purposes | 5,550,727               | 6,170,550            | -                        | -                   | 5,550,727            | 6,170,550            |
| Investment income  | 260,412                 | 323,802              | 7,127                    | 11,979              | 267,539              | 335,781              |
| Other  | 91,439                  | 152,510              | 2,530                    | -                   | 93,969               | 152,510              |
| Total Revenues   | <u>48,145,055</u>       | <u>49,650,758</u>    | <u>16,509,480</u>        | <u>17,369,382</u>   | <u>64,654,535</u>    | <u>67,020,140</u>    |
| Expenses   |                         |                      |                          |                     |                      |                      |
| General government   | 4,376,515               | 4,071,945            | -                        | -                   | 4,376,515            | 4,071,945            |
| Public safety  | 15,845,111              | 16,788,709           | -                        | -                   | 15,845,111           | 16,788,709           |
| Transportation and streets                                   | 11,704,756              | 11,160,237           | 5,612,438                | 5,937,286           | 17,317,194           | 17,097,523           |
| Sanitation, health and welfare                               | 2,073,673               | 1,868,410            | -                        | -                   | 2,073,673            | 1,868,410            |
| Natural resources and recreation                             | 2,598,645               | 2,597,337            | -                        | -                   | 2,598,645            | 2,597,337            |
| Economic development   | 3,580,425               | 4,868,292            | -                        | -                   | 3,580,425            | 4,868,292            |
| Interest on long term debt                                   | 1,247,791               | 1,459,235            | -                        | -                   | 1,247,791            | 1,459,235            |
| Water  | -                       | -                    | 3,364,222                | 3,450,680           | 3,364,222            | 3,450,680            |
| Wastewater   | -                       | -                    | 3,765,140                | 3,887,577           | 3,765,140            | 3,887,577            |
| Total Expenses   | <u>41,426,916</u>       | <u>42,814,165</u>    | <u>12,741,800</u>        | <u>13,275,543</u>   | <u>54,168,716</u>    | <u>56,089,708</u>    |
| Increase in net position before transfers                    | 6,718,139               | 6,836,593            | 3,767,680                | 4,093,839           | 10,485,819           | 10,930,432           |
| Transfers  | (447,532)               | (2,604,305)          | 447,532                  | 2,604,305           | -                    | -                    |
| Increase in net position                                     | 6,270,607               | 4,232,288            | 4,215,212                | 6,698,144           | 10,485,819           | 10,930,432           |
| Net position - January 1                                     | <u>102,577,300</u>      | <u>98,345,012</u>    | <u>94,304,454</u>        | <u>87,606,310</u>   | <u>196,881,754</u>   | <u>185,951,322</u>   |
| Net position - December 31                                   | <u>\$108,847,907</u>    | <u>\$102,577,300</u> | <u>\$98,519,666</u>      | <u>\$94,304,454</u> | <u>\$207,367,573</u> | <u>\$196,881,754</u> |

Governmental activities increased the City's net position by \$6,270,607. Major items contributing to the increase in net position from governmental activities are as follows: 1) net acquisition of infrastructure assets of \$6,721,227; 2) increase in capital grants and contributions for transportation and streets activities in the amount of \$2,296,862; 3) a decrease in program revenues for economic development activities in the amount of \$2,724,220; 4) transfers to business-type activities of \$447,532; and 5) decrease in interest on long-term debt expenses of \$211,444.

## Expenses and Program Revenues - Governmental Activities

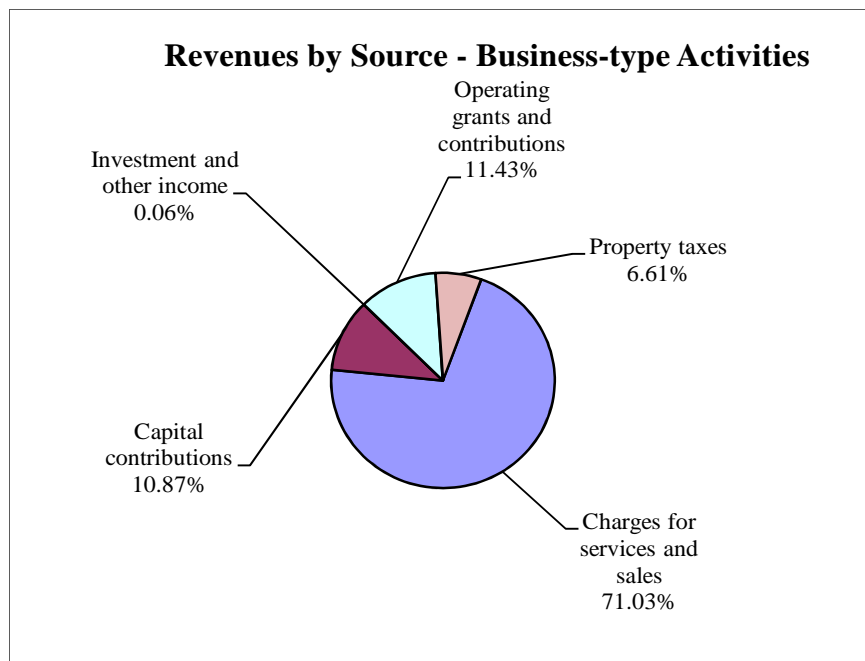
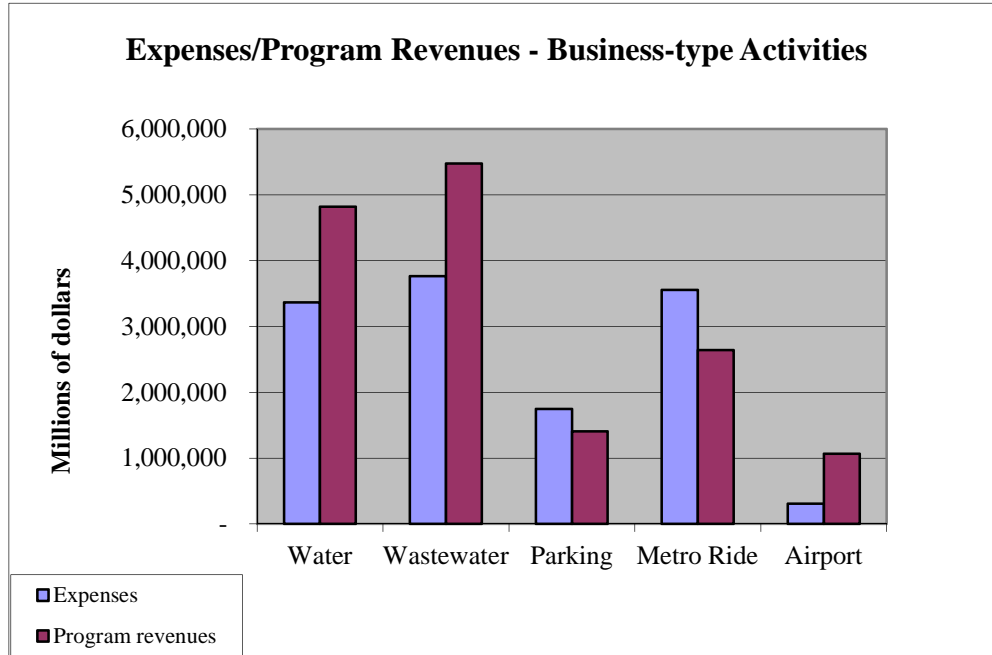


## Program and General Revenues by Source - Governmental Activities



Business-type activities increased the City of Wausau's net position by \$4,215,212. Key elements of the increase are as follows:

A major contributing factor to the increase in net position was due to the transfer of net capital assets in the amount of \$1,849,514 to the Airport fund. Operating revenues for business-type activities decreased by \$242,065 while total operating expenses decreased by \$536,333 for a total increase in operating income for the year of \$294,268 over the prior year. Total operating income for the year ended December 31, 2012 was \$1,057,877 while net nonoperating revenues were \$914,950. Additional capital contributions of \$48,117, \$74,552, \$434,829, \$285,295 and \$952,060 in the Water, Wastewater, Parking, Metro Ride and Airport funds, respectively, along with transfers out of \$1,021,982 in the Water utility and \$450,000 in the Wastewater utility and transfer into the Airport fund of \$70,000 contributed to the overall increase in net position for the year ended December 31, 2012.



## **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 \$17,193,756, a decrease of \$1,111,060 from the prior year. The total unrestricted fund balance of \$4,780,057 is available for spending at the City's discretion. A portion of the unrestricted fund balance is committed to special purposes for \$1,548,096 and assigned to special purposes for \$220,951. The remaining portion of fund balance in the amount of \$3,011,010 is unassigned.

#### **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 \$263,230 to \$9,981,845. The major reason for the increase in the general fund balance was due to positive results in expenditures for the year. The City reported expenditures less than anticipated budgets for all functional activities for 2012 except sanitation, health and welfare which exceeded budget by \$6,337. General operations have not had a significant negative impact on the unassigned fund balance, which was \$6,835,651 at year-end. Unassigned fund balance increased by \$1,119,744 from 2011 mainly due to a decrease in fund balance assigned to subsequent year's expenditures. 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 24.63 percent of general fund expenditures, while total fund balance represents 32.70 percent of the same amount.

The Debt Service fund balance of \$556,338 at year end represents a \$375,802 increase in fund balance from the previous year. This available balance will be utilized in subsequent years' budgets.

The TID #3 Downtown Development fund balance deficit of \$1,132,734 at the end of 2012 represents a positive change in fund balance of \$1,695,992 over the prior year. It is anticipated that the remaining fund balance deficit will be depleted as projects are completed.

Capital Improvements fund balance of \$3,082,949 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 \$1,165,625 under budget for the current fiscal year. Major cost savings occurred in the Police department, Fire department and Ambulance, Street maintenance and Snow removal/winter maintenance which were under budget by \$161,098, \$157,908, \$297,882 and \$713,813, respectively.
- General Fund revenues and other financing sources exceeded budget expectations by \$722,563. The most significant positive budget variances occurred in intergovernmental grants and aids of \$201,716, licenses and permits of \$105,725, fines, forfeitures and penalties of \$76,846 and intergovernmental charges for services in the amount of \$407,341. These positive variances were offset by shortcomings in commercial revenues of \$71,169.

## 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, 2012 was \$224,438,723. 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 \$8,968,705 or approximately 4.2%.

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

### Governmental Activities

- Land purchased for street and other projects of \$1,293,943.
- Motor Pool additions of \$1,005,014.
- Various street and infrastructure additions totaling \$8,158,056.

### Business-type Activities

- The Wastewater Utility machinery and equipment increased \$978,004.
- Water Utility installed water mains and other system support totaling \$1,492,970.
- Airport buildings and improvements increased \$866,589.

### City of Wausau Capital Assets (net of accumulated depreciation)

|                          | Governmental Activities |                      | Business-type Activities |                     | Total                |                      |
|--------------------------|-------------------------|----------------------|--------------------------|---------------------|----------------------|----------------------|
|                          | 2012                    | 2011                 | 2012                     | 2011                | 2012                 | 2011                 |
| Land                     | \$ 35,183,834           | \$ 33,912,343        | \$ 2,911,238             | \$ 2,663,238        | \$ 38,095,072        | \$ 36,575,581        |
| Buildings & improvements | 9,868,370               | 11,500,840           | 24,769,530               | 22,995,793          | 34,637,900           | 34,496,633           |
| Machinery & equipment    | 6,305,610               | 6,029,049            | 11,361,881               | 11,081,139          | 17,667,491           | 17,110,188           |
| Infrastructure           | 73,223,277              | 68,266,435           | 59,062,060               | 57,662,469          | 132,285,337          | 125,928,904          |
| Construction in progress | <u>1,161,725</u>        | <u>972,121</u>       | <u>591,198</u>           | <u>386,591</u>      | <u>1,752,923</u>     | <u>1,358,712</u>     |
| Total                    | <u>\$125,742,816</u>    | <u>\$120,680,788</u> | <u>\$98,695,907</u>      | <u>\$94,789,230</u> | <u>\$224,438,723</u> | <u>\$215,470,018</u> |

Additional information on the City of Wausau's capital assets can be found in Note 4.C. on pages 45-47 of this report.

## Long Term Debt

At the end of the current fiscal year, the City of Wausau had total debt outstanding of \$48,345,575. 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                |                      |
|--------------------|-------------------------|----------------------|--------------------------|---------------------|----------------------|----------------------|
|                    | 2012                    | 2011                 | 2012                     | 2011                | 2012                 | 2011                 |
| General obligation | <u>\$ 42,800,635</u>    | <u>\$ 43,774,783</u> | <u>\$ 5,544,940</u>      | <u>\$ 6,328,392</u> | <u>\$ 48,345,575</u> | <u>\$ 50,103,175</u> |

In 2012 the City issued debt as follows:

- 2012 Promissory Note Series A \$2,725,000; this debt financed the City's acquisition of the River's Edge property in the TID #3 Downtown Development fund.
- 2012 Promissory Note Series B \$13,400,000; a total of \$9,678,336 was issued to advance refund \$9,745,000 of outstanding 2003 general obligation bonds, 2004 general obligation refunding bonds and 2006 general obligation notes as well as to currently refund a 2008 State trust fund loan. The remaining balance of \$3,721,664 was used to finance the City's capital improvements as outlined by the Capital Improvement Plan adopted by the common council as well as capital improvements in the City's TID #6 West Side Development fund.
- 2012 Promissory note with Marathon County, Wisconsin for \$135,575; this debt financed the acquisition of certain tax deeded properties within the City.

The City received an Aa2 rating from Moody's Investors Service for the Series A and Series B 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 49-52 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 2013 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.

## **BASIC FINANCIAL STATEMENTS**

**CITY OF WAUSAU, WISCONSIN**  
**STATEMENT OF NET POSITION**

December 31, 2012

|   | Primary Government         |                             |                       | Component<br>Unit    |
|---|----------------------------|-----------------------------|-----------------------|----------------------|
|   | Governmental<br>Activities | Business-Type<br>Activities | Total                 |                      |
| <b>ASSETS</b>   |                            |                             |                       |                      |
| Cash and cash equivalents                                 | \$ 17,781,303              | \$ 1,707,474                | \$ 19,488,777         | \$ 8,321,839         |
| Investments   | 21,439,621                 | -                           | 21,439,621            | 226,189              |
| Receivables (net of allowance for uncollectible accounts) | 61,446,778                 | 4,926,272                   | 66,373,050            | 839,973              |
| Internal balances   | 648,554                    | (648,554)                   | -                     | -                    |
| Inventories and prepayments                               | 357,775                    | 272,400                     | 630,175               | 10,096               |
| Deferred charges  | 1,056,857                  | -                           | 1,056,857             | 100,189              |
| Restricted assets:  |                            |                             |                       |                      |
| Cash and investments                                      | -                          | 1,280,921                   | 1,280,921             | 140,236              |
| Investment in joint venture                               | 240,778                    | -                           | 240,778               | -                    |
| Capital assets (net of accumulated depreciation):         |                            |                             |                       |                      |
| Land  | 35,183,834                 | 2,911,238                   | 38,095,072            | 903,757              |
| Buildings and improvements                                | 9,868,370                  | 24,769,530                  | 34,637,900            | 5,912,368            |
| Machinery and equipment                                   | 6,305,610                  | 11,361,881                  | 17,667,491            | 189,860              |
| Infrastructure  | 73,223,277                 | 59,062,060                  | 132,285,337           | -                    |
| Construction in progress                                  | 1,161,725                  | 591,198                     | 1,752,923             | 2,105,942            |
| <b>TOTAL ASSETS</b>                                       | <u>228,714,482</u>         | <u>106,234,420</u>          | <u>334,948,902</u>    | <u>18,750,449</u>    |
| <b>LIABILITIES</b>  |                            |                             |                       |                      |
| Accounts payable and other current liabilities            | 2,463,542                  | 499,435                     | 2,962,977             | 241,580              |
| Accrued interest payable                                  | 423,508                    | 41,333                      | 464,841               | -                    |
| Due to other governments                                  | 43,707,759                 | 54,106                      | 43,761,865            | -                    |
| Unearned revenue  | 25,588,368                 | 1,231,524                   | 26,819,892            | 415                  |
| Noncurrent liabilities:                                   |                            |                             |                       |                      |
| Due within one year                                       | 9,512,893                  | 824,015                     | 10,336,908            | -                    |
| Due in more than one year                                 | 38,170,505                 | 5,064,341                   | 43,234,846            | 772,476              |
| <b>TOTAL LIABILITIES</b>                                  | <u>119,866,575</u>         | <u>7,714,754</u>            | <u>127,581,329</u>    | <u>1,014,471</u>     |
| <b>NET POSITION</b>                                       |                            |                             |                       |                      |
| Net investment in capital assets                          | 84,193,691                 | 93,046,689                  | 177,240,380           | 8,361,927            |
| Restricted for:   |                            |                             |                       |                      |
| Debt service  | 556,338                    | -                           | 556,338               | -                    |
| Capital improvements                                      | 4,098,922                  | 1,280,921                   | 5,379,843             | -                    |
| Community development programs                            | 2,675,703                  | -                           | 2,675,703             | -                    |
| Holtz-Krause clean up                                     | 1,579,230                  | -                           | 1,579,230             | -                    |
| Grants and special purpose accounts                       | 819,544                    | -                           | 819,544               | 73,056               |
| Unrestricted  | 14,924,479                 | 4,192,056                   | 19,116,535            | 9,300,995            |
| <b>TOTAL NET POSITION</b>                                 | <u>\$ 108,847,907</u>      | <u>\$ 98,519,666</u>        | <u>\$ 207,367,573</u> | <u>\$ 17,735,978</u> |

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



**CITY OF WAUSAU, WISCONSIN**  
**STATEMENT OF ACTIVITIES**  
Year Ended December 31, 2012

| <u>Functions/Programs</u>        | <u>Program Revenues</u> |                                 |   |   |
|----------------------------------|-------------------------|---------------------------------|---|---|
|                                  | <u>Expenses</u>         | <u>Charges for<br/>Services</u> | <u>Operating<br/>Grants and<br/>Contributions</u> | <u>Capital<br/>Grants and<br/>Contributions</u> |
| <b>Primary government:</b>       |                         |                                 |   |   |
| Governmental activities:         |                         |                                 |   |   |
| General government               | \$ 4,376,515            | \$ 2,041,330                    | \$ 750  | \$ -  |
| Public safety                    | 15,845,111              | 2,362,253                       | 695,818   | -   |
| Transportation and streets       | 11,704,756              | 635,384                         | 2,327,723   | 3,326,754                                       |
| Sanitation, health and welfare   | 2,073,673               | 28,521                          | 210,314   | -   |
| Natural resources and recreation | 2,598,645               | 254,141                         | 29,771  | 78,290  |
| Economic development             | 3,580,425               | 955,572                         | 1,459,942   | 697,110   |
| Interest on long-term debt       | 1,247,791               | -                               | -   | -   |
| Total governmental activities    | <u>41,426,916</u>       | <u>6,277,201</u>                | <u>4,724,318</u>                                  | <u>4,102,154</u>                                |
| Business-type activities:        |                         |                                 |   |   |
| Water                            | 3,364,222               | 4,768,408                       | -   | 48,117  |
| Wastewater                       | 3,765,140               | 5,400,672                       | -   | 74,552  |
| Parking                          | 1,746,004               | 971,294                         | -   | 434,829   |
| Metro Ride                       | 3,557,036               | 469,915                         | 1,887,934   | 285,295   |
| Airport                          | 309,398                 | 115,797                         | -   | 952,060   |
| Total business-type activities   | <u>12,741,800</u>       | <u>11,726,086</u>               | <u>1,887,934</u>                                  | <u>1,794,853</u>                                |
| Total primary government         | <u>\$ 54,168,716</u>    | <u>\$ 18,003,287</u>            | <u>\$ 6,612,252</u>                               | <u>\$ 5,897,007</u>                             |
| <b>Component unit:</b>           |                         |                                 |   |   |
| Community Development Authority  | <u>\$ 2,809,678</u>     | <u>\$ 1,155,447</u>             | <u>\$ 1,188,870</u>                               | <u>\$ 2,792,881</u>                             |

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
- Miscellaneous
- Gain on sale of capital assets

Transfers

    Total general revenues and transfers

    Change in net position

Net position - beginning, as previously stated

    Prior period adjustment

Net position - beginning, as restated

Net position - ending

**Net (Expense) Revenue and  
Changes in Net Position**

| <b>Primary Government</b>          |                                     |                       |                           |
|------------------------------------|-------------------------------------|-----------------------|---------------------------|
| <b>Governmental<br/>Activities</b> | <b>Business-Type<br/>Activities</b> | <b>Total</b>          | <b>Component<br/>Unit</b> |
| \$ (2,334,435)                     | \$ -                                | \$ (2,334,435)        | \$ -                      |
| (12,787,040)                       | -                                   | (12,787,040)          | -                         |
| (5,414,895)                        | -                                   | (5,414,895)           | -                         |
| (1,834,838)                        | -                                   | (1,834,838)           | -                         |
| (2,236,443)                        | -                                   | (2,236,443)           | -                         |
| (467,801)                          | -                                   | (467,801)             | -                         |
| (1,247,791)                        | -                                   | (1,247,791)           | -                         |
| <u>(26,323,243)</u>                | <u>-</u>                            | <u>(26,323,243)</u>   | <u>-</u>                  |
| -                                  | 1,452,303                           | 1,452,303             | -                         |
| -                                  | 1,710,084                           | 1,710,084             | -                         |
| -                                  | (339,881)                           | (339,881)             | -                         |
| -                                  | (913,892)                           | (913,892)             | -                         |
| <u>-</u>                           | <u>758,459</u>                      | <u>758,459</u>        | <u>-</u>                  |
| <u>-</u>                           | <u>2,667,073</u>                    | <u>2,667,073</u>      | <u>-</u>                  |
| <u>(26,323,243)</u>                | <u>2,667,073</u>                    | <u>(23,656,170)</u>   | <u>-</u>                  |
| <u>-</u>                           | <u>-</u>                            | <u>-</u>              | <u>2,327,520</u>          |
| 15,993,003                         | 1,090,950                           | 17,083,953            | -                         |
| 4,088,000                          | -                                   | 4,088,000             | -                         |
| 320,426                            | -                                   | 320,426               | -                         |
| 5,397,825                          | -                                   | 5,397,825             | -                         |
| 1,339,550                          | -                                   | 1,339,550             | -                         |
| 5,550,727                          | -                                   | 5,550,727             | -                         |
| 260,412                            | 7,127                               | 267,539               | 40,254                    |
| 86,492                             | -                                   | 86,492                | -                         |
| 4,947                              | 2,530                               | 7,477                 | -                         |
| (447,532)                          | 447,532                             | -                     | -                         |
| <u>32,593,850</u>                  | <u>1,548,139</u>                    | <u>34,141,989</u>     | <u>40,254</u>             |
| <u>6,270,607</u>                   | <u>4,215,212</u>                    | <u>10,485,819</u>     | <u>2,367,774</u>          |
| 102,543,519                        | 94,304,454                          | 196,847,973           | 15,368,204                |
| 33,781                             | -                                   | 33,781                | -                         |
| <u>102,577,300</u>                 | <u>94,304,454</u>                   | <u>196,881,754</u>    | <u>15,368,204</u>         |
| <u>\$ 108,847,907</u>              | <u>\$ 98,519,666</u>                | <u>\$ 207,367,573</u> | <u>\$ 17,735,978</u>      |

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

**CITY OF WAUSAU, WISCONSIN**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
December 31, 2012

|  | General              | Debt<br>Service     | TID #3<br>Downtown<br>Development | Capital<br>Improvements | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|----------------------|---------------------|-----------------------------------|-------------------------|-----------------------------------|--------------------------------|
| <b>ASSETS</b>  |                      |                     |                                   |                         |                                   |                                |
| Cash and cash equivalents                                  | \$ 5,958,327         | \$ 556,338          | \$ -                              | \$ 2,524,944            | \$ 7,000,054                      | \$ 16,039,663                  |
| Investments  | 21,254,308           | -                   | -                                 | -                       | 185,313                           | 21,439,621                     |
| Receivables (net of allowance for uncollectible accounts): |                      |                     |                                   |                         |                                   |                                |
| Taxes  | 38,244,625           | 4,088,000           | 1,764,433                         | 337,345                 | 3,710,929                         | 48,145,332                     |
| Delinquent personal property tax                           | 72,244               | -                   | -                                 | -                       | -                                 | 72,244                         |
| Accounts   | 1,693,876            | -                   | 55,668                            | 26,151                  | 213,568                           | 1,989,263                      |
| Notes  | -                    | -                   | -                                 | -                       | 8,324,841                         | 8,324,841                      |
| Federal and state grants                                   | -                    | -                   | -                                 | 665,905                 | 122,967                           | 788,872                        |
| Special assessments  | 800,502              | -                   | -                                 | 1,086,228               | -                                 | 1,886,730                      |
| Interest   | 37,867               | -                   | -                                 | -                       | -                                 | 37,867                         |
| Due from other funds                                       | 2,132,336            | -                   | -                                 | -                       | 37,857                            | 2,170,193                      |
| Advances to other funds                                    | 2,405,884            | -                   | -                                 | -                       | 219,119                           | 2,625,003                      |
| Inventories and prepayments                                | 58,959               | -                   | -                                 | -                       | -                                 | 58,959                         |
| <b>TOTAL ASSETS</b>  | <b>\$ 72,658,928</b> | <b>\$ 4,644,338</b> | <b>\$ 1,820,101</b>               | <b>\$ 4,640,573</b>     | <b>\$ 19,814,648</b>              | <b>\$ 103,578,588</b>          |
| <b>LIABILITIES AND FUND BALANCES</b>                       |                      |                     |                                   |                         |                                   |                                |
| Liabilities:   |                      |                     |                                   |                         |                                   |                                |
| Accounts payable   | \$ 951,278           | \$ -                | \$ 4,000                          | \$ 73,736               | \$ 205,725                        | \$ 1,234,739                   |
| Contracts payable  | -                    | -                   | -                                 | 127,670                 | -                                 | 127,670                        |
| Accrued payroll and benefits                               | 2,088,149            | -                   | -                                 | -                       | 11,779                            | 2,099,928                      |
| Due to other governments                                   | 43,707,759           | -                   | -                                 | -                       | -                                 | 43,707,759                     |
| Deferred revenue   | 15,929,897           | 4,088,000           | 1,764,433                         | 1,137,099               | 12,148,665                        | 35,068,094                     |
| Due to other funds   | -                    | -                   | -                                 | -                       | 1,521,639                         | 1,521,639                      |
| Advances from other funds                                  | -                    | -                   | 1,184,402                         | 219,119                 | 1,221,482                         | 2,625,003                      |
| Total Liabilities  | <u>62,677,083</u>    | <u>4,088,000</u>    | <u>2,952,835</u>                  | <u>1,557,624</u>        | <u>15,109,290</u>                 | <u>86,384,832</u>              |
| Fund balances:   |                      |                     |                                   |                         |                                   |                                |
| Nonspendable   | 2,464,843            | -                   | -                                 | -                       | 219,119                           | 2,683,962                      |
| Restricted   | -                    | 556,338             | -                                 | 3,082,949               | 6,090,450                         | 9,729,737                      |
| Committed  | 460,400              | -                   | -                                 | -                       | 1,087,696                         | 1,548,096                      |
| Assigned   | 220,951              | -                   | -                                 | -                       | -                                 | 220,951                        |
| Unassigned   | 6,835,651            | -                   | (1,132,734)                       | -                       | (2,691,907)                       | 3,011,010                      |
| Total Fund Balances  | <u>9,981,845</u>     | <u>556,338</u>      | <u>(1,132,734)</u>                | <u>3,082,949</u>        | <u>4,705,358</u>                  | <u>17,193,756</u>              |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b>                 | <b>\$ 72,658,928</b> | <b>\$ 4,644,338</b> | <b>\$ 1,820,101</b>               | <b>\$ 4,640,573</b>     | <b>\$ 19,814,648</b>              |                                |

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.                          | 122,504,782           |
| Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.                    | 9,475,325             |
| Investment in joint venture is not a financial resource and, therefore, is not reported in the funds.   | 240,778               |
| 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.                               | 5,133,065             |
| Long-term liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds. | <u>(45,699,799)</u>   |
| <b>Net position of governmental activities</b>  | <b>\$ 108,847,907</b> |

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, 2012

|  | General             | Debt<br>Service    | TID #3                  | Capital<br>Improvements | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|---------------------|--------------------|-------------------------|-------------------------|-----------------------------------|--------------------------------|
|  |                     |                    | Downtown<br>Development |                         |                                   |                                |
| <b>REVENUES</b>                                      |                     |                    |                         |                         |                                   |                                |
| Taxes  | \$ 15,715,633       | \$ 4,088,000       | \$ 1,919,739            | \$ 320,426              | \$ 4,738,966                      | \$ 26,782,764                  |
| Special assessments                                  | -                   | -                  | 8,484                   | 570,662                 | 37,745                            | 616,891                        |
| Intergovernmental                                    | 8,179,251           | -                  | 162,395                 | 1,136,201               | 1,634,378                         | 11,112,225                     |
| Licenses and permits                                 | 743,971             | -                  | -                       | -                       | -                                 | 743,971                        |
| Fines, forfeitures and penalties                     | 387,646             | -                  | -                       | -                       | -                                 | 387,646                        |
| Public charges for services                          | 1,844,875           | -                  | -                       | -                       | -                                 | 1,844,875                      |
| Intergovernmental charges<br>for services            | 1,527,173           | -                  | -                       | -                       | -                                 | 1,527,173                      |
| Commercial revenues                                  | 259,831             | -                  | 2,291                   | -                       | 581,200                           | 843,322                        |
| Miscellaneous revenues                               | 264,993             | 49,140             | 135,927                 | 197,583                 | 1,065,888                         | 1,713,531                      |
| <b>Total Revenues</b>                                | <u>28,923,373</u>   | <u>4,137,140</u>   | <u>2,228,836</u>        | <u>2,224,872</u>        | <u>8,058,177</u>                  | <u>45,572,398</u>              |
| <b>EXPENDITURES</b>                                  |                     |                    |                         |                         |                                   |                                |
| Current:   |                     |                    |                         |                         |                                   |                                |
| General government                                   | 4,097,567           | -                  | -                       | -                       | 15,846                            | 4,113,413                      |
| Public safety  | 15,392,989          | -                  | -                       | -                       | 167,283                           | 15,560,272                     |
| Transportation and streets                           | 7,421,412           | -                  | -                       | -                       | -                                 | 7,421,412                      |
| Sanitation, health and welfare                       | 1,345,207           | -                  | -                       | -                       | 705,391                           | 2,050,598                      |
| Natural resources and recreation                     | 2,264,693           | -                  | -                       | -                       | 18,102                            | 2,282,795                      |
| Economic development                                 | -                   | -                  | 328,222                 | -                       | 3,277,055                         | 3,605,277                      |
| Capital outlay                                       | -                   | -                  | 786,278                 | 7,683,095               | 2,019,948                         | 10,489,321                     |
| Debt service:  |                     |                    |                         |                         |                                   |                                |
| Principal retirement                                 | -                   | 7,455,729          | -                       | -                       | -                                 | 7,455,729                      |
| Interest and debt service charges                    | -                   | 1,128,629          | -                       | -                       | -                                 | 1,128,629                      |
| <b>Total Expenditures</b>                            | <u>30,521,868</u>   | <u>8,584,358</u>   | <u>1,114,500</u>        | <u>7,683,095</u>        | <u>6,203,625</u>                  | <u>54,107,446</u>              |
| Excess (Deficiency) of<br>Revenues over Expenditures | <u>(1,598,495)</u>  | <u>(4,447,218)</u> | <u>1,114,336</u>        | <u>(5,458,223)</u>      | <u>1,854,552</u>                  | <u>(8,535,048)</u>             |
| <b>OTHER FINANCING</b>                               |                     |                    |                         |                         |                                   |                                |
| <b>SOURCE (USES)</b>                                 |                     |                    |                         |                         |                                   |                                |
| Issuance of debt                                     | -                   | -                  | 2,725,000               | 3,157,239               | 700,000                           | 6,582,239                      |
| Issuance of refunding debt                           | -                   | 3,288,231          | 6,280,000               | -                       | 110,105                           | 9,678,336                      |
| Premium on debt issued                               | -                   | 413,594            | 40,235                  | -                       | -                                 | 453,829                        |
| Discount on debt issued                              | -                   | (121,440)          | (11,191)                | -                       | -                                 | (132,631)                      |
| Payment to refunded debt escrow<br>agent             | -                   | (10,097,299)       | (655,000)               | -                       | (4,468)                           | (10,756,767)                   |
| Transfers in   | 1,931,725           | 11,339,934         | -                       | 346,320                 | 517,864                           | 14,135,843                     |
| Transfers out  | <u>(70,000)</u>     | <u>-</u>           | <u>(7,797,388)</u>      | <u>-</u>                | <u>(4,669,473)</u>                | <u>(12,536,861)</u>            |
| <b>Total Other Financing<br/>Sources (Uses)</b>      | <u>1,861,725</u>    | <u>4,823,020</u>   | <u>581,656</u>          | <u>3,503,559</u>        | <u>(3,345,972)</u>                | <u>7,423,988</u>               |
| <b>Net Change in Fund Balance</b>                    | 263,230             | 375,802            | 1,695,992               | (1,954,664)             | (1,491,420)                       | (1,111,060)                    |
| Beginning fund balances                              | <u>9,718,615</u>    | <u>180,536</u>     | <u>(2,828,726)</u>      | <u>5,037,613</u>        | <u>6,196,778</u>                  | <u>18,304,816</u>              |
| Ending fund balances                                 | <u>\$ 9,981,845</u> | <u>\$ 556,338</u>  | <u>\$ (1,132,734)</u>   | <u>\$ 3,082,949</u>     | <u>\$ 4,705,358</u>               | <u>\$ 17,193,756</u>           |

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, 2012

Net change in fund balances - total governmental funds \$ (1,111,060)

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. 6,721,227

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 231,256

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 issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. (9,104,065)

Certain long-term debt proceeds were issued to refinance prior debt. Payment was made to bond escrow agent to transfer these funds to provide for all future debt service payments on these refunded obligations. 10,756,767

Increase 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. 65,018

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. 148,023

Net capital assets were transferred to the Airport enterprise fund on January 1, 2012. This is the net amount transferred to the business-type activities. (1,849,514)

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. 412,955

**Change in net position of governmental activities \$ 6,270,607**

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, 2012

|                                       | Business Type Activities-<br>Enterprise Funds |                       |                      |                     |                     | Totals                | Governmental<br>Activities- |
|---------------------------------------|---|-----------------------|----------------------|---------------------|---------------------|-----------------------|-----------------------------|
|                                       | Water<br>Utility                              | Wastewater<br>Utility | Parking<br>Utility   | Metro<br>Ride       | Airport             |                       | Internal<br>Service Funds   |
| <b>ASSETS</b>                         |   |                       |                      |                     |                     |                       |                             |
| Current Assets:                       |   |                       |                      |                     |                     |                       |                             |
| Cash and cash equivalents             | \$ 116,748                                    | \$ 933,999            | \$ 584,407           | \$ 1,249            | \$ 71,071           | \$ 1,707,474          | \$ 1,741,640                |
| Taxes receivable                      | -   | -                     | 300,000              | 679,289             | 68,677              | 1,047,966             | -                           |
| Accounts receivable                   | 1,281,765                                     | 1,447,059             | 78,243               | 20,408              | 6,502               | 2,833,977             | 206,030                     |
| Due from other governments            | -   | -                     | -                    | 1,044,329           | -                   | 1,044,329             | -                           |
| Inventories and prepayments           | <u>119,242</u>                                | <u>-</u>              | <u>-</u>             | <u>153,158</u>      | <u>-</u>            | <u>272,400</u>        | <u>298,816</u>              |
| Total Current Assets                  | <u>1,517,755</u>                              | <u>2,381,058</u>      | <u>962,650</u>       | <u>1,898,433</u>    | <u>146,250</u>      | <u>6,906,146</u>      | <u>2,246,486</u>            |
| Noncurrent Assets:                    |   |                       |                      |                     |                     |                       |                             |
| Restricted cash and cash equivalents: |   |                       |                      |                     |                     |                       |                             |
| Replacement fund investments          | <u>-</u>                                      | <u>1,280,921</u>      | <u>-</u>             | <u>-</u>            | <u>-</u>            | <u>1,280,921</u>      | <u>-</u>                    |
| Property, Plant and Equipment:        |   |                       |                      |                     |                     |                       |                             |
| Property and equipment                | 50,689,215                                    | 56,105,251            | 30,117,503           | 10,203,321          | 4,104,264           | 151,219,554           | 9,868,511                   |
| Accumulated depreciation              | <u>(15,145,880)</u>                           | <u>(20,745,202)</u>   | <u>(10,576,103)</u>  | <u>(4,635,742)</u>  | <u>(1,420,720)</u>  | <u>(52,523,647)</u>   | <u>(6,630,477)</u>          |
| Net Property, Plant and Equipment     | <u>35,543,335</u>                             | <u>35,360,049</u>     | <u>19,541,400</u>    | <u>5,567,579</u>    | <u>2,683,544</u>    | <u>98,695,907</u>     | <u>3,238,034</u>            |
| Total Noncurrent Assets               | <u>35,543,335</u>                             | <u>36,640,970</u>     | <u>19,541,400</u>    | <u>5,567,579</u>    | <u>2,683,544</u>    | <u>99,976,828</u>     | <u>3,238,034</u>            |
| TOTAL ASSETS                          | <u>\$ 37,061,090</u>                          | <u>\$ 39,022,028</u>  | <u>\$ 20,504,050</u> | <u>\$ 7,466,012</u> | <u>\$ 2,829,794</u> | <u>\$ 106,882,974</u> | <u>\$ 5,484,520</u>         |

|   | Business Type Activities-<br>Enterprise Funds |                       |                      |                     |                     | Governmental<br>Activities- |                           |
|---|---|-----------------------|----------------------|---------------------|---------------------|-----------------------------|---------------------------|
|   | Water<br>Utility                              | Wastewater<br>Utility | Parking<br>Utility   | Metro<br>Ride       | Airport             | Totals                      | Internal<br>Service Funds |
| <b>LIABILITIES</b>  |   |                       |                      |                     |                     |                             |                           |
| Current Liabilities:  |   |                       |                      |                     |                     |                             |                           |
| Accounts payable  | \$ 93,590                                     | \$ 53,469             | \$ 33,700            | \$ 66,803           | \$ -                | \$ 247,562                  | \$ 331,720                |
| Contracts payable   | 23,090  | 228,783               | -                    | -                   | -                   | 251,873                     | -                         |
| Compensated absences payable  | 1,368   | 1,282                 | -                    | 1,854               | -                   | 4,504                       | -                         |
| Due to other funds  | -   | -                     | -                    | 648,554             | -                   | 648,554                     | -                         |
| Due to other governments  | -   | -                     | -                    | 54,106              | -                   | 54,106                      | -                         |
| Deferred revenues   | -   | -                     | 347,224              | 808,140             | 76,160              | 1,231,524                   | -                         |
| General obligation debt - current portion<br>(net of unamortized issue costs) | 518,974                                       | 300,537               | -                    | -                   | -                   | 819,511                     | -                         |
| Accrued interest payable  | 26,937  | 14,396                | -                    | -                   | -                   | 41,333                      | -                         |
| <b>Total Current Liabilities</b>  | <u>663,959</u>                                | <u>598,467</u>        | <u>380,924</u>       | <u>1,579,457</u>    | <u>76,160</u>       | <u>3,298,967</u>            | <u>331,720</u>            |
| Noncurrent Liabilities:   |   |                       |                      |                     |                     |                             |                           |
| Long-term Debt:   |   |                       |                      |                     |                     |                             |                           |
| General obligation debt payable (net<br>of unamortized issue costs)           | 2,202,587                                     | 2,398,438             | -                    | -                   | -                   | 4,601,025                   | -                         |
| Compensated absences payable  | 135,144                                       | 70,478                | 40,859               | 216,835             | -                   | 463,316                     | 19,735                    |
| <b>Total Noncurrent Liabilities</b>   | <u>2,337,731</u>                              | <u>2,468,916</u>      | <u>40,859</u>        | <u>216,835</u>      | <u>-</u>            | <u>5,064,341</u>            | <u>19,735</u>             |
| <b>TOTAL LIABILITIES</b>  | <u>3,001,690</u>                              | <u>3,067,383</u>      | <u>421,783</u>       | <u>1,796,292</u>    | <u>76,160</u>       | <u>8,363,308</u>            | <u>351,455</u>            |
| <b>NET POSITION</b>   |   |                       |                      |                     |                     |                             |                           |
| Net investment in capital assets  | 32,821,775                                    | 32,432,391            | 19,541,400           | 5,567,579           | 2,683,544           | 93,046,689                  | 3,238,034                 |
| Restricted for capital improvements   | -   | 1,280,921             | -                    | -                   | -                   | 1,280,921                   | -                         |
| Unrestricted  | 1,237,625                                     | 2,241,333             | 540,867              | 102,141             | 70,090              | 4,192,056                   | 1,895,031                 |
| <b>TOTAL NET POSITION</b>   | <u>\$ 34,059,400</u>                          | <u>\$ 35,954,645</u>  | <u>\$ 20,082,267</u> | <u>\$ 5,669,720</u> | <u>\$ 2,753,634</u> | <u>\$ 98,519,666</u>        | <u>\$ 5,133,065</u>       |

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, 2012

|   | Business Type Activities-<br>Enterprise Funds |                       |                    |                    |                  | Totals            | Governmental<br>Activities- |
|---|---|-----------------------|--------------------|--------------------|------------------|-------------------|-----------------------------|
|   | Water<br>Utility                              | Wastewater<br>Utility | Parking<br>Utility | Metro<br>Ride      | Airport          |                   | Internal<br>Service Funds   |
| <b>OPERATING REVENUES</b>                                   |   |                       |                    |                    |                  |                   |                             |
| Charges for services and sales                              | \$ 4,717,331                                  | \$ 5,396,022          | \$ 967,532         | \$ 467,633         | \$ 109,020       | \$ 11,657,538     | \$ 10,820,046               |
| Intergovernmental   | -   | -                     | -                  | 1,887,934          | -                | 1,887,934         | -                           |
| Other operating revenues                                    | <u>51,077</u>                                 | <u>4,650</u>          | <u>3,762</u>       | <u>2,282</u>       | <u>6,777</u>     | <u>68,548</u>     | <u>251,914</u>              |
| Total Operating Revenues                                    | <u>4,768,408</u>                              | <u>5,400,672</u>      | <u>971,294</u>     | <u>2,357,849</u>   | <u>115,797</u>   | <u>13,614,020</u> | <u>11,071,960</u>           |
| <b>OPERATING EXPENSES</b>                                   |   |                       |                    |                    |                  |                   |                             |
| Operating and maintenance                                   | 2,315,388                                     | 2,628,577             | 1,093,454          | 2,970,997          | 191,368          | 9,199,784         | 2,743,406                   |
| Depreciation  | 923,505                                       | 1,076,235             | 652,550            | 586,039            | 118,030          | 3,356,359         | 806,208                     |
| Insurance and claims  | -   | -                     | -                  | -                  | -                | -                 | 6,917,338                   |
| Total Operating Expenses                                    | <u>3,238,893</u>                              | <u>3,704,812</u>      | <u>1,746,004</u>   | <u>3,557,036</u>   | <u>309,398</u>   | <u>12,556,143</u> | <u>10,466,952</u>           |
| Operating income (loss)                                     | <u>1,529,515</u>                              | <u>1,695,860</u>      | <u>(774,710)</u>   | <u>(1,199,187)</u> | <u>(193,601)</u> | <u>1,057,877</u>  | <u>605,008</u>              |
| <b>NONOPERATING REVENUES (EXPENSES)</b>                     |   |                       |                    |                    |                  |                   |                             |
| Property taxes  | -   | -                     | 300,000            | 715,289            | 75,661           | 1,090,950         | -                           |
| Investment income   | 1,035   | 6,092                 | -                  | -                  | -                | 7,127             | -                           |
| Interest expense  | (105,521)                                     | (59,025)              | -                  | -                  | -                | (164,546)         | -                           |
| Amortization  | (19,808)                                      | (1,303)               | -                  | -                  | -                | (21,111)          | -                           |
| Gain on disposal of capital assets                          | <u>2,530</u>                                  | <u>-</u>              | <u>-</u>           | <u>-</u>           | <u>-</u>         | <u>2,530</u>      | <u>4,947</u>                |
| Total Nonoperating Revenues (Expenses)                      | <u>(121,764)</u>                              | <u>(54,236)</u>       | <u>300,000</u>     | <u>715,289</u>     | <u>75,661</u>    | <u>914,950</u>    | <u>4,947</u>                |
| Income (loss) before Capital<br>Contributions and Transfers | 1,407,751                                     | 1,641,624             | (474,710)          | (483,898)          | (117,940)        | 1,972,827         | 609,955                     |



|   |                      |                      |                      |                     |                     |                      |                     |
|---|----------------------|----------------------|----------------------|---------------------|---------------------|----------------------|---------------------|
| Capital Contributions                         | 48,117               | 74,552               | 434,829              | 285,295             | 952,060             | 1,794,853            | -                   |
| Contribution from Municipality                | -                    | -                    | -                    | -                   | 1,849,514           | 1,849,514            | -                   |
| Transfers In                                  | -                    | -                    | -                    | -                   | 70,000              | 70,000               | -                   |
| Transfers Out                                 | <u>(1,021,982)</u>   | <u>(450,000)</u>     | <u>-</u>             | <u>-</u>            | <u>-</u>            | <u>(1,471,982)</u>   | <u>(197,000)</u>    |
| Change in Net Position                        | <u>433,886</u>       | <u>1,266,176</u>     | <u>(39,881)</u>      | <u>(198,603)</u>    | <u>2,753,634</u>    | <u>4,215,212</u>     | <u>412,955</u>      |
| Net position - beginning of year              | 33,625,514           | 34,688,469           | 20,122,148           | 5,868,323           | -                   | 94,304,454           | 4,686,329           |
| Prior period adjustment                       | <u>-</u>             | <u>-</u>             | <u>-</u>             | <u>-</u>            | <u>-</u>            | <u>-</u>             | <u>33,781</u>       |
| Net position - beginning of year, as restated | <u>33,625,514</u>    | <u>34,688,469</u>    | <u>20,122,148</u>    | <u>5,868,323</u>    | <u>-</u>            | <u>94,304,454</u>    | <u>4,720,110</u>    |
| Net position - end of year                    | <u>\$ 34,059,400</u> | <u>\$ 35,954,645</u> | <u>\$ 20,082,267</u> | <u>\$ 5,669,720</u> | <u>\$ 2,753,634</u> | <u>\$ 98,519,666</u> | <u>\$ 5,133,065</u> |

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, 2012

|   | Business Type Activities-<br>Enterprise Funds |                       |                    |                  |                 | Governmental<br>Activities- |                           |
|---|---|-----------------------|--------------------|------------------|-----------------|-----------------------------|---------------------------|
|   | Water<br>Utility                              | Wastewater<br>Utility | Parking<br>Utility | Metro<br>Ride    | Airport         | Totals                      | Internal<br>Service Funds |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                         |   |                       |                    |                  |                 |                             |                           |
| Receipts from customers, users and others                           | \$ 4,742,357                                  | \$ 5,620,425          | \$ 937,558         | \$ 2,468,801     | \$ 116,778      | \$ 13,885,919               | \$ 11,112,582             |
| Payments to suppliers   | (1,444,673)                                   | (2,044,065)           | (933,503)          | (1,572,417)      | (191,368)       | (6,186,026)                 | (9,236,437)               |
| Payments to employees   | (874,269)                                     | (589,863)             | (146,054)          | (1,454,295)      | -               | (3,064,481)                 | (364,488)                 |
| Net Cash Provided (Used) by Operating<br>Activities                 | <u>2,423,415</u>                              | <u>2,986,497</u>      | <u>(141,999)</u>   | <u>(557,911)</u> | <u>(74,590)</u> | <u>4,635,412</u>            | <u>1,511,657</u>          |
| <b>CASH FLOWS FROM NONCAPITAL<br/>FINANCING ACTIVITIES</b>          |   |                       |                    |                  |                 |                             |                           |
| Property taxes received   | -   | -                     | 300,000            | 715,289          | 75,661          | 1,090,950                   | -                         |
| Due to/from other funds   | -   | -                     | -                  | (157,421)        | -               | (157,421)                   | -                         |
| Transfers in  | -   | -                     | -                  | -                | 70,000          | 70,000                      | -                         |
| Transfers out   | (1,021,982)                                   | (450,000)             | -                  | -                | -               | (1,471,982)                 | (197,000)                 |
| Net Cash Provided (Used) by Noncapital<br>Financing Activities      | <u>(1,021,982)</u>                            | <u>(450,000)</u>      | <u>300,000</u>     | <u>557,868</u>   | <u>145,661</u>  | <u>(468,453)</u>            | <u>(197,000)</u>          |
| <b>CASH FLOWS FROM CAPITAL AND<br/>RELATED FINANCING ACTIVITIES</b> |   |                       |                    |                  |                 |                             |                           |
| Capital contributions   | 48,117  | 74,552                | 434,829            | 285,295          | 952,060         | 1,794,853                   | -                         |
| Acquisition and construction of capital assets                      | (1,645,137)                                   | (2,350,024)           | (445,486)          | (285,295)        | (952,060)       | (5,678,002)                 | (996,523)                 |
| Principal paid on capital debt                                      | (515,606)                                     | (301,840)             | -                  | -                | -               | (817,446)                   | -                         |
| Interest paid on capital debt                                       | (104,138)                                     | (71,027)              | -                  | -                | -               | (175,165)                   | -                         |
| Proceeds from sale of capital assets                                | 2,530   | -                     | -                  | -                | -               | 2,530                       | 4,947                     |
| Net Cash Used by Capital and<br>Related Financing Activities        | <u>(2,214,234)</u>                            | <u>(2,648,339)</u>    | <u>(10,657)</u>    | <u>-</u>         | <u>-</u>        | <u>(4,873,230)</u>          | <u>(991,576)</u>          |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                         |   |                       |                    |                  |                 |                             |                           |
| Investment income received  | 1,035   | 6,092                 | -                  | -                | -               | 7,127                       | -                         |

|  |                   |                     |                   |                 |                  |                     |                     |
|--|-------------------|---------------------|-------------------|-----------------|------------------|---------------------|---------------------|
| Net Increase (Decrease) in Cash and Cash Equivalents | (811,766)         | (105,750)           | 147,344           | (43)            | 71,071           | (699,144)           | 323,081             |
| Cash and cash equivalents - beginning of year        | <u>928,514</u>    | <u>2,320,670</u>    | <u>437,063</u>    | <u>1,292</u>    | <u>-</u>         | <u>3,687,539</u>    | <u>1,418,559</u>    |
| Cash and cash equivalents - end of year              | <u>\$ 116,748</u> | <u>\$ 2,214,920</u> | <u>\$ 584,407</u> | <u>\$ 1,249</u> | <u>\$ 71,071</u> | <u>\$ 2,988,395</u> | <u>\$ 1,741,640</u> |

**Reconciliation of operating income (loss) to net cash provided (used) by operating activities:**

|   |                     |                     |                     |                     |                    |                     |                     |
|---|---------------------|---------------------|---------------------|---------------------|--------------------|---------------------|---------------------|
| Operating income (loss)   | \$ 1,529,515        | \$ 1,695,860        | \$ (774,710)        | \$ (1,199,187)      | \$ (193,601)       | \$ 1,057,877        | \$ 605,008          |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: |                     |                     |                     |                     |                    |                     |                     |
| Depreciation expense  | 923,505             | 1,076,235           | 652,550             | 586,039             | 118,030            | 3,356,359           | 806,208             |
| Changes in assets and liabilities:  |                     |                     |                     |                     |                    |                     |                     |
| Accounts receivable   | (26,051)            | 219,753             | (33,019)            | 160,187             | (6,502)            | 314,368             | 40,622              |
| Inventories and prepayments   | (8,536)             | -                   | -                   | 51,041              | -                  | 42,505              | (1,427)             |
| Accounts payable  | 51,294              | 21,306              | 13,360              | (79,553)            | -                  | 6,407               | 64,455              |
| Accrued compensated absences  | (46,312)            | (26,657)            | 537                 | (27,203)            | -                  | (99,635)            | (3,209)             |
| Deferred revenues   | -                   | -                   | (717)               | (49,235)            | 7,483              | (42,469)            | -                   |
| Net cash provided (used) by operating activities  | <u>\$ 2,423,415</u> | <u>\$ 2,986,497</u> | <u>\$ (141,999)</u> | <u>\$ (557,911)</u> | <u>\$ (74,590)</u> | <u>\$ 4,635,412</u> | <u>\$ 1,511,657</u> |

**Reconciliation of Cash and Cash Equivalents to Statement of Net Position**

|                                 |                   |                     |                   |                 |                  |                     |                     |
|---------------------------------|-------------------|---------------------|-------------------|-----------------|------------------|---------------------|---------------------|
| Unrestricted                    | \$ 116,748        | \$ 933,999          | \$ 584,407        | \$ 1,249        | \$ 71,071        | \$ 1,707,474        | \$ 1,741,640        |
| Restricted (noncurrent)         | <u>-</u>          | <u>1,280,921</u>    | <u>-</u>          | <u>-</u>        | <u>-</u>         | <u>1,280,921</u>    | <u>-</u>            |
| Total cash and cash equivalents | <u>\$ 116,748</u> | <u>\$ 2,214,920</u> | <u>\$ 584,407</u> | <u>\$ 1,249</u> | <u>\$ 71,071</u> | <u>\$ 2,988,395</u> | <u>\$ 1,741,640</u> |

**NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES**

The City created the Airport Enterprise fund on January 1, 2012 and transferred net capital assets in the amount of \$1,849,514. In addition, a portion of Water Utility debt was refinanced during 2012 resulting in a noncash increase in outstanding debt in the amount of \$943,654, retirement of \$909,660 in defeased debt and an increase in issuance costs and deferred charges in the amount of \$33,994.

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, 2012

|                                   | Cemetery<br>Private Purpose<br>Trust Fund | Agency<br>Funds |
|-----------------------------------|---|-----------------|
| <b>ASSETS</b>                     |   |                 |
| Cash and cash equivalents         | \$ 508,842                                | \$ 415,746      |
| Accounts receivable               | -   | 8,282           |
| TOTAL ASSETS                      | 508,842                                   | \$ 424,028      |
| <b>LIABILITIES</b>                |   |                 |
| Accounts payable                  | -   | \$ 424,028      |
| <b>NET POSITION</b>               |   |                 |
| Held in trust for private purpose | \$ 508,842                                |                 |

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, 2012

|   | <u>Cemetery<br/>Private Purpose<br/>Trust Fund</u> |
|---|--|
| <b>ADDITIONS</b>                          |  |
| Interest and dividends                    | \$ 14,415  |
| Perpetual care contributions              | 16,000   |
| Net increase in fair value of investments | <u>48,502</u>                                      |
| Total additions                           | <u>78,917</u>                                      |
| <b>DEDUCTIONS</b>                         |  |
| Distributions to beneficiary              | 22,901   |
| Administrative expenses                   | <u>5,200</u>                                       |
| Total deductions                          | <u>28,101</u>                                      |
| Change in net position                    | 50,816   |
| Net position - beginning of year          | <u>458,026</u>                                     |
| Net position - end of year                | <u><u>\$ 508,842</u></u>                           |

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

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**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 units.** 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 23% subsequent to that date, 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.

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**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, liabilities, 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, liabilities, 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.

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**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.

Airport – This fund accounts for the financing of the operation and maintenance of the City airport.

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                      | WRRP Rehabilitation           | Public Access Cable           |
| HUD Mortgage                | Holtz-Krause Clean Up         | Recycling                     |
| DLAD Mortgage Program       | Hazardous Materials Emergency | TID #2 Industrial Park        |
| Economic Development        | Response                      | EMS Grant                     |
| Federal Rent Rehabilitation | Room Tax                      | Other Grants/Special Purposes |



**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**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.

TID #4 Industrial Park Fund  
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

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 Area Events, Inc., Main Street Wausau, Inc. and the Business Improvement District generated to provide for area-wide events and local promotion, and for the Wausau Business Incubator 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 unearned revenue. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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 revenues. They 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 revenues. Amounts received prior to the entitlement period are also recorded as deferred revenues.

Long-term receivables, such as special assessments, notes and mortgages, are recorded as receivables and deferred revenues. 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 revenues on its governmental funds balance sheet. For governmental fund financial statements, deferred revenues arise when a potential revenue source does not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred revenues also arise when resources are 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 when the City has a legal claim to the resources, the liability for deferred 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.

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**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 and Airport 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, LIABILITIES 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.

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. ASSETS, LIABILITIES 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, 2012, 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 15<sup>th</sup> 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 revenues.

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. ASSETS, LIABILITIES 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 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 \$164,546, 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:

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. ASSETS, LIABILITIES 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 issuance costs 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. 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, as well as issuance costs, 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.

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. ASSETS, LIABILITIES AND NET POSITION OR EQUITY (Continued)**

9. 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 by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- 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 an ordinance or resolution. This is typically done through adoption and amendment of the budget or 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:

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
 DECEMBER 31, 2012

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

D. ASSETS, LIABILITIES AND NET POSITION OR EQUITY (Continued)

9. Net Position or Fund Equity (Continued)

- Net investment in capital assets – amount of capital assets, net of accumulated depreciation, less outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- 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 \$9,475,325 difference are as follows:

|  |              |
|--|--------------|
| Loans and mortgages receivable   | \$ 8,976,261 |
| Allowance for uncollectible loans and mortgages receivable   | (655,821)    |
| Unpaid fines and forfeitures   | 355,131      |
| Special assessments receivable   | 799,754      |
| Net adjustment to increase <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i> | \$ 9,475,325 |



**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2012

**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 \$45,699,799 difference are as follows:

|  |                      |
|--|----------------------|
| Bonds and notes payable  | \$ 42,800,635        |
| Less: Deferred charges for issuance costs and deferred interest from refunding (to be amortized over life of debt)                 | (1,056,857)          |
| Accrued interest payable   | 423,508              |
| Compensated absences   | 1,023,352            |
| Postemployment benefits  | 285,831              |
| Remediation claims payable   | <u>2,223,330</u>     |
| Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i> | <u>\$ 45,699,799</u> |

**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 \$6,721,227 difference are as follows:

|  |                     |
|--|---------------------|
| Capital outlay   | \$ 8,793,539        |
| Contribution of capital assets   | 2,251,872           |
| Loss on disposal of capital assets   | (587,123)           |
| Depreciation expense   | <u>(3,737,061)</u>  |
| Net adjustment to increase <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position of governmental activities</i> | <u>\$ 6,721,227</u> |

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**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 \$231,256 difference are as follows:

|  |                   |
|--|-------------------|
| Net change in loan and mortgage notes receivable   | \$ 180,862        |
| Net change in fines and forfeitures receivable   | 355,131           |
| Net change in special assessments receivable   | <u>(304,737)</u>  |
| Net adjustment to increase <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position of governmental activities</i> | <u>\$ 231,256</u> |

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 issuance costs, 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 \$9,104,065 difference are as follows:

|  |                       |
|--|-----------------------|
| Debt issued or incurred:   |                       |
| Issuance of general obligation bonds and notes   | \$(16,260,575)        |
| Discounts and issuance costs   | 154,610               |
| Premium on debt issue  | (453,829)             |
| Principal repayments on general obligation debt  | <u>7,455,729</u>      |
| Net adjustment to decrease <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position of governmental activities</i> | <u>\$ (9,104,065)</u> |

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 \$148,023 difference are as follows:

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
 DECEMBER 31, 2012

**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)**

|  |                   |
|--|-------------------|
| Compensated absences/postemployment benefits   | \$ 257,913        |
| Claims and judgments   | 9,272             |
| Accrued interest   | (45,118)          |
| Amortization of discount and issuance costs  | <u>(74,044)</u>   |
| Net adjustment to increase <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position of governmental activities</i> | <u>\$ 148,023</u> |

**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 Fund, Economic Development Fund, Hazardous Materials Emergency Response Fund, Room Tax Fund, Public Access Cable Fund, Recycling Fund and TID #2 Industrial Park Fund and the following Capital Project Funds: TID #3 Downtown Development Fund, TID #4 Industrial Park Fund, TID #5 Industrial Park Fund, TID #6 West Side Development Fund, TID #7 West Side Development Fund, TID #9 Big Bull Falls Fund and Capital Improvements Fund. All annual 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

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**A. BUDGETARY INFORMATION (Continued)**

total fund level. The City's Finance Director and Mayor may authorize transfers of budgeted amounts within expenditures of a cost center up to \$2,500 for the General and Special Revenue Funds and up to \$20,000 for the Capital Projects Funds. Transfers of all other appropriations 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.

It is the responsibility of the Finance Director of the City of Wausau to administer the budget in accordance with Wisconsin statutes and instructions of the City Council.

**B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

For the year ended December 31, 2012, expenditures exceeded appropriations for the following departmental cost centers in the General Fund: City clerk/customer service by \$13,515, Elections by \$12,739, Municipal court by \$3,513 and Garbage and refuse collection by \$6,337; the Room Tax, Public Access Cable, Recycling and TID #2 Industrial Park special revenue funds by \$29,344, \$341, \$10,473 and \$32,376, respectively; the Debt Service Fund by \$628,015; and in the TID #3 Downtown Development, TID #4 Industrial Park and TID #5 Industrial Park capital project funds by \$201,350, \$2,118 and \$10,332, respectively. 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 #4 Industrial Park, TID #5 Industrial Park, TID #7 West Side Development, TID #8 Near West Side and TID #9 Big Bull Falls capital project funds had deficit fund equity of \$1,132,734, \$481,234, \$841,371, \$1,222,334, \$7,801 and \$139,167 respectively, as of December 31, 2012. The City intends to fund the above fund balance deficits from future operation of these funds.

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 4 – DETAILED NOTES ON ALL FUNDS**

**A. CASH AND INVESTMENTS**

Cash and investments as of December 31, 2012 are classified in the accompanying financial statements as follows:

|   |                      |
|---|----------------------|
| Statement of net position -                   |                      |
| Cash and cash equivalents                     | \$ 19,488,777        |
| Investments                                   | 21,439,621           |
| Restricted assets - cash and cash equivalents | 1,280,921            |
| Statement of net position - fiduciary funds   |                      |
| Cash and cash equivalents                     |                      |
| Cemetery Private Purpose Trust Fund           | 508,842              |
| Agency Funds                                  | <u>415,746</u>       |
| Total   | <u>\$ 43,133,907</u> |
| <br>  |                      |
| Cash on hand                                  | \$ 20,054            |
| Deposits with financial institutions          | 13,640,900           |
| Investments                                   | <u>29,472,953</u>    |
| <br>  |                      |
| Total   | <u>\$ 43,133,907</u> |

**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.

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**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 Type                  | Fair Value           | Investment Maturities (in Years) |                     |                      |
|----------------------------------|----------------------|----------------------------------|---------------------|----------------------|
|                                  |                      | Less Than One                    | 1-4                 | 5-7                  |
| U.S. Agencies                    | \$ 18,551,870        | \$ -                             | \$ 2,502,865        | \$ 16,049,005        |
| Local Government Investment Pool | 10,288,008           | 10,288,008                       | -                   | -                    |
| Money Market Mutual Funds        | 49,366               | 49,366                           | -                   | -                    |
| External investment pools        | 583,709              | 583,709                          | -                   | -                    |
|                                  | <u>\$ 29,472,953</u> | <u>\$ 10,921,083</u>             | <u>\$ 2,502,865</u> | <u>\$ 16,049,005</u> |

**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.

As of December 31, 2012, the City's investments were rated as follows:

| Investment type           | Investment                  | Standard & Poors | Fitch Ratings | Moody's Investor Service |
|---------------------------|-----------------------------|------------------|---------------|--------------------------|
| Money market mutual funds | Invesco Government & Agency | AAA              | AAA           | Aaa                      |

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)**

A. CASH AND INVESTMENTS (Continued)

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 or AA+.

**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 or with a single financial institution.

At December 31, 2012, the investment portfolio was concentrated as follows:

| Investment type | Issuer                                 | Percentage of Portfolio |
|-----------------|--|-------------------------|
| U.S. Agencies   | Federal Home Loan Bank                 | 22.1%                   |
| U.S. Agencies   | Federal National Mortgage Association  | 15.3%                   |
| U.S. Agencies   | Federal Home Loan Mortgage Corporation | 25.6%                   |

**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.

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)**

A. CASH AND INVESTMENTS (Continued)

At December 31, 2012, the carrying amount of the City’s deposits was \$13,640,900 and the financial institution balance was \$13,899,110. Of the financial institution balance, \$8,667,498 was covered by federal depository insurance, \$750,000 was covered by the national credit union share insurance fund, \$3,075,782 was covered by the State Deposit Guarantee Fund, \$573,481 was covered by pledged securities held in the City’s name, and \$832,349 was uninsured and uncollateralized.

The above-mentioned State Deposit Guarantee Fund provides additional coverage of up to \$400,000 in each financial institution 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, 2012 for the City’s general fund have been shown net of allowances for uncollectible accounts and uncollectible delinquent personal property taxes of \$1,761,315 and \$101,151, respectively.

Governmental funds report *deferred revenue* 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 various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

|  | Unavailable  | Unearned      |
|--|--------------|---------------|
| Property taxes receivable                              | \$ -         | \$ 25,471,313 |
| Loans and mortgages receivable                         | 8,324,841    | -             |
| Unpaid fines and forfeitures                           | 355,131      | -             |
| Special assessments not yet due                        | 799,754      | -             |
| Grant proceeds received in advance                     | -            | 112,895       |
| Other unearned revenues                                | -            | 4,160         |
|  | \$ 9,479,726 | \$ 25,588,368 |
| Total deferred/unearned revenue for governmental funds |              |               |



**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)**

**C. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2012 was as follows:

|   | Beginning<br>Balance  | Increases           | Decreases           | Ending<br>Balance     |
|---|-----------------------|---------------------|---------------------|-----------------------|
| <b>Governmental activities</b>              |                       |                     |                     |                       |
| Capital assets not being depreciated:       |                       |                     |                     |                       |
| Land  | \$ 33,664,343         | \$ 1,519,491        | \$ -                | \$ 35,183,834         |
| Construction in progress                    | 972,121               | 262,032             | (72,428)            | 1,161,725             |
| Total capital assets not being depreciated  | <u>34,636,464</u>     | <u>1,781,523</u>    | <u>(72,428)</u>     | <u>36,345,559</u>     |
| Capital assets being depreciated:           |                       |                     |                     |                       |
| Buildings and improvements                  | 18,606,195            | 499,638             | (300)               | 19,105,533            |
| Machinery and equipment                     | 19,247,456            | 1,683,635           | (952,491)           | 19,978,600            |
| Infrastructure                              | 109,818,348           | 8,158,056           | (1,354,461)         | 116,621,943           |
| Total capital assets being depreciated      | <u>147,671,999</u>    | <u>10,341,329</u>   | <u>(2,307,252)</u>  | <u>155,706,076</u>    |
| Less accumulated depreciation for:          |                       |                     |                     |                       |
| Buildings and improvements                  | (8,676,888)           | (560,575)           | 300                 | (9,237,163)           |
| Machinery and equipment                     | (13,248,388)          | (1,360,952)         | 936,350             | (13,672,990)          |
| Infrastructure                              | (41,551,913)          | (2,621,742)         | 774,989             | (43,398,666)          |
| Total accumulated depreciation              | <u>(63,477,189)</u>   | <u>(4,543,269)</u>  | <u>1,711,639</u>    | <u>(66,308,819)</u>   |
| Total capital assets being depreciated, net | <u>84,194,810</u>     | <u>5,798,060</u>    | <u>(595,613)</u>    | <u>89,397,257</u>     |
| Governmental activities capital assets, net | <u>\$ 118,831,274</u> | <u>\$ 7,579,583</u> | <u>\$ (668,041)</u> | <u>\$ 125,742,816</u> |

The City created the Airport enterprise fund on January 1, 2012 and transferred net assets which were originally accounted for in the governmental activities. Total asset balances of \$3,152,203 and accumulated depreciation balances of \$1,302,689 accounted for the net total balance transfer of \$1,849,514. Beginning balances shown above along with beginning balances shown on the next page for business-type activities have been restated to reflect the totals transferred to the Airport Fund.

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)**

C. CAPITAL ASSETS (Continued)

|  | Balance              | Increases           | Decreases             | Balance              |
|--|----------------------|---------------------|-----------------------|----------------------|
| <b>Business-type activities</b>              |                      |                     |                       |                      |
| Capital assets not being depreciated:        |                      |                     |                       |                      |
| Land   | \$ 2,911,238         | \$ -                | \$ -                  | \$ 2,911,238         |
| Construction in progress                     | 386,591              | 3,442,776           | (3,238,169)           | 591,198              |
| Total capital assets not being depreciated   | <u>3,297,829</u>     | <u>3,442,776</u>    | <u>(3,238,169)</u>    | <u>3,502,436</u>     |
| Capital assets being depreciated:            |                      |                     |                       |                      |
| Buildings and improvements                   | 43,027,347           | 1,303,135           | -                     | 44,330,482           |
| Machinery and equipment                      | 27,123,337           | 1,503,813           | (765,636)             | 27,861,514           |
| Water infrastructure                         | 37,263,805           | 1,505,328           | (93,428)              | 38,675,705           |
| Wastewater infrastructure                    | 36,125,179           | 896,640             | (172,402)             | 36,849,417           |
| Total capital assets being depreciated       | <u>143,539,668</u>   | <u>5,208,916</u>    | <u>(1,031,466)</u>    | <u>147,717,118</u>   |
| Less accumulated depreciation for:           |                      |                     |                       |                      |
| Buildings and improvements                   | (18,460,022)         | (1,100,930)         | -                     | (19,560,952)         |
| Machinery and equipment                      | (16,012,217)         | (1,253,052)         | 765,636               | (16,499,633)         |
| Water infrastructure                         | (8,216,674)          | (556,925)           | 93,428                | (8,680,171)          |
| Wastewater infrastructure                    | (7,509,841)          | (445,452)           | 172,402               | (7,782,891)          |
| Total accumulated depreciation               | <u>(50,198,754)</u>  | <u>(3,356,359)</u>  | <u>1,031,466</u>      | <u>(52,523,647)</u>  |
| Total capital assets being depreciated, net  | <u>93,340,914</u>    | <u>1,852,557</u>    | <u>-</u>              | <u>95,193,471</u>    |
| Business-type activities capital assets, net | <u>\$ 96,638,743</u> | <u>\$ 5,295,333</u> | <u>\$ (3,238,169)</u> | <u>\$ 98,695,907</u> |

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

|   |                     |
|---|---------------------|
| Governmental activities:                              |                     |
| General government                                    | \$ 253,799          |
| Public safety   | 444,761             |
| Transportation and streets                            | 2,731,421           |
| Natural resources and recreation                      | 291,657             |
| Economic development                                  | 15,423              |
| Capital assets held by internal service funds         | 806,208             |
| Total depreciation expense – governmental activities  | <u>\$ 4,543,269</u> |
| Business type activities:                             |                     |
| Water   | \$ 923,505          |
| Wastewater  | 1,076,235           |
| Parking   | 652,550             |
| Metro Ride  | 586,039             |
| Airport   | 118,030             |
| Total depreciation expense – business-type activities | <u>\$ 3,356,359</u> |

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)**

C. CAPITAL ASSETS (Continued)

**Construction commitments**

The City and Water and Wastewater Utilities have committed to construction projects with estimated future costs to complete of approximately \$2,500,000.

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, 2012 are as follows:

| Receivable Fund          | Payable Fund                | Amount       |
|--------------------------|-----------------------------|--------------|
| General Fund             | Metro Ride Fund             | \$ 648,554   |
|                          | Room Tax Fund               | 15,441       |
|                          | TID #4 Industrial Park Fund | 481,234      |
|                          | TID #5 Industrial Park Fund | 841,371      |
|                          | TID #8 Near West Side Fund  | 7,801        |
|                          | TID #9 Big Bull Falls Fund  | 137,935      |
| WRRP Rehabilitation Fund | Grants Fund                 | 22,857       |
|                          | DLAD Mortgage Program Fund  | 15,000       |
| Total                    |                             | \$ 2,170,193 |

Advances between funds represent long-term loans principally for capital purposes. The composition of interfund advances as of December 31, 2012 is as follows:

| Receivable Fund            | Payable Fund                      | Amount       |
|----------------------------|-----------------------------------|--------------|
| General Fund               | TID #3 Downtown Development Fund  | \$ 1,184,402 |
|                            | TID #7 West Side Development Fund | 1,221,482    |
| Holtz-Krause Clean Up Fund | Capital Improvements Fund         | 219,119      |
| Total                      |                                   | \$ 2,625,003 |

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, 2012 are as follows:

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)**

**D. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (Continued)**

Interfund transfers are as follows:

|  | Transfers to  | Transfers from |
|--|---------------|----------------|
| General Fund                                 |               |                |
| Room Tax Fund                                | \$ -          | \$ 175,000     |
| Other Grants & Special Purpose Accounts Fund | -             | 87,743         |
| Water Utility Fund                           | -             | 1,021,982      |
| Wastewater Utility Fund                      | -             | 450,000        |
| Airport Fund                                 | 70,000        | -              |
| Motor Pool Fund                              | -             | 197,000        |
| Special Revenue Funds                        |               |                |
| General Fund                                 | 262,743       | -              |
| Grants Fund                                  | -             | 3,629          |
| HUD Mortgage Fund                            | 3,629         | -              |
| Capital Improvements Fund                    | 226,482       | -              |
| Debt Service Fund                            |               |                |
| TID #3 Downtown Development Fund             | -             | 7,797,388      |
| TID #5 Industrial Park Fund                  | -             | 2,421,459      |
| TID #6 West Side Development Fund            | -             | 390,527        |
| TID #7 West Side Development Fund            | -             | 730,560        |
| Capital Projects Fund                        |               |                |
| Grants Fund                                  | -             | 226,482        |
| Debt Service Fund                            | 11,339,934    | -              |
| Capital Improvements Fund                    | 119,838       | -              |
| TID #2 Industrial Park Fund                  | -             | 634,073        |
| TID #4 Industrial Park Fund                  | 514,235       | -              |
| Enterprise Funds                             |               |                |
| General Fund                                 | 1,471,982     | 70,000         |
| Internal Service Funds                       |               |                |
| General Fund                                 | 197,000       | -              |
| Totals                                       | \$ 14,205,843 | \$ 14,205,843  |

Transfers are typically used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the 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.

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)**

**E. LONG-TERM DEBT**

**General Obligation Bonds**

General obligation debt outstanding at December 31, 2012 is detailed as follows:

|                               | Original<br>Amount | Interest<br>Rates | Final<br>Maturity | Balance<br>12/31/2012 |
|-------------------------------|--------------------|-------------------|-------------------|-----------------------|
| 1996 Bonds                    | \$ 4,950,000       | 4.15-5.75%        | 10/1/15           | \$ 120,000            |
| 2003 Bonds                    | 3,885,000          | 3.0-4.625%        | 4/1/13            | 185,000               |
| 2003 Notes (Series D)         | 3,285,000          | 1.35-3.45%        | 10/1/13           | 370,000               |
| 2004 Refunding bonds Series D | 13,445,000         | 3.0-5.0%          | 4/1/15            | 2,620,000             |
| 2004 Promissory note          | 600,000            | Negotiable        | On demand         | 600,000               |
| 2005 Promissory note Series A | 3,830,000          | 2.8-3.65%         | 4/1/15            | 1,345,000             |
| 2005 Promissory note Series B | 2,000,000          | 4.75-5.15%        | 10/1/15           | 470,000               |
| 2006 Promissory note Series A | 5,765,000          | 3.55-3.8%         | 10/1/13           | 575,000               |
| 2007 Promissory note Series A | 4,535,000          | 3.6-3.8%          | 5/1/17            | 2,275,000             |
| 2007 Refunding bonds Series B | 2,605,000          | 3.65-3.9%         | 5/1/19            | 1,590,000             |
| 2008 Promissory note Series A | 9,845,000          | 3.55%             | 4/1/18            | 3,970,000             |
| 2009 Promissory note Series A | 9,560,000          | 0.7-3.0%          | 4/1/19            | 4,985,000             |
| 2010 Promissory note Series A | 5,145,000          | 1.0-3.0%          | 4/1/20            | 4,160,000             |
| 2010 Promissory note Series B | 3,145,000          | 0.75-3.35%        | 4/1/17            | 1,905,000             |
| 2011 Promissory note Series A | 7,685,000          | 2.00-2.50%        | 4/1/21            | 6,915,000             |
| 2012 Promissory note Series A | 2,725,000          | 2.00-2.65%        | 4/1/22            | 2,725,000             |
| 2012 Promissory note Series B | 13,400,000         | 2.00-3.00%        | 4/1/22            | 13,400,000            |
| 2012 Promissory note          | 135,575            | 2.75%             | 9/5/17            | <u>135,575</u>        |
| Total general obligation debt |                    |                   |                   | <u>\$ 48,345,575</u>  |

A summary of the long-term liability activity for the year ended December 31, 2012 is as follows:

|  | Beginning<br>Balance | Increases            | Decreases              | Ending<br>Balance    | Due Within<br>One Year |
|--|----------------------|----------------------|------------------------|----------------------|------------------------|
| <b>Governmental activities</b>                   |                      |                      |                        |                      |                        |
| General obligation debt:                         |                      |                      |                        |                      |                        |
| Bonds payable                                    | \$ 11,970,000        | \$ -                 | \$ (9,045,000)         | \$ 2,925,000         | \$ 1,085,000           |
| Notes payable                                    | 30,836,608           | 16,260,575           | (7,221,548)            | 39,875,635           | 7,043,344              |
| State trust fund loans                           | 968,175              | -                    | (968,175)              | -                    | -                      |
| Compensated absences                             | 2,499,583            | 60,025               | (186,006)              | 2,373,602            | 1,350,250              |
| Other postemployment benefits                    | 296,578              | 118,316              | (129,063)              | 285,831              | -                      |
| Remediation claims payable                       | <u>2,232,602</u>     | <u>25,027</u>        | <u>(34,299)</u>        | <u>2,223,330</u>     | <u>34,299</u>          |
| Governmental activities<br>long-term liabilities | <u>\$ 48,803,546</u> | <u>\$ 16,463,943</u> | <u>\$ (17,584,091)</u> | <u>\$ 47,683,398</u> | <u>\$ 9,512,893</u>    |

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)**

**E. LONG-TERM DEBT (Continued)**

The summary of long-term liability activity continues as follows:

|   | Beginning<br>Balance | Increases         | Decreases             | Ending<br>Balance   | Due Within<br>One Year |
|---|----------------------|-------------------|-----------------------|---------------------|------------------------|
| <b>Business-type activities</b>                   |                      |                   |                       |                     |                        |
| General obligation debt:                          |                      |                   |                       |                     |                        |
| Bonds payable                                     | \$ 1,805,000         | \$ -              | \$ (215,000)          | \$ 1,590,000        | \$ 215,000             |
| Notes payable                                     | 4,523,392            | 943,654           | (1,512,106)           | 3,954,940           | 641,656                |
| Unamortized costs                                 | (111,522)            | (40,303)          | 27,421                | (124,404)           | (37,145)               |
| Compensated absences                              | 567,455              | 34,212            | (133,847)             | 467,820             | 4,504                  |
| Business-type activities<br>long-term liabilities | <u>\$ 6,784,325</u>  | <u>\$ 937,563</u> | <u>\$ (1,833,532)</u> | <u>\$ 5,888,356</u> | <u>\$ 824,015</u>      |

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                           | \$ 2,554,319,700     |
| Legal debt margin percentage              | 5.00%                |
|   | <u>127,715,985</u>   |
| Add: Available funds for debt payment     | 556,338              |
| Less: Outstanding general obligation debt | <u>(48,345,575)</u>  |
| Legal debt margin                         | <u>\$ 79,926,748</u> |

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.

Debt service requirements to maturity at December 31, 2012 are as follows:

| Year      | Governmental Activities |                     | Business-Type Activities |                   | Total                |                     |
|-----------|-------------------------|---------------------|--------------------------|-------------------|----------------------|---------------------|
|           | Principal               | Interest            | Principal                | Interest          | Principal            | Interest            |
| 2013      | \$ 8,128,344            | \$ 1,161,730        | \$ 856,656               | \$ 150,318        | \$ 8,985,000         | \$ 1,312,048        |
| 2014      | 6,374,708               | 811,895             | 825,292                  | 112,339           | 7,200,000            | 924,234             |
| 2015      | 5,912,550               | 641,552             | 832,450                  | 91,757            | 6,745,000            | 733,309             |
| 2016      | 4,897,778               | 493,116             | 827,222                  | 70,962            | 5,725,000            | 564,078             |
| 2017      | 4,798,735               | 374,954             | 531,840                  | 53,117            | 5,330,575            | 428,071             |
| 2018-2022 | 12,688,520              | 593,851             | 1,671,480                | 75,575            | 14,360,000           | 669,426             |
|           | <u>\$ 42,800,635</u>    | <u>\$ 4,077,098</u> | <u>\$ 5,544,940</u>      | <u>\$ 554,068</u> | <u>\$ 48,345,575</u> | <u>\$ 4,631,166</u> |

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)**

**E. LONG-TERM DEBT (Continued)**

Proprietary fund debt is presented in these statements net of unamortized issue costs and related expenses. These costs are amortized using the effective-interest method over the life of the debt.

On April 5, 2012, the City issued \$9,319,211 of general obligation promissory notes with an average interest rate of 2.16% to advance refund \$2,380,000 of outstanding 2003 general obligation bonds with an average interest rate of 4.16%, \$5,625,000 of outstanding 2004 general obligation refunding bonds with an average interest rate of 4.45% and \$1,740,000 of outstanding 2006 general obligation notes with an average interest rate of 3.70%, a portion of which was being serviced by the Water Utility. In addition, the City issued \$359,125 to currently refund \$357,750 of an outstanding 2008 State Trust Fund loan with an average interest rate of 4.25%. The proceeds of \$9,319,211 plus an additional amount of \$1,437,556 of current available resources were transferred to an escrow agent. These funds were used to pay \$54,925 in underwriting fees and other issuance costs with the remaining funds used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with the escrow agent to provide for all future debt service payments on the refunded general obligation bonds and notes. The remaining proceeds of \$359,125 were used to retire the outstanding principal and interest of the 2008 State Trust Fund loan on April 17, 2012. As a result, all refunded debt has been paid or is considered defeased and the liability for the defeased debt has been removed from the financial statements.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$1,087,181. This difference, reported in the accompanying statements as a deferred charge, is being charged to operations through the year 2022 using the effective-interest method. The City completed the advance refunding to reduce total debt service payments over the next 10 years by \$667,708 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$546,886.

**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:

|                  |                   |
|------------------|-------------------|
|                  | <u>Wastewater</u> |
| 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.

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)**

E. LONG-TERM DEBT (Continued)

Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2012, there were four series of Industrial Revenue Bonds outstanding. Total principal amount payable could not be determined, however, original issue amounts totaled \$9,200,000.

F. SEGMENT INFORMATION

The City maintains five Enterprise Funds providing for the operation of the Water, Wastewater and Parking Utilities, the Metro Ride transit operations and municipal Airport operations. All Enterprise funds have been presented as major funds in the City's government-wide financial statements.

G. RESTRICTED NET POSITION/FUND BALANCES

Governmental activities restricted net position reported in the government-wide statement of net position at December 31, 2012 includes the following:

|   |                            |
|---|----------------------------|
| Net position restricted for :                         |                            |
| Debt service  | \$ 556,338                 |
| Capital improvements                                  | 4,098,922                  |
| Special purposes                                      | <u>5,074,477</u>           |
| Total governmental activities restricted net position | <u><u>\$ 9,729,737</u></u> |

Fund balance classifications for major funds as of December 31, 2012 are as follows:

|  |                              |
|--|------------------------------|
| General Fund                                 |                              |
| Nonspendable for advances                    | \$ 2,405,884                 |
| Nonspendable for inventories and prepayments | <u>58,959</u>                |
| Total nonspendable                           | 2,464,843                    |
| Committed to contingencies                   | 460,400                      |
| Assigned to subsequent year's expenditures   | 220,951                      |
| Unassigned                                   | <u>6,835,651</u>             |
| Total General Fund                           | <u><u>\$ 9,981,845</u></u>   |
| Debt Service Fund                            |                              |
| Restricted for debt service                  | <u><u>\$ 556,338</u></u>     |
| TID #3 Downtown Development Fund             |                              |
| Unassigned (deficit)                         | <u><u>\$ (1,132,734)</u></u> |
| Capital Improvements Fund                    |                              |
| Restricted for capital improvements          | <u><u>\$ 3,082,949</u></u>   |



**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**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, 2012 for nonmajor funds are as follows:

|   |                       |
|---|-----------------------|
| Special revenue funds                   |                       |
| Nonspendable for advances:              |                       |
| Holtz-Krause Clean up                   | \$ 219,119            |
| Restricted for special purposes:        |                       |
| Grants                                  | 1,273,995             |
| HUD mortgage program                    | 1,240                 |
| Federal rent rehabilitation             | 349,525               |
| WRRP rehabilitation                     | 1,050,943             |
| Holtz-Krause Clean up                   | 1,579,230             |
| Hazardous materials emergency response  | 132,991               |
| EMS grant                               | 48,565                |
| Other grants & special purpose accounts | 637,988               |
| Total restricted fund balance           | <u>5,074,477</u>      |
| Committed to special purposes:          |                       |
| DLAD mortgage program                   | 451,676               |
| Economic development                    | 547,844               |
| Room tax                                | 87,604                |
| Public access cable                     | 572                   |
| Total committed fund balance            | <u>1,087,696</u>      |
| Total special revenue funds             | <u>\$ 6,381,292</u>   |
| Capital project funds                   |                       |
| Restricted for capital improvements:    |                       |
| TID #6 West Side Development            | \$ 1,015,973          |
| Unassigned:                             |                       |
| TID #4 Industrial Park (deficit)        | (481,234)             |
| TID #5 Industrial Park (deficit)        | (841,371)             |
| TID #7 West Side Development (deficit)  | (1,222,334)           |
| TID #8 Near West Side (deficit)         | (7,801)               |
| TID #9 Big Bull Falls (deficit)         | (139,167)             |
| Total unassigned fund balance           | <u>(2,691,907)</u>    |
| Total capital project funds             | <u>\$ (1,675,934)</u> |

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)**

**H. RESTRICTED ASSETS**

The balance of the restricted asset accounts in the Wastewater Utility Enterprise Fund is as follows:

|                                   |                     |
|-----------------------------------|---------------------|
| Depreciation/Replacement accounts | \$ <u>1,280,921</u> |
|-----------------------------------|---------------------|

**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, 2012 is as follows:

|  |                     |
|--|---------------------|
| Deposits                               | \$ 8,461,955        |
| Certificates of deposit                | 226,189             |
| Petty cash                             | <u>120</u>          |
| Total                                  | <u>\$ 8,688,264</u> |
| Financial statement presentation:      |                     |
| Cash and cash equivalents              | \$ 8,321,839        |
| Cash and cash equivalents - restricted | 140,236             |
| Investments                            | <u>226,189</u>      |
| Total                                  | <u>\$ 8,688,264</u> |

***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 depository insurance coverage to be secured.

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)**

**I. COMPONENT UNIT (Continued)**

At year end, the carrying value of the Community Development Authority's deposits was \$8,461,955 and the financial institution balance was \$8,485,327. Of the financial institution balance, \$4,852,383 was covered by federal depository insurance and \$3,632,944 was in excess of federal depository insurance limits and collateralized by securities held by the pledging institution or its trust department or agent but not in the CDA's name.

***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 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 listed 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.

The following is a summary of investments as of December 31, 2012:

|                          |                   |
|--------------------------|-------------------|
| Certificates of deposit: |                   |
| Matures in 2013          | <u>\$ 226,189</u> |

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)**

I. COMPONENT UNIT (Continued)

c. Capital asset activity for the year ended December 31, 2012 was as follows:

|   | Beginning<br>Balance | Increases           | Decreases           | Ending<br>Balance   |
|---|----------------------|---------------------|---------------------|---------------------|
| Capital assets not being depreciated:       |                      |                     |                     |                     |
| Land  | \$ 903,757           | \$ -                | \$ -                | \$ 903,757          |
| Construction in progress                    | <u>176,905</u>       | <u>2,086,013</u>    | <u>(156,976)</u>    | <u>2,105,942</u>    |
| Total capital assets not being depreciated  | <u>1,080,662</u>     | <u>2,086,013</u>    | <u>(156,976)</u>    | <u>3,009,699</u>    |
| Capital assets being depreciated:           |                      |                     |                     |                     |
| Buildings and improvements                  | 12,894,811           | 162,998             | -                   | 13,057,809          |
| Furniture and equipment                     | <u>553,374</u>       | <u>37,948</u>       | <u>(59,685)</u>     | <u>531,637</u>      |
| Total capital assets being depreciated      | 13,448,185           | 200,946             | (59,685)            | 13,589,446          |
| Less accumulated depreciation               | <u>(7,159,351)</u>   | <u>(387,552)</u>    | <u>59,685</u>       | <u>(7,487,218)</u>  |
| Total capital assets being depreciated, net | <u>6,288,834</u>     | <u>(186,606)</u>    | <u>-</u>            | <u>6,102,228</u>    |
| Total Authority capital assets              | <u>\$ 7,369,496</u>  | <u>\$ 1,899,407</u> | <u>\$ (156,976)</u> | <u>\$ 9,111,927</u> |

d. Long-term debt outstanding at December 31, 2012 represents a \$750,000 Affordable Housing Program Loan, 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.

**NOTE 5 – OTHER INFORMATION**

A. DEFINED BENEFIT PENSION PLAN

All eligible City of Wausau employees participate in the Wisconsin Retirement System (WRS), a cost sharing, multiple-employer, defined benefit public employee retirement system. All employees, initially employed by a participating WRS employer prior to July 1, 2011, expected to work at least 600 hours a year and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1,200 hours a year and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

Effective the first day of the first pay period on or after June 29, 2011, the employee required contribution was changed to one-half of the actuarially determined contribution rate for general category employees including executives and elected 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 existing collective bargaining agreements.

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 5 – OTHER INFORMATION (Continued)**

**A. DEFINED BENEFIT PENSION PLAN (Continued)**

Contribution rates for 2012 are: General 5.9% (employer and employee); Executives & elected officials 7.05% (employer and employee); Protective with social security 5.9% (employee), 9.0% (employer); and Protective without social security 5.9% (employee) and 11.3% (employer).

The payroll for the City of Wausau employees covered by the WRS for the year ended December 31, 2012 was \$16,948,587; the employer's total payroll was \$17,402,979. The total required contribution for the year ended December 31, 2012 was \$2,344,015, which consisted of \$1,342,420 or 7.9% of payroll from the employer and \$1,001,595 or 5.9% of payroll from employees. Total contributions for the years ended December 31, 2011 and 2010 were \$2,316,154 and \$2,087,269, respectively, equal to the required contributions for each year.

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

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

In addition to the above-mentioned retirement fund, the State of Wisconsin administers a plan for four (4) employees who retired prior to the consolidation with the WRS. The total estimated future cost to the City of this plan as of December 31, 2012, was approximately \$118,735, substantially all of which relates to prior services. The current portion of the estimated liability of \$27,275 is provided for in the General Fund. The liability will be reduced as the City funds the benefit payments. The estimated remaining period of amortization is five 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.

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 5 – OTHER INFORMATION (Continued)**

**B. COMMITMENTS AND CONTINGENCIES (Continued)**

**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 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. The plans are offered by Security Health and 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 and administrative costs incurred.

Under the health insurance program, the City pays a maximum of \$2,200 per single contract (\$4,400 for family). Additional amounts are covered by insurance. For dental, maximum covered costs were \$1,500 per individual covered. Expected claims are calculated each plan year to determine premium rates to be charged.

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 nonincremental costs to the liability amount. The estimated liability is expected to be paid within one year.

Changes in the claims payable is as follows:

|      | <u>Balance</u><br><u>January 1</u> | <u>Claims</u><br><u>Incurred</u> | <u>Claims</u><br><u>Paid</u> | <u>Balance</u><br><u>December 31</u> |
|------|------------------------------------|----------------------------------|------------------------------|--------------------------------------|
| 2011 | \$ 234,051                         | \$ 1,108,642                     | \$ 1,247,431                 | \$ 95,262                            |
| 2012 | 95,262                             | 991,772                          | 991,772                      | 95,262                               |

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

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 5 – OTHER INFORMATION (Continued)**

**B. COMMITMENTS AND CONTINGENCIES (Continued)**

**REMEDICATION CLAIMS PAYABLE**

In 1985 the City was notified by the Department of Natural Resources that it was a potential responsible party for contamination at the Holtz-Krause Landfill Site. During 1993 the City of Wausau, and other parties, signed an agreement concerning the allocation of remedial design and action costs. This agreement serves to allocate the costs and tasks to be completed by the City.

The City's responsibility is to perform various operations and maintenance of the groundwater monitoring up to a cap of the equivalent of a contribution of \$1.8 million dollars deposited in a bank on January 1, 1994, bearing interest of one percentage above the Local Government Investment Pool rate. If the total amount is not utilized in the operation and maintenance, the balance will revert to the City.

Based upon this agreement, the City shall be held harmless relating to any future claims arising from the Consent Decree.

This item has been recorded as a long-term liability in these financial statements. The balance at December 31, 2012 is \$2,223,330. This balance represents the original \$1.8 million adjusted for interest income and expenses incurred. The City has negotiated a structured settlement agreement with its insurance carrier to recover anticipated costs. Contract payments are recorded as revenue in the year received.

**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 \$922,979 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 management 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 \$1,163,075 at December 31, 2012, 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:

1. The fund is depleted,
2. The employee dies, or
3. The employee becomes employed and/or eligible for other comparable hospital and surgical programs from another source.

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**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. Apply for Wisconsin Retirement Fund benefits within thirty (30) days of the last day of work, and
2. Whenever possible, in cases of voluntary retirement, give the employer notice of retirement and intent to utilize the benefits by December 1 preceding the 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. Employees may use this time during any given year and will be paid for any unused compensatory time upon termination. The City has recorded a liability of \$287,548 at December 31, 2012.

**D. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

In addition to pension benefits being provided through the Wisconsin Retirement System described earlier, the City provides certain 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 at the time of retirement into monetary value and draw down on the amount to pay the costs of health care insurance premiums. Approximately seven (7) retirees are currently receiving health insurance coverage through sick leave conversion credits.

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 thirty 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.



**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 5 – OTHER INFORMATION (Continued)**

**D. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)**

|   |                              |
|---|------------------------------|
| Annual required contribution                          | \$ 104,970                   |
| Interest on net OPEB obligation                       | 13,346                       |
| Adjustment to annual required contribution            | <u>(12,641)</u>              |
| Annual OPEB cost                                      | 105,675                      |
| Contributions made                                    | <u>(116,422)</u>             |
| Decrease in net OPEB obligation                       | (10,747)                     |
| Net OPEB obligation - beginning of year (as adjusted) | <u>296,578</u>               |
| <br>Net OPEB obligation - end of year                 | <br><u><u>\$ 285,831</u></u> |

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012 are as follows:

| Year Ended | Annual OPEB<br>Cost | Percentage<br>of Annual<br>OPEB Cost<br>Contributed | Net OPEB<br>Obligation |
|------------|---------------------|---|------------------------|
| 12/31/12   | \$ 105,675          | 110.17%   | \$ 285,831             |

The funded status of the plan as of January 1, 2012, the most recent actuarial valuation date, was as follows:

|   |                     |
|---|---------------------|
| Actuarial accrued liability (AAL)                 | \$ 1,483,204        |
| Actuarial value of plan assets                    | <u>-</u>            |
| Unfunded actuarial accrued liability (UAAL)       | <u>\$ 1,483,204</u> |
| Funded ratio (actuarial value of plan assets/AAL) | 0%                  |
| Covered payroll (active plan members)             | \$ 16,816,458       |
| UAAL as a percentage of covered payroll           | 8.8%                |

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**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 projected unit credit actuarial cost method was used. The actuarial assumptions include a 4.5 percent investment rate of return and an annual healthcare cost trend rate of 10 percent initially, decreasing by 1 percent per year, down to an ultimate rate of 5 percent. Both rates include a 4 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, 2012 was 29 years.

**E. DEFERRED COMPENSATION PLAN**

The City offers its employees three 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 Public Employee Benefit Service Corporation (PEBSCO), the International City Managers Association Retirement Corporation (ICMA), and Wisconsin Deferred Compensation Program.

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.

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**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. 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 were made by the City at 30% until April 1, 2009 and at 23% from that date forward.

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 City-County Information Technology Commission for the year ended December 31, 2012 is as follows:

|  |              |
|--|--------------|
| Operating revenues                                     | \$ 3,196,657 |
| Operating expenses                                     |              |
| Data processing expenses                               | 3,047,509    |
| Administrative and general expenses                    | 149,148      |
| Depreciation   | 344,058      |
| Total operating expenses                               | 3,540,715    |
| Operating loss before contributions and reimbursements | (344,058)    |
| Capital contributions and reimbursements               | 566,971      |
| Change in net position                                 | 222,913      |
| Total assets   | 1,300,658    |
| Total liabilities                                      | 496,128      |
| Total net position                                     | 804,530      |

**G. TAX INCREMENTAL FINANCING DISTRICTS**

Tax Incremental Financing District No. 2 was created on July 1, 1990. The last date to incur project costs was July 1, 2012. The City borrowed funds for the project that were retired by tax increments. Increments will continue to be collected until all costs have been financed. The debt issues associated with this district have been retired as of December 31, 2007.

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 5 – OTHER INFORMATION (Continued)**

**G. TAX INCREMENTAL FINANCING DISTRICTS (Continued)**

Tax Incremental Financing District No. 3 was created on September 12, 1994. The last date to incur project costs is September 12, 2016. 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, 2012 are as follows:

|                                |                      |
|--------------------------------|----------------------|
| 1996 General Obligation Bonds  | \$ 120,000           |
| 2003D General Obligation Notes | 370,000              |
| 2004A General Obligation Notes | 143,477              |
| 2004D Refunding Bonds          | 2,620,000            |
| 2005 General Obligation Notes  | 470,000              |
| 2007 General Obligation Notes  | 700,404              |
| 2008 General Obligation Notes  | 170,000              |
| 2009 General Obligation Notes  | 230,000              |
| 2010A General Obligation Notes | 1,305,447            |
| 2012A General Obligation Notes | 2,725,000            |
| 2012B General Obligation Notes | <u>6,280,000</u>     |
| Total                          | <u>\$ 15,134,328</u> |

Tax Incremental Financing District No. 4 was created on September 23, 1996. The last date to incur project costs is September 23, 2014. The City borrowed funds for the project that were retired by tax increments. The debt issues associated with this district have been retired as of December 31, 2010. The City has filed for termination of this district in 2013.

Tax Incremental Financing District No. 5 was created on July 31, 1997. The last date to incur project costs is July 31, 2015. 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 the debt issues outstanding at December 31, 2012 are as follows:

|                                |                     |
|--------------------------------|---------------------|
| 2003 General Obligation Notes  | \$ 95,238           |
| 2010B General Obligation Notes | <u>1,660,000</u>    |
| Total                          | <u>\$ 1,755,238</u> |

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**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. 2, 3, 4 and 5 as of December 31, 2012.

|                            | <u>TID #2</u>     | <u>TID #3</u>        | <u>TID #4</u>     | <u>TID #5</u>       |
|----------------------------|-------------------|----------------------|-------------------|---------------------|
| Total revenues             | \$ 10,954,719     | \$ 28,993,676        | \$ 1,771,374      | \$ 9,119,875        |
| Expenditures:              |                   |                      |                   |                     |
| Project costs              | 2,134,677         | 43,773,006           | 1,648,012         | 9,572,356           |
| Interest and related costs | 614,115           | 10,138,737           | 426,741           | 1,813,020           |
| Administration             | 310,724           | 232,172              | 177,855           | 331,108             |
| Subsidy to TID #3          | 6,620,585         | -                    | -                 | -                   |
| Subsidy to TID #4          | 1,239,527         | -                    | -                 | -                   |
| Other costs                | 35,091            | -                    | -                 | -                   |
| Total expenditures         | <u>10,954,719</u> | <u>54,143,915</u>    | <u>2,252,608</u>  | <u>11,716,484</u>   |
| Net recoverable costs      | <u>\$ -</u>       | <u>\$ 25,150,239</u> | <u>\$ 481,234</u> | <u>\$ 2,596,609</u> |

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, 2012 are as follows:

|                                |                     |
|--------------------------------|---------------------|
| 2005A General Obligation Notes | \$ 540,625          |
| 2010A General Obligation Notes | 320,000             |
| 2011A General Obligation Notes | 1,120,230           |
| 2012B General Obligation Notes | 700,000             |
| Total                          | <u>\$ 2,680,855</u> |

Tax Incremental Financing District No. 7 was created on January 11, 2006. The expenditure period will end on May 11, 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 the balances at December 31, 2012 are as follows:

|                                |                     |
|--------------------------------|---------------------|
| 2006A General Obligation Notes | \$ 34,909           |
| 2007A General Obligation Notes | 235,758             |
| 2008A General Obligation Notes | 2,185,000           |
| 2009A General Obligation Notes | 485,000             |
| 2010A General Obligation Notes | 68,000              |
| 2012B General Obligation Notes | 110,105             |
| Total                          | <u>\$ 3,118,772</u> |

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 5 – OTHER INFORMATION (Continued)**

**G. TAX INCREMENTAL FINANCING DISTRICTS (Continued)**

Tax Incremental Financing District No. 8 was created on April 11, 2012. The expenditure period will end on April 11, 2034. No debt has been issued for the district as of December 31, 2012.

Tax Incremental Financing District No. 9 was created on September 26, 2012. The expenditure period will end on September 26, 2034. No debt has been issued for the district as of December 31, 2012.

The following schedule summarizes the cumulative status of Tax Incremental Financing Districts (TID) No. 6, 7, 8 and 9 as of December 31, 2012.

|                            | <u>TID #6</u>       | <u>TID #7</u>       | <u>TID #8</u>   | <u>TID #9</u>     |
|----------------------------|---------------------|---------------------|-----------------|-------------------|
| Total revenues             | \$ 5,047,051        | \$ 1,998,934        | \$ -            | \$ -              |
| Expenditures:              |                     |                     |                 |                   |
| Project costs              | 6,006,750           | 5,480,699           | -               | 133,428           |
| Interest and related costs | 363,923             | 648,425             | -               | -                 |
| Administration             | 276,260             | 110,627             | 7,801           | 5,739             |
| Subsidy to TID #3          | -                   | -                   | -               | -                 |
| Subsidy to TID #4          | -                   | -                   | -               | -                 |
| Other costs                | 65,000              | 100,289             | -               | -                 |
| Total expenditures         | <u>6,711,933</u>    | <u>6,340,040</u>    | <u>7,801</u>    | <u>139,167</u>    |
| Net recoverable costs      | <u>\$ 1,664,882</u> | <u>\$ 4,341,106</u> | <u>\$ 7,801</u> | <u>\$ 139,167</u> |

**H. PRIOR PERIOD ADJUSTMENT**

A prior period adjustment of \$33,781 was recorded as an increase in the Employee HRA/Wellness internal service fund to reclassify funds that were previously reported as assets and liabilities within the general fund. In addition, an additional transfer from the Employee Benefits internal service fund in the amount of \$121,496 was made to create the Employee HRA/Wellness internal service fund. This resulted in a restatement of the beginning net position in the Employee Benefits fund from \$78,737 to \$(42,759) and in the Employee HRA/Wellness fund from \$0 to \$155,277 and a restatement of beginning total City net position from \$102,543,519 to \$102,577,300.

**CITY OF WAUSAU, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**NOTE 5 – OTHER INFORMATION (Continued)**

**I. CHANGE IN ACCOUNTING PRINCIPLES**

The City implemented GASB Statement #63, “*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*” for the year ended December 31, 2012. The effects on the current year financial statements are to change the classification of “Net Assets” to “Net Position”. The statement also created two additional categories on the Statement of Net Position and the Balance Sheet for deferred outflows and deferred inflows.

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is a consumption of net assets that is applicable to a future reporting period. The City currently does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is an acquisition of net assets that is applicable to a future reporting period. The City currently does not have any items that qualify for reporting in this category.

**J. SUBSEQUENT EVENTS**

In January 2013, the City approved a promissory note to the Judd S. Alexander Foundation, Inc. in the amount of \$358,000 for the purpose of land acquisition in TID #3.

In June 2013, the City authorized issuance of General Obligation Promissory Notes, Series 2013A, in the amount of \$5,365,000 for current capital projects and a developer payment relating to infrastructure improvements in TID #7, as well as Taxable General Obligation Promissory Notes, Series 2013B, in the amount of \$630,000 for a developer payment relating to infrastructure improvements in TID #9.

This information is an integral part of the accompanying financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**



**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, 2012

|  | <u>Budgeted Amounts (Note A)</u> |                     | <u>Actual</u>       | Variance with       |
|--|----------------------------------|---------------------|---------------------|---------------------|
|  | <u>Original</u>                  | <u>Final</u>        |                     | <u>Final Budget</u> |
| <b>REVENUES</b>                                      |                                  |                     |                     |                     |
| Taxes  | \$ 15,771,185                    | \$ 15,709,232       | \$ 15,715,633       | \$ 6,401            |
| Intergovernmental                                    | 7,977,535                        | 7,977,535           | 8,179,251           | 201,716             |
| Licenses and permits                                 | 638,246                          | 638,246             | 743,971             | 105,725             |
| Fines, forfeitures and penalties                     | 310,800                          | 310,800             | 387,646             | 76,846              |
| Public charges for services                          | 1,801,970                        | 1,793,670           | 1,844,875           | 51,205              |
| Intergovernmental charges for services               | 1,119,832                        | 1,119,832           | 1,527,173           | 407,341             |
| Commercial revenues                                  | 331,000                          | 331,000             | 259,831             | (71,169)            |
| Miscellaneous revenues                               | 395,630                          | 273,220             | 264,993             | (8,227)             |
| Total Revenues                                       | <u>28,346,198</u>                | <u>28,153,535</u>   | <u>28,923,373</u>   | <u>769,838</u>      |
| <b>EXPENDITURES</b>                                  |                                  |                     |                     |                     |
| General government                                   | 4,086,171                        | 4,289,190           | 4,097,567           | 191,623             |
| Public safety  | 15,728,539                       | 15,728,539          | 15,392,989          | 335,550             |
| Transportation and streets                           | 8,257,170                        | 8,033,488           | 7,421,412           | 612,076             |
| Sanitation, health and welfare                       | 1,338,870                        | 1,338,870           | 1,345,207           | (6,337)             |
| Natural resources and recreation                     | 2,293,947                        | 2,297,406           | 2,264,693           | 32,713              |
| Total Expenditures                                   | <u>31,704,697</u>                | <u>31,687,493</u>   | <u>30,521,868</u>   | <u>1,165,625</u>    |
| Excess (Deficiency) of Revenues<br>over Expenditures | <u>(3,358,499)</u>               | <u>(3,533,958)</u>  | <u>(1,598,495)</u>  | <u>1,935,463</u>    |
| <b>OTHER FINANCING SOURCES (USES)</b>                |                                  |                     |                     |                     |
| Transfers in   | 1,979,000                        | 1,979,000           | 1,931,725           | (47,275)            |
| Transfers out  | -                                | (70,000)            | (70,000)            | -                   |
| Total Other Financing Sources (Uses)                 | <u>1,979,000</u>                 | <u>1,909,000</u>    | <u>1,861,725</u>    | <u>(47,275)</u>     |
| <b>Net Change in Fund Balance</b>                    | (1,379,499)                      | (1,624,958)         | 263,230             | 1,888,188           |
| Fund balance - beginning of year                     | <u>9,718,615</u>                 | <u>9,718,615</u>    | <u>9,718,615</u>    | <u>-</u>            |
| Fund balance - end of year                           | <u>\$ 8,339,116</u>              | <u>\$ 8,093,657</u> | <u>\$ 9,981,845</u> | <u>\$ 1,888,188</u> |

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: City Clerk/customer service by \$13,515, Elections by \$12,739, Municipal court by \$3,513 and Garbage and refuse collection by \$6,337.

**CITY OF WAUSAU, WISCONSIN**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**OTHER POSTEMPLOYMENT BENEFITS PLAN**  
**SCHEDULE OF FUNDING PROGRESS**  
Year Ended December 31, 2012

| Actuarial<br>Valuation<br>Date | Actuarial<br>Value of<br>Assets | Actuarial<br>Accrued<br>Liability (AAL)<br>Entry Age<br>Normal Cost | Unfunded<br>AAL (UAAL) | Funded<br>Ratio | Covered<br>Payroll | UAAL as a<br>Percentage<br>of Covered<br>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%   |

**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**

**CITY OF WAUSAU, WISCONSIN**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL**  
Year Ended December 31, 2012

|   | Budgeted Amounts  |                   | Actual            | Variance with<br>Final Budget |
|---|-------------------|-------------------|-------------------|-------------------------------|
|   | Original          | Final             |                   |                               |
| <b>TAXES</b>                                  |                   |                   |                   |                               |
| General property taxes                        | \$ 15,546,035     | \$ 15,484,082     | \$ 15,470,374     | \$ (13,708)                   |
| Mobile home parking fees                      | 27,000            | 27,000            | 27,782            | 782                           |
| Payments in lieu of taxes                     | 143,000           | 143,000           | 127,530           | (15,470)                      |
| Other taxes                                   | 55,150            | 55,150            | 89,947            | 34,797                        |
| Total Taxes                                   | <u>15,771,185</u> | <u>15,709,232</u> | <u>15,715,633</u> | <u>6,401</u>                  |
| <b>INTERGOVERNMENTAL</b>                      |                   |                   |                   |                               |
| State shared taxes                            | 4,311,479         | 4,311,479         | 4,509,741         | 198,262                       |
| Expenditure restraint                         | 853,965           | 853,965           | 853,965           | -                             |
| Fire insurance tax                            | 87,500            | 87,500            | 94,696            | 7,196                         |
| Municipal services                            | 190,000           | 190,000           | 187,021           | (2,979)                       |
| Transportation aids                           | 2,327,877         | 2,327,877         | 2,327,723         | (154)                         |
| Other grants                                  | 206,714           | 206,714           | 206,105           | (609)                         |
| Total Intergovernmental                       | <u>7,977,535</u>  | <u>7,977,535</u>  | <u>8,179,251</u>  | <u>201,716</u>                |
| <b>LICENSES AND PERMITS</b>                   |                   |                   |                   |                               |
| Licenses                                      | 155,213           | 155,213           | 160,090           | 4,877                         |
| Franchise fees                                | 340,000           | 340,000           | 356,039           | 16,039                        |
| Permits                                       | 143,033           | 143,033           | 227,842           | 84,809                        |
| Total Licenses and Permits                    | <u>638,246</u>    | <u>638,246</u>    | <u>743,971</u>    | <u>105,725</u>                |
| <b>FINES, FORFEITURES AND PENALTIES</b>       |                   |                   |                   |                               |
|   | <u>310,800</u>    | <u>310,800</u>    | <u>387,646</u>    | <u>76,846</u>                 |
| <b>PUBLIC CHARGES FOR SERVICES</b>            |                   |                   |                   |                               |
| General government                            | 171,630           | 171,630           | 76,138            | (95,492)                      |
| Public safety                                 | 1,322,000         | 1,322,000         | 1,447,817         | 125,817                       |
| Streets and related facilities                | 52,600            | 52,600            | 68,992            | 16,392                        |
| Other transportation                          | 8,300             | -                 | -                 | -                             |
| Recreation                                    | 149,200           | 149,200           | 154,974           | 5,774                         |
| Public areas                                  | 98,240            | 98,240            | 96,954            | (1,286)                       |
| Total Public Charges for Services             | <u>1,801,970</u>  | <u>1,793,670</u>  | <u>1,844,875</u>  | <u>51,205</u>                 |
| <b>INTERGOVERNMENTAL CHARGES FOR SERVICES</b> |                   |                   |                   |                               |
| State, federal and local reimbursements       | 12,720            | 12,720            | 11,210            | (1,510)                       |
| County and other municipalities               | 174,615           | 174,615           | 245,974           | 71,359                        |
| City departments                              | 932,497           | 932,497           | 1,269,989         | 337,492                       |
| Total Intergovernmental Charges for Services  | <u>1,119,832</u>  | <u>1,119,832</u>  | <u>1,527,173</u>  | <u>407,341</u>                |

**CITY OF WAUSAU, WISCONSIN**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL**  
Year Ended December 31, 2012

|   | <u>Budgeted Amounts</u> |                      | <u>Actual</u>        | <u>Variance with<br/>Final Budget</u> |
|---|-------------------------|----------------------|----------------------|---------------------------------------|
|   | <u>Original</u>         | <u>Final</u>         |                      |                                       |
| <b>COMMERCIAL</b>                                     |                         |                      |                      |                                       |
| Interest on general investments                       | \$ 310,000              | \$ 310,000           | \$ 202,296           | \$ (107,704)                          |
| Interest on special assessments                       | 15,000                  | 15,000               | 33,142               | 18,142                                |
| Other interest  | 6,000                   | 6,000                | 24,393               | 18,393                                |
| Total Commercial                                      | <u>331,000</u>          | <u>331,000</u>       | <u>259,831</u>       | <u>(71,169)</u>                       |
| <b>MISCELLANEOUS REVENUES</b>                         |                         |                      |                      |                                       |
| Rent of land and buildings                            | 332,180                 | 216,370              | 205,108              | (11,262)                              |
| Sale of City property                                 | 5,470                   | 5,470                | 43,402               | 37,932                                |
| Other miscellaneous revenues                          | 57,980                  | 51,380               | 16,483               | (34,897)                              |
| Total Miscellaneous Revenues                          | <u>395,630</u>          | <u>273,220</u>       | <u>264,993</u>       | <u>(8,227)</u>                        |
| <b>OTHER FINANCING SOURCES</b>                        |                         |                      |                      |                                       |
| Transfers in  | <u>1,979,000</u>        | <u>1,979,000</u>     | <u>1,931,725</u>     | <u>(47,275)</u>                       |
| <b>TOTAL REVENUES AND OTHER<br/>FINANCING SOURCES</b> | <u>\$ 30,325,198</u>    | <u>\$ 30,132,535</u> | <u>\$ 30,855,098</u> | <u>\$ 722,563</u>                     |

**CITY OF WAUSAU, WISCONSIN**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL**  
Year Ended December 31, 2012

|  | Budgeted Amounts     |                      | Actual               | Variance with<br>Final Budget |
|--|----------------------|----------------------|----------------------|-------------------------------|
|  | Original             | Final                |                      |                               |
| <b>GENERAL GOVERNMENT</b>                          |                      |                      |                      |                               |
| City Council                                       | \$ 109,602           | \$ 109,602           | \$ 104,687           | \$ 4,915                      |
| Mayor  | 234,621              | 234,621              | 234,385              | 236                           |
| Finance department                                 | 530,147              | 443,147              | 435,122              | 8,025                         |
| Data processing                                    | 639,476              | 639,476              | 572,724              | 66,752                        |
| City clerk/customer service                        | 425,673              | 502,673              | 516,188              | (13,515)                      |
| Elections  | 110,550              | 120,550              | 133,289              | (12,739)                      |
| Assessor   | 562,986              | 562,986              | 557,815              | 5,171                         |
| City attorney                                      | 373,611              | 460,630              | 460,202              | 428                           |
| Municipal court                                    | 121,075              | 121,075              | 124,588              | (3,513)                       |
| Human resources                                    | 347,844              | 363,844              | 362,264              | 1,580                         |
| City hall and other municipal buildings            | 386,086              | 386,086              | 285,222              | 100,864                       |
| Unclassified                                       | 244,500              | 344,500              | 311,081              | 33,419                        |
| Total General Government                           | <u>4,086,171</u>     | <u>4,289,190</u>     | <u>4,097,567</u>     | <u>191,623</u>                |
| <b>PUBLIC SAFETY</b>                               |                      |                      |                      |                               |
| Police department                                  | 8,574,400            | 8,574,400            | 8,413,302            | 161,098                       |
| Fire department                                    | 3,663,130            | 3,663,130            | 3,626,360            | 36,770                        |
| Ambulance  | 2,897,510            | 2,897,510            | 2,776,372            | 121,138                       |
| Inspections and electrical systems                 | 593,499              | 593,499              | 576,955              | 16,544                        |
| Total Public Safety                                | <u>15,728,539</u>    | <u>15,728,539</u>    | <u>15,392,989</u>    | <u>335,550</u>                |
| <b>TRANSPORTATION AND STREETS</b>                  |                      |                      |                      |                               |
| City airport                                       | 192,663              | -                    | -                    | -                             |
| Engineering  | 1,423,603            | 1,423,603            | 1,339,623            | 83,980                        |
| Public works                                       | 6,640,904            | 6,609,885            | 6,081,789            | 528,096                       |
| Total Transportation and Streets                   | <u>8,257,170</u>     | <u>8,033,488</u>     | <u>7,421,412</u>     | <u>612,076</u>                |
| <b>SANITATION, HEALTH AND WELFARE</b>              |                      |                      |                      |                               |
| Garbage and refuse collection                      | 1,338,870            | 1,338,870            | 1,345,207            | (6,337)                       |
| <b>NATURAL RESOURCES/RECREATION</b>                |                      |                      |                      |                               |
| Parks and recreation                               | 2,293,947            | 2,297,406            | 2,264,693            | 32,713                        |
| <b>OTHER FINANCING USES</b>                        |                      |                      |                      |                               |
| Transfers out                                      | -                    | 70,000               | 70,000               | -                             |
| <b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b> | <u>\$ 31,704,697</u> | <u>\$ 31,757,493</u> | <u>\$ 30,591,868</u> | <u>\$ 1,165,625</u>           |

**CITY OF WAUSAU, WISCONSIN**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
December 31, 2012

|  | Special Revenue Funds |                 |                             |                         |
|--|-----------------------|-----------------|-----------------------------|-------------------------|
|  | Grants                | HUD<br>Mortgage | DLAD<br>Mortgage<br>Program | Economic<br>Development |
| <b>ASSETS</b>                          |                       |                 |                             |                         |
| Cash and cash equivalents              | \$ 1,088,591          | \$ 1,240        | \$ 466,676                  | \$ 547,886              |
| Investments                            | 185,313               | -               | -                           | -                       |
| Taxes receivable                       | -                     | -               | -                           | -                       |
| Accounts receivable                    | 48,186                | -               | -                           | -                       |
| Notes receivable                       | 3,782,329             | 2,249,111       | 92,237                      | 1,331,601               |
| Due from other governments             | 101,235               | -               | -                           | -                       |
| Due from other funds                   | -                     | -               | -                           | -                       |
| Advance to other funds                 | -                     | -               | -                           | -                       |
|  | -                     | -               | -                           | -                       |
| TOTAL ASSETS                           | \$ 5,205,654          | \$ 2,250,351    | \$ 558,913                  | \$ 1,879,487            |
| <b>LIABILITIES AND FUND BALANCES</b>   |                       |                 |                             |                         |
| Liabilities                            |                       |                 |                             |                         |
| Accounts payable                       | \$ 1,799              | \$ -            | \$ -                        | \$ 42                   |
| Employee compensation and benefits     | 11,779                | -               | -                           | -                       |
| Due to other funds                     | 22,857                | -               | 15,000                      | -                       |
| Advances from other funds              | -                     | -               | -                           | -                       |
| Deferred revenues                      | 3,895,224             | 2,249,111       | 92,237                      | 1,331,601               |
| Total liabilities                      | 3,931,659             | 2,249,111       | 107,237                     | 1,331,643               |
| Fund Balances                          |                       |                 |                             |                         |
| Nonspendable                           | -                     | -               | -                           | -                       |
| Restricted for                         |                       |                 |                             |                         |
| Special purposes                       | 1,273,995             | 1,240           | -                           | -                       |
| Capital improvements                   | -                     | -               | -                           | -                       |
| Committed to                           |                       |                 |                             |                         |
| Special purposes                       | -                     | -               | 451,676                     | 547,844                 |
| Unassigned                             | -                     | -               | -                           | -                       |
| Total Fund Balances                    | 1,273,995             | 1,240           | 451,676                     | 547,844                 |
| TOTAL LIABILITIES AND<br>FUND BALANCES | \$ 5,205,654          | \$ 2,250,351    | \$ 558,913                  | \$ 1,879,487            |

Special Revenue Funds

| Federal Rent<br>Rehabilitation | WRRP<br>Rehabilitation | Holtz-Krause<br>Clean Up | Hazardous<br>Materials<br>Emergency<br>Response | Room<br>Tax       | Public<br>Access<br>Cable |
|--------------------------------|------------------------|--------------------------|---|-------------------|---------------------------|
| \$ 349,525                     | \$ 1,013,086           | \$ 1,584,870             | \$ 133,093                                      | \$ -              | \$ 5,339                  |
| -                              | -                      | -                        | -   | -                 | -                         |
| -                              | -                      | -                        | -   | -                 | -                         |
| -                              | -                      | -                        | -   | 165,257           | 125                       |
| -                              | 434,531                | 335,032                  | -   | 100,000           | -                         |
| -                              | -                      | -                        | -   | -                 | -                         |
| -                              | 37,857                 | -                        | -   | -                 | -                         |
| -                              | -                      | 219,119                  | -   | -                 | -                         |
| <u>\$ 349,525</u>              | <u>\$ 1,485,474</u>    | <u>\$ 2,139,021</u>      | <u>\$ 133,093</u>                               | <u>\$ 265,257</u> | <u>\$ 5,464</u>           |
| \$ -                           | \$ -                   | \$ 5,640                 | \$ 102  | \$ 62,212         | \$ 4,892                  |
| -                              | -                      | -                        | -   | -                 | -                         |
| -                              | -                      | -                        | -   | 15,441            | -                         |
| -                              | -                      | -                        | -   | -                 | -                         |
| -                              | 434,531                | 335,032                  | -   | 100,000           | -                         |
| -                              | 434,531                | 340,672                  | 102   | 177,653           | 4,892                     |
| -                              | -                      | 219,119                  | -   | -                 | -                         |
| 349,525                        | 1,050,943              | 1,579,230                | 132,991   | -                 | -                         |
| -                              | -                      | -                        | -   | -                 | -                         |
| -                              | -                      | -                        | -   | 87,604            | 572                       |
| -                              | -                      | -                        | -   | -                 | -                         |
| <u>349,525</u>                 | <u>1,050,943</u>       | <u>1,798,349</u>         | <u>132,991</u>                                  | <u>87,604</u>     | <u>572</u>                |
| <u>\$ 349,525</u>              | <u>\$ 1,485,474</u>    | <u>\$ 2,139,021</u>      | <u>\$ 133,093</u>                               | <u>\$ 265,257</u> | <u>\$ 5,464</u>           |

(Continued on next page)



**CITY OF WAUSAU, WISCONSIN**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET (Continued)**  
December 31, 2012

|  | Special Revenue Funds |                              |              |   |
|--|-----------------------|------------------------------|--------------|---|
|  | Recycling             | TID #2<br>Industrial<br>Park | EMS<br>Grant | Other grants &<br>Special Purpose<br>Accounts |
| <b>ASSETS</b>                          |                       |                              |              |   |
| Cash and cash equivalents              | \$ 31,551             | \$ -                         | \$ 48,565    | \$ 681,203                                    |
| Investments                            | -                     | -                            | -            | -   |
| Taxes receivable                       | 473,462               | 629,068                      | -            | -   |
| Accounts receivable                    | -                     | -                            | -            | -   |
| Notes receivable                       | -                     | -                            | -            | -   |
| Due from other governments             | -                     | -                            | -            | 21,732  |
| Due from other funds                   | -                     | -                            | -            | -   |
| Advance to other funds                 | -                     | -                            | -            | -   |
|  | -                     | -                            | -            | -   |
| TOTAL ASSETS                           | \$ 505,013            | \$ 629,068                   | \$ 48,565    | \$ 702,935                                    |
| <b>LIABILITIES AND FUND BALANCES</b>   |                       |                              |              |   |
| Liabilities                            |                       |                              |              |   |
| Accounts payable                       | \$ 31,551             | \$ -                         | \$ -         | \$ 64,947                                     |
| Employee compensation and benefits     | -                     | -                            | -            | -   |
| Due to other funds                     | -                     | -                            | -            | -   |
| Advances from other funds              | -                     | -                            | -            | -   |
| Deferred revenues                      | 473,462               | 629,068                      | -            | -   |
| Total liabilities                      | 505,013               | 629,068                      | -            | 64,947  |
| Fund Balances                          |                       |                              |              |   |
| Nonspendable                           | -                     | -                            | -            | -   |
| Restricted for                         |                       |                              |              |   |
| Special purposes                       | -                     | -                            | 48,565       | 637,988                                       |
| Capital improvements                   | -                     | -                            | -            | -   |
| Committed to                           |                       |                              |              |   |
| Special purposes                       | -                     | -                            | -            | -   |
| Unassigned                             | -                     | -                            | -            | -   |
| Total Fund Balances                    | -                     | -                            | 48,565       | 637,988                                       |
| TOTAL LIABILITIES AND<br>FUND BALANCES | \$ 505,013            | \$ 629,068                   | \$ 48,565    | \$ 702,935                                    |

| Special<br>Revenue Funds | Capital Project Funds        |                              |                                    |                                    |                             |
|--------------------------|------------------------------|------------------------------|------------------------------------|------------------------------------|-----------------------------|
| Total                    | TID #4<br>Industrial<br>Park | TID #5<br>Industrial<br>Park | TID #6<br>West Side<br>Development | TID #7<br>West Side<br>Development | TID #8<br>Near West<br>Side |
| \$ 5,951,625             | \$ -                         | \$ -                         | \$ 1,048,429                       | \$ -                               | \$ -                        |
| 185,313                  | -                            | -                            | -                                  | -                                  | -                           |
| 1,102,530                | 112,453                      | 1,217,831                    | 955,238                            | 322,877                            | -                           |
| 213,568                  | -                            | -                            | -                                  | -                                  | -                           |
| 8,324,841                | -                            | -                            | -                                  | -                                  | -                           |
| 122,967                  | -                            | -                            | -                                  | -                                  | -                           |
| 37,857                   | -                            | -                            | -                                  | -                                  | -                           |
| 219,119                  | -                            | -                            | -                                  | -                                  | -                           |
| <u>\$ 16,157,820</u>     | <u>\$ 112,453</u>            | <u>\$ 1,217,831</u>          | <u>\$ 2,003,667</u>                | <u>\$ 322,877</u>                  | <u>\$ -</u>                 |
| <br>                     |                              |                              |                                    |                                    |                             |
| \$ 171,185               | \$ -                         | \$ -                         | \$ 32,456                          | \$ 852                             | \$ -                        |
| 11,779                   | -                            | -                            | -                                  | -                                  | -                           |
| 53,298                   | 481,234                      | 841,371                      | -                                  | -                                  | 7,801                       |
| -                        | -                            | -                            | -                                  | 1,221,482                          | -                           |
| 9,540,266                | 112,453                      | 1,217,831                    | 955,238                            | 322,877                            | -                           |
| <u>9,776,528</u>         | <u>593,687</u>               | <u>2,059,202</u>             | <u>987,694</u>                     | <u>1,545,211</u>                   | <u>7,801</u>                |
| <br>                     |                              |                              |                                    |                                    |                             |
| 219,119                  | -                            | -                            | -                                  | -                                  | -                           |
| 5,074,477                | -                            | -                            | -                                  | -                                  | -                           |
| -                        | -                            | -                            | 1,015,973                          | -                                  | -                           |
| <br>                     |                              |                              |                                    |                                    |                             |
| 1,087,696                | -                            | -                            | -                                  | -                                  | -                           |
| -                        | (481,234)                    | (841,371)                    | -                                  | (1,222,334)                        | (7,801)                     |
| <u>6,381,292</u>         | <u>(481,234)</u>             | <u>(841,371)</u>             | <u>1,015,973</u>                   | <u>(1,222,334)</u>                 | <u>(7,801)</u>              |
| <br>                     |                              |                              |                                    |                                    |                             |
| <u>\$ 16,157,820</u>     | <u>\$ 112,453</u>            | <u>\$ 1,217,831</u>          | <u>\$ 2,003,667</u>                | <u>\$ 322,877</u>                  | <u>\$ -</u>                 |

(Continued on next page)

**CITY OF WAUSAU, WISCONSIN**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET (Concluded)**  
December 31, 2012

|  | Capital Project Funds       |              | Total Nonmajor<br>Governmental<br>Funds |
|--|-----------------------------|--------------|---|
|  | TID #9<br>Big Bull<br>Falls | Total        |   |
| <b>ASSETS</b>                          |                             |              |   |
| Cash and cash equivalents              | \$ -                        | \$ 1,048,429 | \$ 7,000,054                            |
| Investments                            | -                           | -            | 185,313                                 |
| Taxes receivable                       | -                           | 2,608,399    | 3,710,929                               |
| Accounts receivable                    | -                           | -            | 213,568                                 |
| Notes receivable                       | -                           | -            | 8,324,841                               |
| Due from other governments             | -                           | -            | 122,967                                 |
| Due from other funds                   | -                           | -            | 37,857                                  |
| Advance to other funds                 | -                           | -            | 219,119                                 |
|  | -                           | -            | 219,119                                 |
| TOTAL ASSETS                           | \$ -                        | \$ 3,656,828 | \$ 19,814,648                           |
| <b>LIABILITIES AND FUND BALANCES</b>   |                             |              |   |
| Liabilities                            |                             |              |   |
| Accounts payable                       | \$ 1,232                    | \$ 34,540    | \$ 205,725                              |
| Employee compensation and benefits     | -                           | -            | 11,779                                  |
| Due to other funds                     | 137,935                     | 1,468,341    | 1,521,639                               |
| Advances from other funds              | -                           | 1,221,482    | 1,221,482                               |
| Deferred revenues                      | -                           | 2,608,399    | 12,148,665                              |
| Total liabilities                      | 139,167                     | 5,332,762    | 15,109,290                              |
| Fund Balances                          |                             |              |   |
| Nonspendable                           | -                           | -            | 219,119                                 |
| Restricted for                         |                             |              |   |
| Special purposes                       | -                           | -            | 5,074,477                               |
| Capital improvements                   | -                           | 1,015,973    | 1,015,973                               |
| Committed to                           |                             |              |   |
| Special purposes                       | -                           | -            | 1,087,696                               |
| Unassigned                             | (139,167)                   | (2,691,907)  | (2,691,907)                             |
| Total Fund Balances                    | (139,167)                   | (1,675,934)  | 4,705,358                               |
| TOTAL LIABILITIES AND<br>FUND BALANCES | \$ -                        | \$ 3,656,828 | \$ 19,814,648                           |

**CITY OF WAUSAU, WISCONSIN**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
Year Ended December 31, 2012

|   | Special Revenue Funds |                 |                             |                         |
|---|-----------------------|-----------------|-----------------------------|-------------------------|
|   | Grants                | HUD<br>Mortgage | DLAD<br>Mortgage<br>Program | Economic<br>Development |
| <b>REVENUES</b>                                   |                       |                 |                             |                         |
| Taxes   | \$ -                  | \$ -            | \$ -                        | \$ -                    |
| Special assessments                               | -                     | -               | -                           | -                       |
| Intergovernmental                                 | 996,702               | -               | -                           | -                       |
| Commercial revenues                               | 206,266               | 18,315          | 464                         | -                       |
| Miscellaneous revenues                            | 496,110               | 606             | 23,809                      | 452,831                 |
| Total Revenues                                    | <u>1,699,078</u>      | <u>18,921</u>   | <u>24,273</u>               | <u>452,831</u>          |
| <b>EXPENDITURES</b>                               |                       |                 |                             |                         |
| Current:  |                       |                 |                             |                         |
| General government                                | -                     | -               | -                           | -                       |
| Public safety                                     | -                     | -               | -                           | -                       |
| Sanitation, health and welfare                    | -                     | -               | -                           | -                       |
| Natural resources and recreation                  | -                     | -               | -                           | -                       |
| Economic development                              | 1,663,653             | 48,103          | 2,576                       | 46,392                  |
| Capital outlay                                    | -                     | -               | -                           | -                       |
| Total expenditures                                | <u>1,663,653</u>      | <u>48,103</u>   | <u>2,576</u>                | <u>46,392</u>           |
| Excess (deficiency) of revenues over expenditures | <u>35,425</u>         | <u>(29,182)</u> | <u>21,697</u>               | <u>406,439</u>          |
| <b>OTHER FINANCING SOURCES (USES)</b>             |                       |                 |                             |                         |
| Issuance of debt                                  | -                     | -               | -                           | -                       |
| Issuance of refunding debt                        | -                     | -               | -                           | -                       |
| Payment to refunded bond escrow agent             | -                     | -               | -                           | -                       |
| Transfers in                                      | 3,629                 | -               | -                           | -                       |
| Transfers out                                     | (226,482)             | (3,629)         | -                           | -                       |
| Total other financing sources (uses)              | <u>(222,853)</u>      | <u>(3,629)</u>  | <u>-</u>                    | <u>-</u>                |
| Net change in fund balances                       | (187,428)             | (32,811)        | 21,697                      | 406,439                 |
| Fund balances (deficit) - beginning of year       | <u>1,461,423</u>      | <u>34,051</u>   | <u>429,979</u>              | <u>141,405</u>          |
| Fund balances (deficit) - end of year             | <u>\$ 1,273,995</u>   | <u>\$ 1,240</u> | <u>\$ 451,676</u>           | <u>\$ 547,844</u>       |

Special Revenue Funds

| Federal Rent<br>Rehabilitation | WRRP<br>Rehabilitation | Holtz-Krause<br>Clean Up | Hazardous<br>Materials<br>Emergency<br>Response | Room<br>Tax      | Public<br>Access<br>Cable |
|--------------------------------|------------------------|--------------------------|---|------------------|---------------------------|
| \$ -                           | \$ -                   | \$ -                     | \$ -  | \$ 738,251       | \$ -                      |
| -                              | -                      | -                        | -   | -                | -                         |
| -                              | -                      | -                        | 168,133   | -                | -                         |
| -                              | 284,265                | 62,410                   | -   | 1,251            | 238                       |
| -                              | 395                    | -                        | -   | -                | 512                       |
| <u>-</u>                       | <u>284,660</u>         | <u>62,410</u>            | <u>168,133</u>                                  | <u>739,502</u>   | <u>750</u>                |
| -                              | -                      | -                        | -   | -                | 15,846                    |
| -                              | -                      | -                        | 77,167  | -                | -                         |
| -                              | -                      | 34,298                   | -   | -                | -                         |
| -                              | -                      | -                        | -   | -                | -                         |
| 325                            | -                      | -                        | -   | 551,798          | -                         |
| <u>-</u>                       | <u>-</u>               | <u>-</u>                 | <u>-</u>  | <u>-</u>         | <u>-</u>                  |
| <u>325</u>                     | <u>-</u>               | <u>34,298</u>            | <u>77,167</u>                                   | <u>551,798</u>   | <u>15,846</u>             |
| <u>(325)</u>                   | <u>284,660</u>         | <u>28,112</u>            | <u>90,966</u>                                   | <u>187,704</u>   | <u>(15,096)</u>           |
| -                              | -                      | -                        | -   | -                | -                         |
| -                              | -                      | -                        | -   | -                | -                         |
| -                              | -                      | -                        | -   | -                | -                         |
| -                              | -                      | -                        | -   | -                | -                         |
| <u>-</u>                       | <u>-</u>               | <u>-</u>                 | <u>-</u>  | <u>(175,000)</u> | <u>-</u>                  |
| <u>-</u>                       | <u>-</u>               | <u>-</u>                 | <u>-</u>  | <u>(175,000)</u> | <u>-</u>                  |
| (325)                          | 284,660                | 28,112                   | 90,966  | 12,704           | (15,096)                  |
| <u>349,850</u>                 | <u>766,283</u>         | <u>1,770,237</u>         | <u>42,025</u>                                   | <u>74,900</u>    | <u>15,668</u>             |
| <u>\$ 349,525</u>              | <u>\$ 1,050,943</u>    | <u>\$ 1,798,349</u>      | <u>\$ 132,991</u>                               | <u>\$ 87,604</u> | <u>\$ 572</u>             |

(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, 2012

|   | Special Revenue Funds |                              |                  |   |
|---|-----------------------|------------------------------|------------------|---|
|   | Recycling             | TID #2<br>Industrial<br>Park | EMS<br>Grant     | Other grants &<br>Special Purpose<br>Accounts |
| <b>REVENUES</b>                                   |                       |                              |                  |   |
| Taxes   | \$ 522,629            | \$ 757,441                   | \$ -             | \$ -  |
| Special assessments                               | -                     | -                            | -                | -   |
| Intergovernmental                                 | 147,904               | 9,158                        | 8,792            | 146,078                                       |
| Commercial revenues                               | -                     | -                            | -                | 581   |
| Miscellaneous revenues                            | 560                   | -                            | -                | 91,065  |
| Total Revenues                                    | <u>671,093</u>        | <u>766,599</u>               | <u>8,792</u>     | <u>237,724</u>                                |
| <b>EXPENDITURES</b>                               |                       |                              |                  |   |
| Current:  |                       |                              |                  |   |
| General government                                | -                     | -                            | -                | -   |
| Public safety                                     | -                     | -                            | 1,033            | 89,083  |
| Sanitation, health and welfare                    | 671,093               | -                            | -                | -   |
| Natural resources and recreation                  | -                     | -                            | -                | 18,102  |
| Economic development                              | -                     | 48,399                       | -                | -   |
| Capital outlay                                    | -                     | 84,127                       | -                | -   |
| Total expenditures                                | <u>671,093</u>        | <u>132,526</u>               | <u>1,033</u>     | <u>107,185</u>                                |
| Excess (deficiency) of revenues over expenditures | <u>-</u>              | <u>634,073</u>               | <u>7,759</u>     | <u>130,539</u>                                |
| <b>OTHER FINANCING SOURCES (USES)</b>             |                       |                              |                  |   |
| Issuance of debt                                  | -                     | -                            | -                | -   |
| Issuance of refunding debt                        | -                     | -                            | -                | -   |
| Payment to refunded bond escrow agent             | -                     | -                            | -                | -   |
| Transfers in                                      | -                     | -                            | -                | -   |
| Transfers out                                     | -                     | (634,073)                    | -                | (87,743)                                      |
| Total other financing sources (uses)              | <u>-</u>              | <u>(634,073)</u>             | <u>-</u>         | <u>(87,743)</u>                               |
| Net change in fund balances                       | -                     | -                            | 7,759            | 42,796  |
| Fund balances (deficit) - beginning of year       | <u>-</u>              | <u>-</u>                     | <u>40,806</u>    | <u>595,192</u>                                |
| Fund balances (deficit) - end of year             | <u>\$ -</u>           | <u>\$ -</u>                  | <u>\$ 48,565</u> | <u>\$ 637,988</u>                             |

| Special Revenue Funds |                              | Capital Project Funds        |                                    |                                    |                             |  |
|-----------------------|------------------------------|------------------------------|------------------------------------|------------------------------------|-----------------------------|--|
| Total                 | TID #4<br>Industrial<br>Park | TID #5<br>Industrial<br>Park | TID #6<br>West Side<br>Development | TID #7<br>West Side<br>Development | TID #8<br>Near West<br>Side |  |
| \$ 2,018,321          | \$ 70,150                    | \$ 1,222,984                 | \$ 1,059,794                       | \$ 367,717                         | \$ -                        |  |
| -                     | -                            | -                            | 5,428                              | 32,317                             | -                           |  |
| 1,476,767             | 407                          | 59,961                       | 86,372                             | 10,871                             | -                           |  |
| 573,790               | -                            | -                            | 3,951                              | 3,459                              | -                           |  |
| 1,065,888             | -                            | -                            | -                                  | -                                  | -                           |  |
| <u>5,134,766</u>      | <u>70,557</u>                | <u>1,282,945</u>             | <u>1,155,545</u>                   | <u>414,364</u>                     | <u>-</u>                    |  |
| 15,846                | -                            | -                            | -                                  | -                                  | -                           |  |
| 167,283               | -                            | -                            | -                                  | -                                  | -                           |  |
| 705,391               | -                            | -                            | -                                  | -                                  | -                           |  |
| 18,102                | -                            | -                            | -                                  | -                                  | -                           |  |
| 2,361,246             | 3,818                        | 318,332                      | 436,205                            | 11,718                             | 7,801                       |  |
| 84,127                | 25,000                       | 25,000                       | 1,883,737                          | 852                                | -                           |  |
| <u>3,351,995</u>      | <u>28,818</u>                | <u>343,332</u>               | <u>2,319,942</u>                   | <u>12,570</u>                      | <u>7,801</u>                |  |
| <u>1,782,771</u>      | <u>41,739</u>                | <u>939,613</u>               | <u>(1,164,397)</u>                 | <u>401,794</u>                     | <u>(7,801)</u>              |  |
| -                     | -                            | -                            | 700,000                            | -                                  | -                           |  |
| -                     | -                            | -                            | -                                  | 110,105                            | -                           |  |
| -                     | -                            | -                            | -                                  | (4,468)                            | -                           |  |
| 3,629                 | 514,235                      | -                            | -                                  | -                                  | -                           |  |
| <u>(1,126,927)</u>    | <u>-</u>                     | <u>(2,421,459)</u>           | <u>(390,527)</u>                   | <u>(730,560)</u>                   | <u>-</u>                    |  |
| <u>(1,123,298)</u>    | <u>514,235</u>               | <u>(2,421,459)</u>           | <u>309,473</u>                     | <u>(624,923)</u>                   | <u>-</u>                    |  |
| 659,473               | 555,974                      | (1,481,846)                  | (854,924)                          | (223,129)                          | (7,801)                     |  |
| <u>5,721,819</u>      | <u>(1,037,208)</u>           | <u>640,475</u>               | <u>1,870,897</u>                   | <u>(999,205)</u>                   | <u>-</u>                    |  |
| <u>\$ 6,381,292</u>   | <u>\$ (481,234)</u>          | <u>\$ (841,371)</u>          | <u>\$ 1,015,973</u>                | <u>\$ (1,222,334)</u>              | <u>\$ (7,801)</u>           |  |

(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, 2012

|   | Capital Project Funds       |                |   |
|---|-----------------------------|----------------|---|
|   | TID #9<br>Big Bull<br>Falls | Total          | Total Nonmajor<br>Governmental<br>Funds |
| <b>REVENUES</b>                                   |                             |                |   |
| Taxes   | \$ -                        | \$ 2,720,645   | \$ 4,738,966                            |
| Special assessments                               | -                           | 37,745         | 37,745                                  |
| Intergovernmental                                 | -                           | 157,611        | 1,634,378                               |
| Commercial revenues                               | -                           | 7,410          | 581,200                                 |
| Miscellaneous revenues                            | -                           | -              | 1,065,888                               |
| Total Revenues                                    | -                           | 2,923,411      | 8,058,177                               |
| <b>EXPENDITURES</b>                               |                             |                |   |
| Current:  |                             |                |   |
| General government                                | -                           | -              | 15,846                                  |
| Public safety                                     | -                           | -              | 167,283                                 |
| Sanitation, health and welfare                    | -                           | -              | 705,391                                 |
| Natural resources and recreation                  | -                           | -              | 18,102                                  |
| Economic development                              | 137,935                     | 915,809        | 3,277,055                               |
| Capital outlay                                    | 1,232                       | 1,935,821      | 2,019,948                               |
| Total expenditures                                | 139,167                     | 2,851,630      | 6,203,625                               |
| Excess (deficiency) of revenues over expenditures | (139,167)                   | 71,781         | 1,854,552                               |
| <b>OTHER FINANCING SOURCES (USES)</b>             |                             |                |   |
| Issuance of debt                                  | -                           | 700,000        | 700,000                                 |
| Issuance of refunding debt                        | -                           | 110,105        | 110,105                                 |
| Payment to refunded bond escrow agent             | -                           | (4,468)        | (4,468)                                 |
| Transfers in                                      | -                           | 514,235        | 517,864                                 |
| Transfers out                                     | -                           | (3,542,546)    | (4,669,473)                             |
| Total other financing sources (uses)              | -                           | (2,222,674)    | (3,345,972)                             |
| Net change in fund balances                       | (139,167)                   | (2,150,893)    | (1,491,420)                             |
| Fund balances (deficit) - beginning of year       | -                           | 474,959        | 6,196,778                               |
| Fund balances (deficit) - end of year             | \$ (139,167)                | \$ (1,675,934) | \$ 4,705,358                            |



**CITY OF WAUSAU, WISCONSIN**  
**NONMAJOR BUDGETED GOVERNMENTAL FUNDS**  
**BUDGETARY COMPARISON SCHEDULE**  
Year Ended December 31, 2012

|   | Special Revenue Funds |              |                      |            |
|---|-----------------------|--------------|----------------------|------------|
|   | Grants                |              | Economic Development |            |
|   | Budget                | Actual       | Budget               | Actual     |
| <b>REVENUES</b>                                   |                       |              |                      |            |
| Taxes   | \$ -                  | \$ -         | \$ -                 | \$ -       |
| Special assessments                               | -                     | -            | -                    | -          |
| Intergovernmental                                 | 1,995,977             | 996,702      | -                    | -          |
| Commercial revenues                               | -                     | 206,266      | -                    | -          |
| Miscellaneous revenues                            | -                     | 496,110      | 100                  | 452,831    |
| Total Revenues                                    | 1,995,977             | 1,699,078    | 100                  | 452,831    |
| <b>EXPENDITURES</b>                               |                       |              |                      |            |
| Current:  |                       |              |                      |            |
| General government                                | -                     | -            | -                    | -          |
| Public safety                                     | -                     | -            | -                    | -          |
| Sanitation, health and welfare                    | -                     | -            | -                    | -          |
| Economic development                              | 2,097,901             | 1,663,653    | 140,783              | 46,392     |
| Capital outlay                                    | -                     | -            | -                    | -          |
| Total expenditures                                | 2,097,901             | 1,663,653    | 140,783              | 46,392     |
| Excess (deficiency) of revenues over expenditures | (101,924)             | 35,425       | (140,683)            | 406,439    |
| <b>OTHER FINANCING SOURCES (USES)</b>             |                       |              |                      |            |
| Issuance of debt                                  | -                     | -            | -                    | -          |
| Issuance of refunding debt                        | -                     | -            | -                    | -          |
| Payment to refunded bond escrow agent             | -                     | -            | -                    | -          |
| Transfers in                                      | -                     | 3,629        | -                    | -          |
| Transfers out                                     | (200,000)             | (226,482)    | -                    | -          |
| Total other financing sources (uses)              | (200,000)             | (222,853)    | -                    | -          |
| Net change in fund balances                       | \$ (301,924)          | (187,428)    | \$ (140,683)         | 406,439    |
| Fund balances (deficit) - beginning of year       |                       | 1,461,423    |                      | 141,405    |
| Fund balances (deficit) - end of year             |                       | \$ 1,273,995 |                      | \$ 547,844 |

Special Revenue Funds

| Hazardous Materials<br>Emergency Response |                   | Room Tax           |                  | Public Access Cable |                 |
|---|-------------------|--------------------|------------------|---------------------|-----------------|
| Budget                                    | Actual            | Budget             | Actual           | Budget              | Actual          |
| \$ -                                      | \$ -              | \$ 660,000         | \$ 738,251       | \$ -                | \$ -            |
| -   | -                 | -                  | -                | -                   | -               |
| 94,800                                    | 168,133           | -                  | -                | -                   | -               |
| -   | -                 | -                  | 1,251            | -                   | 238             |
| -   | -                 | -                  | -                | -                   | 512             |
| <u>94,800</u>                             | <u>168,133</u>    | <u>660,000</u>     | <u>739,502</u>   | <u>-</u>            | <u>750</u>      |
| -   | -                 | -                  | -                | 15,505              | 15,846          |
| 117,757                                   | 77,167            | -                  | -                | -                   | -               |
| -   | -                 | -                  | -                | -                   | -               |
| -   | -                 | 522,454            | 551,798          | -                   | -               |
| -   | -                 | -                  | -                | -                   | -               |
| <u>117,757</u>                            | <u>77,167</u>     | <u>522,454</u>     | <u>551,798</u>   | <u>15,505</u>       | <u>15,846</u>   |
| <u>(22,957)</u>                           | <u>90,966</u>     | <u>137,546</u>     | <u>187,704</u>   | <u>(15,505)</u>     | <u>(15,096)</u> |
| -   | -                 | -                  | -                | -                   | -               |
| -   | -                 | -                  | -                | -                   | -               |
| -   | -                 | -                  | -                | -                   | -               |
| -   | -                 | -                  | -                | -                   | -               |
| -   | -                 | (175,000)          | (175,000)        | -                   | -               |
| -   | -                 | (175,000)          | (175,000)        | -                   | -               |
| <u>\$ (22,957)</u>                        | <u>90,966</u>     | <u>\$ (37,454)</u> | <u>12,704</u>    | <u>\$ (15,505)</u>  | <u>(15,096)</u> |
|   | <u>42,025</u>     |                    | <u>74,900</u>    |                     | <u>15,668</u>   |
|   | <u>\$ 132,991</u> |                    | <u>\$ 87,604</u> |                     | <u>\$ 572</u>   |

(Continued on next page)

**CITY OF WAUSAU, WISCONSIN**  
**NONMAJOR BUDGETED GOVERNMENTAL FUNDS**  
**BUDGETARY COMPARISON SCHEDULE (Continued)**  
Year Ended December 31, 2012

|   | Special Revenue Funds |            |                        |            |
|---|-----------------------|------------|------------------------|------------|
|   | Recycling             |            | TID #2 Industrial Park |            |
|   | Budget                | Actual     | Budget                 | Actual     |
| <b>REVENUES</b>                                   |                       |            |                        |            |
| Taxes   | \$ 522,629            | \$ 522,629 | \$ 751,136             | \$ 757,441 |
| Special assessments                               | -                     | -          | -                      | -          |
| Intergovernmental                                 | 137,391               | 147,904    | 3,000                  | 9,158      |
| Commercial revenues                               | -                     | -          | -                      | -          |
| Miscellaneous revenues                            | 600                   | 560        | -                      | -          |
| Total Revenues                                    | 660,620               | 671,093    | 754,136                | 766,599    |
| <b>EXPENDITURES</b>                               |                       |            |                        |            |
| Current:  |                       |            |                        |            |
| General government                                | -                     | -          | -                      | -          |
| Public safety                                     | -                     | -          | -                      | -          |
| Sanitation, health and welfare                    | 660,620               | 671,093    | -                      | -          |
| Economic development                              | -                     | -          | 10,150                 | 48,399     |
| Capital outlay                                    | -                     | -          | 90,000                 | 84,127     |
| Total expenditures                                | 660,620               | 671,093    | 100,150                | 132,526    |
| Excess (deficiency) of revenues over expenditures | -                     | -          | 653,986                | 634,073    |
| <b>OTHER FINANCING SOURCES (USES)</b>             |                       |            |                        |            |
| Issuance of debt                                  | -                     | -          | -                      | -          |
| Issuance of refunding debt                        | -                     | -          | -                      | -          |
| Payment to refunded bond escrow agent             | -                     | -          | -                      | -          |
| Transfers in                                      | -                     | -          | -                      | -          |
| Transfers out                                     | -                     | -          | (743,986)              | (634,073)  |
| Total other financing sources (uses)              | -                     | -          | (743,986)              | (634,073)  |
| Net change in fund balances                       | \$ -                  | -          | \$ (90,000)            | -          |
| Fund balances (deficit) - beginning of year       | -                     | -          | -                      | -          |
| Fund balances (deficit) - end of year             | \$ -                  | -          | \$ -                   | -          |

Capital Project Funds

| TID #4 Industrial Park |                     | TID #5 Industrial Park |                     | TID #6 West Side Development |                     |
|------------------------|---------------------|------------------------|---------------------|------------------------------|---------------------|
| Budget                 | Actual              | Budget                 | Actual              | Budget                       | Actual              |
| \$ 71,178              | \$ 70,150           | \$ 1,218,000           | \$ 1,222,984        | \$ 990,000                   | \$ 1,059,794        |
| -                      | -                   | -                      | -                   | -                            | 5,428               |
| -                      | 407                 | 30,000                 | 59,961              | 25,000                       | 86,372              |
| -                      | -                   | -                      | -                   | -                            | 3,951               |
| -                      | -                   | -                      | -                   | -                            | -                   |
| <u>71,178</u>          | <u>70,557</u>       | <u>1,248,000</u>       | <u>1,282,945</u>    | <u>1,015,000</u>             | <u>1,155,545</u>    |
| -                      | -                   | -                      | -                   | -                            | -                   |
| -                      | -                   | -                      | -                   | -                            | -                   |
| -                      | -                   | -                      | -                   | -                            | -                   |
| 1,700                  | 3,818               | 308,000                | 318,332             | 430,000                      | 436,205             |
| <u>25,000</u>          | <u>25,000</u>       | <u>25,000</u>          | <u>25,000</u>       | <u>2,422,003</u>             | <u>1,883,737</u>    |
| <u>26,700</u>          | <u>28,818</u>       | <u>333,000</u>         | <u>343,332</u>      | <u>2,852,003</u>             | <u>2,319,942</u>    |
| <u>44,478</u>          | <u>41,739</u>       | <u>915,000</u>         | <u>939,613</u>      | <u>(1,837,003)</u>           | <u>(1,164,397)</u>  |
| -                      | -                   | -                      | -                   | 1,000,000                    | 700,000             |
| -                      | -                   | -                      | -                   | -                            | -                   |
| -                      | -                   | -                      | -                   | -                            | -                   |
| 743,986                | 514,235             | -                      | -                   | -                            | -                   |
| -                      | -                   | (1,292,809)            | (2,421,459)         | (390,527)                    | (390,527)           |
| <u>743,986</u>         | <u>514,235</u>      | <u>(1,292,809)</u>     | <u>(2,421,459)</u>  | <u>609,473</u>               | <u>309,473</u>      |
| <u>\$ 788,464</u>      | <u>555,974</u>      | <u>\$ (377,809)</u>    | <u>(1,481,846)</u>  | <u>\$ (1,227,530)</u>        | <u>(854,924)</u>    |
|                        | <u>(1,037,208)</u>  |                        | <u>640,475</u>      |                              | <u>1,870,897</u>    |
|                        | <u>\$ (481,234)</u> |                        | <u>\$ (841,371)</u> |                              | <u>\$ 1,015,973</u> |

(Continued on next page)

**CITY OF WAUSAU, WISCONSIN**  
**NONMAJOR BUDGETED GOVERNMENTAL FUNDS**  
**BUDGETARY COMPARISON SCHEDULE (Concluded)**  
Year Ended December 31, 2012

|   | Capital Projects Funds       |                |                       |              |
|---|------------------------------|----------------|-----------------------|--------------|
|   | TID #7 West Side Development |                | TID #9 Big Bull Falls |              |
|   | Budget                       | Actual         | Budget                | Actual       |
| <b>REVENUES</b>                                   |                              |                |                       |              |
| Taxes   | \$ 373,000                   | \$ 367,717     | \$ -                  | \$ -         |
| Special assessments                               | -                            | 32,317         | -                     | -            |
| Intergovernmental                                 | 10,000                       | 10,871         | -                     | -            |
| Commercial revenues                               | -                            | 3,459          | -                     | -            |
| Miscellaneous revenues                            | -                            | -              | -                     | -            |
| Total Revenues                                    | 383,000                      | 414,364        | -                     | -            |
| <b>EXPENDITURES</b>                               |                              |                |                       |              |
| Current:  |                              |                |                       |              |
| General government                                | -                            | -              | -                     | -            |
| Public safety                                     | -                            | -              | -                     | -            |
| Sanitation, health and welfare                    | -                            | -              | -                     | -            |
| Economic development                              | 17,000                       | 11,718         | 601,000               | 137,935      |
| Capital outlay                                    | 45,000                       | 852            | 7,000                 | 1,232        |
| Total expenditures                                | 62,000                       | 12,570         | 608,000               | 139,167      |
| Excess (deficiency) of revenues over expenditures | 321,000                      | 401,794        | (608,000)             | (139,167)    |
| <b>OTHER FINANCING SOURCES (USES)</b>             |                              |                |                       |              |
| Issuance of debt                                  | -                            | -              | 600,000               | -            |
| Issuance of refunding debt                        | -                            | 110,105        | -                     | -            |
| Payment to refunded bond escrow agent             | -                            | (4,468)        | -                     | -            |
| Transfers in                                      | -                            | -              | -                     | -            |
| Transfers out                                     | (630,217)                    | (730,560)      | -                     | -            |
| Total other financing sources (uses)              | (630,217)                    | (624,923)      | 600,000               | -            |
| Net change in fund balances                       | \$ (309,217)                 | (223,129)      | \$ (8,000)            | (139,167)    |
| Fund balances (deficit) - beginning of year       |                              | (999,205)      |                       | -            |
| Fund balances (deficit) - end of year             |                              | \$ (1,222,334) |                       | \$ (139,167) |

**CITY OF WAUSAU, WISCONSIN**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
Year Ended December 31, 2012

|   | Budgeted Amounts  |                   | Actual              | Variance with<br>Final Budget |
|---|-------------------|-------------------|---------------------|-------------------------------|
|   | Original          | Final             |                     |                               |
| <b>REVENUES</b>                             |                   |                   |                     |                               |
| General property taxes                      | \$ 4,088,000      | \$ 4,088,000      | \$ 4,088,000        | \$ -                          |
| Reimbursement of expenditures               | -                 | -                 | 49,140              | 49,140                        |
| Total Revenues                              | <u>4,088,000</u>  | <u>4,088,000</u>  | <u>4,137,140</u>    | <u>49,140</u>                 |
| <b>EXPENDITURES</b>                         |                   |                   |                     |                               |
| Debt Service:                               |                   |                   |                     |                               |
| Principal retirement                        | 6,621,057         | 6,621,057         | 7,455,729           | (834,672)                     |
| Interest and debt service charges           | <u>1,335,286</u>  | <u>1,335,286</u>  | <u>1,128,629</u>    | <u>206,657</u>                |
| Total Expenditures                          | <u>7,956,343</u>  | <u>7,956,343</u>  | <u>8,584,358</u>    | <u>(628,015)</u>              |
| Deficiency of Revenues over<br>Expenditures | (3,868,343)       | (3,868,343)       | (4,447,218)         | (578,875)                     |
| <b>OTHER FINANCING SOURCES (USES)</b>       |                   |                   |                     |                               |
| Issuance of refunding debt                  | -                 | -                 | 3,288,231           | 3,288,231                     |
| Premium on debt issued                      | -                 | -                 | 413,594             | 413,594                       |
| Transfers in                                | 4,039,481         | 4,039,481         | 11,339,934          | 7,300,453                     |
| Discount on debt issued                     | -                 | -                 | (121,440)           | (121,440)                     |
| Payment to refunded bond escrow agent       | -                 | -                 | <u>(10,097,299)</u> | <u>(10,097,299)</u>           |
| Total Other Financing Sources (Uses)        | <u>4,039,481</u>  | <u>4,039,481</u>  | <u>4,823,020</u>    | <u>783,539</u>                |
| Net change in fund balance                  | 171,138           | 171,138           | 375,802             | 204,664                       |
| Fund balance - beginning of year            | <u>180,536</u>    | <u>180,536</u>    | <u>180,536</u>      | <u>-</u>                      |
| Fund balance - end of year                  | <u>\$ 351,674</u> | <u>\$ 351,674</u> | <u>\$ 556,338</u>   | <u>\$ 204,664</u>             |

**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, 2012

|  | <u>Budgeted Amounts</u> |                       | <u>Actual</u>         | <u>Variance with<br/>Final Budget</u> |
|--|-------------------------|-----------------------|-----------------------|---------------------------------------|
|  | <u>Original</u>         | <u>Final</u>          |                       |                                       |
| <b>REVENUES</b>                                      |                         |                       |                       |                                       |
| General property taxes                               | \$ 1,960,000            | \$ 1,960,000          | \$ 1,919,739          | \$ (40,261)                           |
| Special assessments                                  | -                       | -                     | 8,484                 | 8,484                                 |
| Intergovernmental - State shared taxes               | 100,000                 | 100,000               | 162,395               | 62,395                                |
| Interest on investments                              | -                       | -                     | 2,291                 | 2,291                                 |
| Donations  | -                       | -                     | 864                   | 864                                   |
| Other miscellaneous                                  | 31,000                  | 31,000                | 135,063               | 104,063                               |
| Total Revenues                                       | <u>2,091,000</u>        | <u>2,091,000</u>      | <u>2,228,836</u>      | <u>137,836</u>                        |
| <b>EXPENDITURES</b>                                  |                         |                       |                       |                                       |
| Economic development                                 | 119,150                 | 329,150               | 328,222               | 928                                   |
| Capital outlay:                                      |                         |                       |                       |                                       |
| Economic development                                 | 116,000                 | 584,000               | 786,278               | (202,278)                             |
| Total expenditures                                   | <u>235,150</u>          | <u>913,150</u>        | <u>1,114,500</u>      | <u>(201,350)</u>                      |
| Excess (deficiency) of Revenues<br>over Expenditures | <u>1,855,850</u>        | <u>1,177,850</u>      | <u>1,114,336</u>      | <u>(63,514)</u>                       |
| <b>OTHER FINANCING SOURCES (USES)</b>                |                         |                       |                       |                                       |
| Issuance of debt                                     | -                       | 467,000               | 2,725,000             | 2,258,000                             |
| Issuance of refunding debt                           | -                       | -                     | 6,280,000             | 6,280,000                             |
| Premium on debt issued                               | -                       | -                     | 40,235                | 40,235                                |
| Discount on debt issued                              | -                       | -                     | (11,191)              | (11,191)                              |
| Payment to refunded bond escrow agent                | -                       | -                     | (655,000)             | (655,000)                             |
| Transfers in   | -                       | 1,000                 | -                     | (1,000)                               |
| Transfers out  | (2,313,013)             | (2,313,013)           | (7,797,388)           | (5,484,375)                           |
| Total Other Financing Sources (Uses)                 | <u>(2,313,013)</u>      | <u>(1,845,013)</u>    | <u>581,656</u>        | <u>2,426,669</u>                      |
| Net change in fund balance                           | (457,163)               | (667,163)             | 1,695,992             | 2,363,155                             |
| Fund balance - beginning of year                     | <u>(2,828,726)</u>      | <u>(2,828,726)</u>    | <u>(2,828,726)</u>    | <u>-</u>                              |
| Fund balance - end of year                           | <u>\$ (3,285,889)</u>   | <u>\$ (3,495,889)</u> | <u>\$ (1,132,734)</u> | <u>\$ 2,363,155</u>                   |

**CITY OF WAUSAU, WISCONSIN**  
**CAPITAL IMPROVEMENTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
Year Ended December 31, 2012

|   | <u>Budgeted Amounts</u> |                     | <u>Actual</u>       | <u>Variance with<br/>Final Budget</u> |
|---|-------------------------|---------------------|---------------------|---------------------------------------|
|   | <u>Original</u>         | <u>Final</u>        |                     |                                       |
| <b>REVENUES</b>                             |                         |                     |                     |                                       |
| General property taxes                      | \$ 320,426              | \$ 320,426          | \$ 320,426          | \$ -                                  |
| Special assessments                         | 379,000                 | 379,000             | 570,662             | 191,662                               |
| Intergovernmental grants and aids           | 220,000                 | 589,374             | 1,136,201           | 546,827                               |
| Other miscellaneous                         | -                       | -                   | 197,583             | 197,583                               |
| Total Revenues                              | <u>919,426</u>          | <u>1,288,800</u>    | <u>2,224,872</u>    | <u>936,072</u>                        |
| <b>EXPENDITURES</b>                         |                         |                     |                     |                                       |
| Capital outlay                              | <u>5,001,742</u>        | <u>10,450,792</u>   | <u>7,683,095</u>    | <u>2,767,697</u>                      |
| Deficiency of Revenues over<br>Expenditures | <u>(4,082,316)</u>      | <u>(9,161,992)</u>  | <u>(5,458,223)</u>  | <u>3,703,769</u>                      |
| <b>OTHER FINANCING SOURCES</b>              |                         |                     |                     |                                       |
| Issuance of debt                            | 2,960,100               | 2,960,100           | 3,157,239           | 197,139                               |
| Transfers in                                | <u>622,216</u>          | <u>722,216</u>      | <u>346,320</u>      | <u>(375,896)</u>                      |
| Total Other Financing Sources               | <u>3,582,316</u>        | <u>3,682,316</u>    | <u>3,503,559</u>    | <u>(178,757)</u>                      |
| Net change in fund balance                  | (500,000)               | (5,479,676)         | (1,954,664)         | 3,525,012                             |
| Fund balance - beginning of year            | <u>5,037,613</u>        | <u>5,037,613</u>    | <u>5,037,613</u>    | <u>-</u>                              |
| Fund balance - end of year                  | <u>\$ 4,537,613</u>     | <u>\$ (442,063)</u> | <u>\$ 3,082,949</u> | <u>\$ 3,525,012</u>                   |



**CITY OF WAUSAU, WISCONSIN**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF NET POSITION**  
December 31, 2012

|                                   | Motor<br>Pool       | Insurance<br>Fund | Employee<br>Benefits<br>Fund | Employee<br>HRA/Wellness<br>Fund | Total               |
|-----------------------------------|---------------------|-------------------|------------------------------|----------------------------------|---------------------|
| <b>ASSETS</b>                     |                     |                   |                              |                                  |                     |
| Current Assets:                   |                     |                   |                              |                                  |                     |
| Cash and cash equivalents         | \$ 945,908          | \$ 393,835        | \$ 64,142                    | \$ 337,755                       | \$ 1,741,640        |
| Accounts receivable               | 359                 | 195,336           | 10,335                       | -                                | 206,030             |
| Inventories and prepayments       | 298,816             | -                 | -                            | -                                | 298,816             |
| Total Current Assets              | <u>1,245,083</u>    | <u>589,171</u>    | <u>74,477</u>                | <u>337,755</u>                   | <u>2,246,486</u>    |
| Noncurrent Assets:                |                     |                   |                              |                                  |                     |
| Property, Plant and Equipment:    |                     |                   |                              |                                  |                     |
| Property and equipment            | 9,868,511           | -                 | -                            | -                                | 9,868,511           |
| Accumulated depreciation          | (6,630,477)         | -                 | -                            | -                                | (6,630,477)         |
| Net Property, Plant and Equipment | <u>3,238,034</u>    | <u>-</u>          | <u>-</u>                     | <u>-</u>                         | <u>3,238,034</u>    |
| <b>TOTAL ASSETS</b>               | <u>\$ 4,483,117</u> | <u>\$ 589,171</u> | <u>\$ 74,477</u>             | <u>\$ 337,755</u>                | <u>\$ 5,484,520</u> |
| <b>LIABILITIES</b>                |                     |                   |                              |                                  |                     |
| Current Liabilities:              |                     |                   |                              |                                  |                     |
| Accounts payable                  | \$ 27,364           | \$ 209,094        | \$ 35,262                    | \$ 60,000                        | \$ 331,720          |
| Noncurrent Liabilities:           |                     |                   |                              |                                  |                     |
| Compensated absences payable      | 19,735              | -                 | -                            | -                                | 19,735              |
| <b>TOTAL LIABILITIES</b>          | <u>47,099</u>       | <u>209,094</u>    | <u>35,262</u>                | <u>60,000</u>                    | <u>351,455</u>      |
| <b>NET POSITION</b>               |                     |                   |                              |                                  |                     |
| Net investment in capital assets  | 3,238,034           | -                 | -                            | -                                | 3,238,034           |
| Unrestricted                      | 1,197,984           | 380,077           | 39,215                       | 277,755                          | 1,895,031           |
| <b>TOTAL NET POSITION</b>         | <u>\$ 4,436,018</u> | <u>\$ 380,077</u> | <u>\$ 39,215</u>             | <u>\$ 277,755</u>                | <u>\$ 5,133,065</u> |

**CITY OF WAUSAU, WISCONSIN**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
Year Ended December 31, 2012

|   | Motor<br>Pool       | Insurance<br>Fund | Employee<br>Benefits<br>Fund | Employee<br>HRA/Wellness<br>Fund | Total               |
|---|---------------------|-------------------|------------------------------|----------------------------------|---------------------|
| <b>OPERATING REVENUES</b>                   |                     |                   |                              |                                  |                     |
| Charges for services and sales              | \$ 2,723,732        | \$ 974,524        | \$ 6,377,742                 | \$ 744,048                       | \$ 10,820,046       |
| Other operating revenues                    | <u>77,141</u>       | <u>174,773</u>    | <u>-</u>                     | <u>-</u>                         | <u>251,914</u>      |
| Total Operating Revenues                    | <u>2,800,873</u>    | <u>1,149,297</u>  | <u>6,377,742</u>             | <u>744,048</u>                   | <u>11,071,960</u>   |
| <b>OPERATING EXPENSES</b>                   |                     |                   |                              |                                  |                     |
| Operating and maintenance                   | 1,752,188           | 991,218           | -                            | -                                | 2,743,406           |
| Depreciation                                | 806,208             | -                 | -                            | -                                | 806,208             |
| Insurance and claims                        | <u>-</u>            | <u>-</u>          | <u>6,295,768</u>             | <u>621,570</u>                   | <u>6,917,338</u>    |
| Total Operating Expenses                    | <u>2,558,396</u>    | <u>991,218</u>    | <u>6,295,768</u>             | <u>621,570</u>                   | <u>10,466,952</u>   |
| Operating income                            | 242,477             | 158,079           | 81,974                       | 122,478                          | 605,008             |
| <b>NONOPERATING REVENUES</b>                |                     |                   |                              |                                  |                     |
| Gain on sale of capital assets              | <u>4,947</u>        | <u>-</u>          | <u>-</u>                     | <u>-</u>                         | <u>4,947</u>        |
| Income before transfers                     | 247,424             | 158,079           | 81,974                       | 122,478                          | 609,955             |
| Transfers out                               | <u>(197,000)</u>    | <u>-</u>          | <u>-</u>                     | <u>-</u>                         | <u>(197,000)</u>    |
| Change in Net Position                      | <u>50,424</u>       | <u>158,079</u>    | <u>81,974</u>                | <u>122,478</u>                   | <u>412,955</u>      |
| Total net position - beginning of year      | 4,385,594           | 221,998           | 78,737                       | -                                | 4,686,329           |
| Prior period adjustment                     | <u>-</u>            | <u>-</u>          | <u>(121,496)</u>             | <u>155,277</u>                   | <u>33,781</u>       |
| Total net position - beginning, as restated | <u>4,385,594</u>    | <u>221,998</u>    | <u>(42,759)</u>              | <u>155,277</u>                   | <u>4,720,110</u>    |
| Total net position - end of year            | <u>\$ 4,436,018</u> | <u>\$ 380,077</u> | <u>\$ 39,215</u>             | <u>\$ 277,755</u>                | <u>\$ 5,133,065</u> |

**CITY OF WAUSAU, WISCONSIN**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
Year Ended December 31, 2012

|   | Motor<br>Pool       | Insurance<br>Fund | Employee<br>Benefits<br>Fund | Employee<br>HRA/Wellness<br>Fund | Total               |
|---|---------------------|-------------------|------------------------------|----------------------------------|---------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |                     |                   |                              |                                  |                     |
| Receipts from customers, users and others   | \$ 2,809,645        | \$ 1,144,745      | \$ 6,414,144                 | \$ 744,048                       | \$ 11,112,582       |
| Payments to suppliers   | (1,390,756)         | (928,343)         | (6,355,768)                  | (561,570)                        | (9,236,437)         |
| Payments to employees   | (364,488)           | -                 | -                            | -                                | (364,488)           |
| Net Cash Provided by Operating Activities   | <u>1,054,401</u>    | <u>216,402</u>    | <u>58,376</u>                | <u>182,478</u>                   | <u>1,511,657</u>    |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>                                  |                     |                   |                              |                                  |                     |
| Transfers out   | (197,000)           | -                 | -                            | -                                | (197,000)           |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>                         |                     |                   |                              |                                  |                     |
| Acquisition and construction of capital assets  | (996,523)           | -                 | -                            | -                                | (996,523)           |
| Proceeds from sale of capital assets  | 4,947               | -                 | -                            | -                                | 4,947               |
| Net Cash Used by Capital and Related Financing Activities                               | <u>(991,576)</u>    | <u>-</u>          | <u>-</u>                     | <u>-</u>                         | <u>(991,576)</u>    |
| Net Increase (Decrease) in Cash and Cash Equivalents                                    | (134,175)           | 216,402           | 58,376                       | 182,478                          | 323,081             |
| Cash and cash equivalents - beginning of year   | <u>1,080,083</u>    | <u>177,433</u>    | <u>5,766</u>                 | <u>155,277</u>                   | <u>1,418,559</u>    |
| Cash and cash equivalents - end of year   | <u>\$ 945,908</u>   | <u>\$ 393,835</u> | <u>\$ 64,142</u>             | <u>\$ 337,755</u>                | <u>\$ 1,741,640</u> |
| <b>Reconciliation of operating income to net cash provided by operating activities:</b> |                     |                   |                              |                                  |                     |
| Operating income  | \$ 242,477          | \$ 158,079        | \$ 81,974                    | \$ 122,478                       | \$ 605,008          |
| Adjustments to reconcile operating income to net cash provided by operating activities: |                     |                   |                              |                                  |                     |
| Depreciation expense  | 806,208             | -                 | -                            | -                                | 806,208             |
| Changes in assets and liabilities:  |                     |                   |                              |                                  |                     |
| Accounts receivable   | 8,772               | (4,552)           | 36,402                       | -                                | 40,622              |
| Inventories and prepayments   | (7,899)             | 6,472             | -                            | -                                | (1,427)             |
| Accounts payable  | 8,052               | 56,403            | (60,000)                     | 60,000                           | 64,455              |
| Accrued compensated absences  | (3,209)             | -                 | -                            | -                                | (3,209)             |
| Net cash provided by operating activities   | <u>\$ 1,054,401</u> | <u>\$ 216,402</u> | <u>\$ 58,376</u>             | <u>\$ 182,478</u>                | <u>\$ 1,511,657</u> |

**CITY OF WAUSAU, WISCONSIN**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
December 31, 2012

|                           | Incubator      | Wausau<br>Area Events | Main Street<br>Wausau | Totals         |
|---------------------------|----------------|-----------------------|-----------------------|----------------|
| <b>ASSETS</b>             |                |                       |                       |                |
| Cash and cash equivalents | \$ 231,185     | \$ 103,124            | \$ 81,437             | \$ 415,746     |
| Accounts receivable       | 4,082          | 4,000                 | 200                   | 8,282          |
| <br>TOTAL ASSETS          | <br>\$ 235,267 | <br>\$ 107,124        | <br>\$ 81,637         | <br>\$ 424,028 |
| <b>LIABILITIES</b>        |                |                       |                       |                |
| Accounts payable          | \$ 235,267     | \$ 107,124            | \$ 81,637             | \$ 424,028     |

**CITY OF WAUSAU, WISCONSIN**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF**  
**CHANGES IN ASSETS AND LIABILITIES**  
Year Ended December 31, 2012

|                               | Balance<br>1/1/2012 | Additions  | Deductions | Balance<br>12/31/2012 |
|-------------------------------|---------------------|------------|------------|-----------------------|
| Incubator                     |                     |            |            |                       |
| <b>ASSETS</b>                 |                     |            |            |                       |
| Cash and cash equivalents     | \$ -                | \$ 490,801 | \$ 259,616 | \$ 231,185            |
| Accounts receivable           | 19,115              | 158,378    | 173,411    | 4,082                 |
| TOTAL ASSETS                  | \$ 19,115           | \$ 649,179 | \$ 433,027 | \$ 235,267            |
| <b>LIABILITIES</b>            |                     |            |            |                       |
| Accounts payable              | \$ 19,115           | \$ 649,179 | \$ 433,027 | \$ 235,267            |
| TOTAL LIABILITIES             | \$ 19,115           | \$ 649,179 | \$ 433,027 | \$ 235,267            |
| Wausau Area Events            |                     |            |            |                       |
| <b>ASSETS</b>                 |                     |            |            |                       |
| Cash and cash equivalents     | \$ 74,871           | \$ 427,133 | \$ 398,880 | \$ 103,124            |
| Accounts receivable           | 15,314              | 100,667    | 111,981    | 4,000                 |
| TOTAL ASSETS                  | \$ 90,185           | \$ 527,800 | \$ 510,861 | \$ 107,124            |
| <b>LIABILITIES</b>            |                     |            |            |                       |
| Accounts payable              | \$ 90,185           | \$ 527,800 | \$ 510,861 | \$ 107,124            |
| TOTAL LIABILITIES             | \$ 90,185           | \$ 527,800 | \$ 510,861 | \$ 107,124            |
| Main Street Wausau            |                     |            |            |                       |
| <b>ASSETS</b>                 |                     |            |            |                       |
| Cash and cash equivalents     | \$ 84,151           | \$ 145,064 | \$ 147,778 | \$ 81,437             |
| Accounts receivable           | -                   | 13,065     | 12,865     | 200                   |
| TOTAL ASSETS                  | \$ 84,151           | \$ 158,129 | \$ 160,643 | \$ 81,637             |
| <b>LIABILITIES</b>            |                     |            |            |                       |
| Accounts payable              | \$ 84,151           | \$ 158,129 | \$ 160,643 | \$ 81,637             |
| TOTAL LIABILITIES             | \$ 84,151           | \$ 158,129 | \$ 160,643 | \$ 81,637             |
| Business Improvement District |                     |            |            |                       |
| <b>ASSETS</b>                 |                     |            |            |                       |
| Cash and cash equivalents     | \$ -                | \$ 60,000  | \$ 60,000  | \$ -                  |
| TOTAL ASSETS                  | \$ -                | \$ 60,000  | \$ 60,000  | \$ -                  |
| <b>LIABILITIES</b>            |                     |            |            |                       |
| Accounts payable              | \$ -                | \$ 60,000  | \$ 60,000  | \$ -                  |
| TOTAL LIABILITIES             | \$ -                | \$ 60,000  | \$ 60,000  | \$ -                  |

**CAPITAL ASSETS USED IN THE OPERATION  
OF GOVERNMENTAL FUNDS**

**CITY OF WAUSAU, WISCONSIN**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE BY FUNCTION AND ACTIVITY**  
December 31, 2012

|  | <u>Land</u>          | <u>Buildings and<br/>Improvements</u> | <u>Machinery and<br/>Equipment</u> | <u>Infrastructure</u> | <u>Totals</u>         |
|--|----------------------|---------------------------------------|------------------------------------|-----------------------|-----------------------|
| <b>FUNCTION AND ACTIVITY</b>                       |                      |                                       |                                    |                       |                       |
| General government                                 | \$ 33,492,340        | \$ 6,057,868                          | \$ 1,653,785                       | \$ -                  | \$ 41,203,993         |
| Public safety:                                     |                      |                                       |                                    |                       |                       |
| Police protection                                  | 813,377              | 3,695,613                             | 1,003,605                          | -                     | 5,512,595             |
| Fire protection                                    | 253,942              | 1,876,254                             | 5,062,875                          | -                     | 7,193,071             |
| Public works:                                      |                      |                                       |                                    |                       |                       |
| Maintenance  | 221,071              | 2,320,949                             | 10,557,759                         | -                     | 13,099,779            |
| Sidewalks  | -                    | -                                     | -                                  | 9,180,958             | 9,180,958             |
| Street system                                      | -                    | -                                     | -                                  | 107,440,985           | 107,440,985           |
| Parks and recreation                               | <u>403,104</u>       | <u>5,154,849</u>                      | <u>1,700,576</u>                   | <u>-</u>              | <u>7,258,529</u>      |
| <b>TOTAL GOVERNMENTAL<br/>FUNDS CAPITAL ASSETS</b> | <u>\$ 35,183,834</u> | <u>\$ 19,105,533</u>                  | <u>\$ 19,978,600</u>               | <u>\$ 116,621,943</u> | <u>\$ 190,889,910</u> |

**CITY OF WAUSAU, WISCONSIN**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY**  
Year Ended December 31, 2012

|                                 | Balance<br>January 1,<br>2012 | Additions            | Deletions           | Balance<br>December 31,<br>2012 |
|---------------------------------|-------------------------------|----------------------|---------------------|---------------------------------|
| <b>FUNCTION AND ACTIVITY</b>    |                               |                      |                     |                                 |
| General government              | \$ 39,521,729                 | \$ 1,880,074         | \$ 197,810          | \$ 41,203,993                   |
| Public safety:                  |                               |                      |                     |                                 |
| Police protection               | 5,137,723                     | 415,601              | 40,729              | 5,512,595                       |
| Fire protection                 | 7,171,755                     | 49,911               | 28,595              | 7,193,071                       |
| Public works:                   |                               |                      |                     |                                 |
| Maintenance                     | 12,662,401                    | 1,063,844            | 626,466             | 13,099,779                      |
| Sidewalks                       | 8,936,538                     | 305,323              | 60,903              | 9,180,958                       |
| Street system                   | 100,881,810                   | 7,852,733            | 1,293,558           | 107,440,985                     |
| Parks and recreation            | <u>7,024,386</u>              | <u>293,334</u>       | <u>59,191</u>       | <u>7,258,529</u>                |
| <b>TOTAL GOVERNMENTAL FUNDS</b> |                               |                      |                     |                                 |
| <b>CAPITAL ASSETS</b>           | <u>\$ 181,336,342</u>         | <u>\$ 11,860,820</u> | <u>\$ 2,307,252</u> | <u>\$ 190,889,910</u>           |



## **STATISTICAL SECTION**

**CITY OF WAUSAU, WISCONSIN**

**INDEX TO THE STATISTICAL SECTION**

December 31, 2012

| <b>CONTENTS</b>  | <u>Page</u> |
|--|-------------|
| I. Financial Trends<br>These schedules contain trend information to aid in the understanding of how the City's financial performance and well-being have changed over time.  | 99          |
| II. Revenue Capacity<br>These schedules offer information about the City's most significant revenue source, the property tax.  | 106         |
| III. Debt Capacity<br>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.                             | 112         |
| IV. Demographic and Economic Information<br>These schedules contain demographic and economic indicators about the environment within which the City's financial activities take place.                             | 118         |
| V. Operating Information<br>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. | 120         |

Sources: Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the relevant year. The City implemented GASB 34 in 2003; schedules presenting government-wide information begin in that year.

**CITY OF WAUSAU**  
**Schedule 1**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

|   | Fiscal Year           |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|   | <u>2003</u>           | <u>2004</u>           | <u>2005</u>           | <u>2006</u>           | <u>2007</u>           | <u>2008</u>           | <u>2009</u>           | <u>2010</u>           | <u>2011</u>           | <u>2012</u>           |
| <b>Governmental activities</b>              |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Net investment in capital assets            | \$ 42,352,542         | \$ 34,786,883         | \$ 37,208,205         | \$ 53,529,030         | \$ 55,095,222         | \$ 60,825,711         | \$ 68,308,631         | \$ 75,413,530         | \$ 79,344,570         | \$ 84,193,691         |
| Restricted                                  | 3,632,566             | 17,072,868            | 7,028,259             | 5,776,256             | 3,075,046             | 3,332,378             | 3,635,751             | 3,711,046             | 12,789,388            | 9,729,737             |
| Unrestricted                                | <u>6,786,292</u>      | <u>5,489,196</u>      | <u>19,428,529</u>     | <u>13,373,455</u>     | <u>15,047,711</u>     | <u>14,455,757</u>     | <u>14,749,802</u>     | <u>19,031,751</u>     | <u>10,409,561</u>     | <u>14,924,479</u>     |
| Total governmental activities net position  | <u>\$ 52,771,400</u>  | <u>\$ 57,348,947</u>  | <u>\$ 63,664,993</u>  | <u>\$ 72,678,741</u>  | <u>\$ 73,217,979</u>  | <u>\$ 78,613,846</u>  | <u>\$ 86,694,184</u>  | <u>\$ 98,156,327</u>  | <u>\$ 102,543,519</u> | <u>\$ 108,847,907</u> |
| <b>Business-type activities</b>             |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Net investment in capital assets            | \$ 43,764,919         | \$ 46,920,639         | \$ 51,075,070         | \$ 76,721,443         | \$ 79,877,355         | \$ 82,191,063         | \$ 83,142,144         | \$ 84,232,295         | \$ 88,572,360         | \$ 93,046,689         |
| Restricted                                  | 3,804,684             | 3,181,859             | 4,458,382             | 3,986,878             | 3,348,431             | 3,280,758             | 2,505,824             | 1,427,932             | 1,148,802             | 1,280,921             |
| Unrestricted                                | <u>7,427,501</u>      | <u>6,372,908</u>      | <u>3,520,488</u>      | <u>3,320,475</u>      | <u>3,921,663</u>      | <u>2,810,801</u>      | <u>2,294,567</u>      | <u>1,946,083</u>      | <u>4,583,292</u>      | <u>4,192,056</u>      |
| Total business-type activities net position | <u>\$ 54,997,104</u>  | <u>\$ 56,475,406</u>  | <u>\$ 59,053,940</u>  | <u>\$ 84,028,796</u>  | <u>\$ 87,147,449</u>  | <u>\$ 88,282,622</u>  | <u>\$ 87,942,535</u>  | <u>\$ 87,606,310</u>  | <u>\$ 94,304,454</u>  | <u>\$ 98,519,666</u>  |
| <b>Primary government</b>                   |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Net investment in capital assets            | \$ 86,117,461         | \$ 81,707,522         | \$ 88,283,275         | \$ 130,250,473        | \$ 134,972,577        | \$ 143,016,774        | \$ 151,450,775        | \$ 159,645,825        | \$ 167,916,930        | \$ 177,240,380        |
| Restricted                                  | 7,437,250             | 20,254,727            | 11,486,641            | 9,763,134             | 6,423,477             | 6,613,136             | 6,141,575             | 5,138,978             | 13,938,190            | 11,010,658            |
| Unrestricted                                | <u>14,213,793</u>     | <u>11,862,104</u>     | <u>22,949,017</u>     | <u>16,693,930</u>     | <u>18,969,374</u>     | <u>17,266,558</u>     | <u>17,044,369</u>     | <u>20,977,834</u>     | <u>14,992,853</u>     | <u>19,116,535</u>     |
| Total primary government net position       | <u>\$ 107,768,504</u> | <u>\$ 113,824,353</u> | <u>\$ 122,718,933</u> | <u>\$ 156,707,537</u> | <u>\$ 160,365,428</u> | <u>\$ 166,896,468</u> | <u>\$ 174,636,719</u> | <u>\$ 185,762,637</u> | <u>\$ 196,847,973</u> | <u>\$ 207,367,573</u> |

**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.

The City began to report accrual information with the implementation of GASB Statement #34 in 2003.

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

|                                  | Fiscal Year          |                      |                      |                      |                      |                      |                      |                      |                      |                      |
|----------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|                                  | <u>2003</u>          | <u>2004</u>          | <u>2005</u>          | <u>2006</u>          | <u>2007</u>          | <u>2008</u>          | <u>2009</u>          | <u>2010</u>          | <u>2011</u>          | <u>2012</u>          |
| <b>Expenses</b>                  |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| <b>Governmental activities:</b>  |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| General government               | \$ 4,763,813         | \$ 4,483,195         | \$ 4,202,725         | \$ 4,622,132         | \$ 6,033,037         | \$ 5,268,888         | \$ 4,069,716         | \$ 4,230,618         | \$ 4,071,945         | \$ 4,376,515         |
| Public safety                    | 15,292,645           | 13,020,259           | 13,341,781           | 14,030,085           | 14,654,852           | 15,714,601           | 15,381,881           | 15,918,394           | 16,788,709           | 15,845,111           |
| Transportation and streets       | 11,109,253           | 11,861,536           | 14,511,592           | 13,247,438           | 16,766,522           | 17,204,411           | 17,139,868           | 16,753,873           | 11,160,237           | 11,704,756           |
| Sanitation, health and welfare   | 1,901,778            | 1,632,110            | 1,761,656            | 1,834,002            | 1,913,189            | 1,915,740            | 1,922,031            | 1,823,980            | 1,868,410            | 2,073,673            |
| Natural resources and recreation | 2,237,215            | 2,064,877            | 2,303,364            | 2,248,861            | 2,261,035            | 2,449,712            | 2,517,631            | 2,514,161            | 2,597,337            | 2,598,645            |
| Economic development             | 2,792,478            | 2,876,880            | 3,390,715            | 5,538,980            | 5,667,342            | 2,965,673            | 3,434,146            | 3,960,765            | 4,868,292            | 3,580,425            |
| Interest on long-term debt       | 1,965,470            | 1,840,057            | 2,279,157            | 2,124,013            | 2,061,409            | 2,151,103            | 2,059,540            | 1,620,096            | 1,459,235            | 1,247,791            |
| Total governmental activities    | <u>40,062,652</u>    | <u>37,778,914</u>    | <u>41,790,990</u>    | <u>43,645,511</u>    | <u>49,357,386</u>    | <u>47,670,128</u>    | <u>46,524,813</u>    | <u>46,821,887</u>    | <u>42,814,165</u>    | <u>41,426,916</u>    |
| <b>Business-type activities:</b> |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Water                            | 2,770,326            | 2,912,383            | 3,046,366            | 2,976,625            | 2,962,640            | 3,272,109            | 3,373,672            | 3,393,118            | 3,450,680            | 3,364,222            |
| Wastewater                       | 3,595,032            | 3,668,319            | 3,724,228            | 3,796,929            | 3,886,577            | 3,951,702            | 4,000,695            | 4,019,767            | 3,887,577            | 3,765,140            |
| Parking                          | -                    | -                    | -                    | 1,540,251            | 1,623,619            | 1,911,490            | 1,913,347            | 1,759,984            | 1,887,449            | 1,746,004            |
| Metro Ride                       | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | 4,049,837            | 3,557,036            |
| Airport                          | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | 309,398              |
| Total business-type activities   | <u>6,365,358</u>     | <u>6,580,702</u>     | <u>6,770,594</u>     | <u>8,313,805</u>     | <u>8,472,836</u>     | <u>9,135,301</u>     | <u>9,287,714</u>     | <u>9,172,869</u>     | <u>13,275,543</u>    | <u>12,741,800</u>    |
| Total primary government         | <u>\$ 46,428,010</u> | <u>\$ 44,359,616</u> | <u>\$ 48,561,584</u> | <u>\$ 51,959,316</u> | <u>\$ 57,830,222</u> | <u>\$ 56,805,429</u> | <u>\$ 55,812,527</u> | <u>\$ 55,994,756</u> | <u>\$ 56,089,708</u> | <u>\$ 54,168,716</u> |
| <b>Program revenues</b>          |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| <b>Governmental activities:</b>  |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| <b>Charges for service:</b>      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Transportation & streets         | \$ 297,484           | \$ 597,296           | \$ 496,996           | \$ 533,344           | \$ 508,890           | \$ 646,036           | \$ 487,468           | \$ 297,690           | \$ 347,545           | \$ 310,297           |
| Conservation & development       | 924,710              | 972,269              | 673,707              | 1,164,129            | 960,850              | 941,424              | 1,062,703            | 582,312              | 2,042,703            | 955,572              |
| Ambulance                        | 831,046              | 914,718              | 991,737              | 1,277,222            | 1,209,473            | 1,394,593            | 1,154,805            | 1,271,790            | 1,442,386            | 1,521,895            |
| Other activities                 | 3,048,950            | 2,982,526            | 5,735,812            | 5,371,652            | 6,084,177            | 6,192,386            | 6,052,956            | 6,155,059            | 3,878,218            | 3,489,437            |
| Operating grants & contributions | 6,710,397            | 6,840,145            | 7,444,513            | 7,138,318            | 6,942,999            | 7,299,152            | 7,821,171            | 8,372,182            | 4,930,014            | 4,724,318            |
| Capital grants & contributions   | 2,818,321            | 820,754              | 2,429,797            | 2,708,386            | 1,634,826            | 2,391,908            | 3,494,387            | 6,699,662            | 3,153,287            | 4,102,154            |
| Total governmental activities    | <u>14,630,908</u>    | <u>13,127,708</u>    | <u>17,772,562</u>    | <u>18,193,051</u>    | <u>17,341,215</u>    | <u>18,865,499</u>    | <u>20,073,490</u>    | <u>23,378,695</u>    | <u>15,794,153</u>    | <u>15,103,673</u>    |
| <b>Business-type activities:</b> |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| <b>Charges for service</b>       |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Water                            | 3,899,665            | 3,955,672            | 4,104,702            | 4,676,062            | 4,804,528            | 4,774,634            | 4,644,707            | 4,583,056            | 4,658,894            | 4,768,408            |
| Wastewater                       | 3,635,558            | 3,563,854            | 3,638,149            | 4,052,274            | 4,238,361            | 3,997,672            | 3,935,667            | 4,207,392            | 5,265,216            | 5,400,672            |
| Parking                          | -                    | -                    | -                    | 948,188              | 999,920              | 1,031,594            | 973,163              | 898,413              | 943,029              | 971,294              |
| Metro Ride                       | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | 484,881              | 469,915              |
| Airport                          | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | 115,797              |
| Operating grants & contributions | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | 2,504,065            | 1,887,934            |
| Capital grants & contributions   | 2,395,882            | 1,566,208            | 2,541,168            | 2,115,497            | 1,602,684            | 1,060,860            | 458,732              | 239,944              | 2,602,532            | 1,794,853            |
| Total business-type activities   | <u>9,931,105</u>     | <u>9,085,734</u>     | <u>10,284,019</u>    | <u>11,792,021</u>    | <u>11,645,493</u>    | <u>10,864,760</u>    | <u>10,012,269</u>    | <u>9,928,805</u>     | <u>16,458,617</u>    | <u>15,408,873</u>    |
| Total primary government         | <u>\$ 24,562,013</u> | <u>\$ 22,213,442</u> | <u>\$ 28,056,581</u> | <u>\$ 29,985,072</u> | <u>\$ 28,986,708</u> | <u>\$ 29,730,259</u> | <u>\$ 30,085,759</u> | <u>\$ 33,307,500</u> | <u>\$ 32,252,770</u> | <u>\$ 30,512,546</u> |

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

|  | Fiscal Year            |                        |                        |                        |                        |                        |                        |                        |                        |                        |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
|  | 2003                   | 2004                   | 2005                   | 2006                   | 2007                   | 2008                   | 2009                   | 2010                   | 2011                   | 2012                   |
| Net (expense)/revenue  |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Governmental activities  | \$ (25,431,744)        | \$ (24,651,206)        | \$ (24,018,428)        | \$ (25,452,460)        | \$ (32,016,171)        | \$ (28,804,629)        | \$ (26,451,323)        | \$ (23,443,192)        | \$ (27,020,012)        | \$ (26,323,243)        |
| Business-type activities                                       | <u>3,565,747</u>       | <u>2,505,032</u>       | <u>3,513,425</u>       | <u>3,478,216</u>       | <u>3,172,657</u>       | <u>1,729,459</u>       | <u>724,555</u>         | <u>755,936</u>         | <u>3,183,074</u>       | <u>2,667,073</u>       |
| Total primary government net position                          | <u>\$ (21,865,997)</u> | <u>\$ (22,146,174)</u> | <u>\$ (20,505,003)</u> | <u>\$ (21,974,244)</u> | <u>\$ (28,843,514)</u> | <u>\$ (27,075,170)</u> | <u>\$ (25,726,768)</u> | <u>\$ (22,687,256)</u> | <u>\$ (23,836,938)</u> | <u>\$ (23,656,170)</u> |
| General revenues & other changes in net position               |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Governmental activities:                                       |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Taxes  |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Property taxes   | \$ 18,868,758          | \$ 19,359,322          | \$ 20,453,967          | \$ 21,211,012          | \$ 22,746,399          | \$ 24,122,853          | \$ 24,701,712          | \$ 25,980,766          | \$ 25,927,605          | \$ 25,799,254          |
| Other taxes  | 1,114,691              | 1,242,061              | 1,230,774              | 1,277,752              | 1,316,389              | 1,261,411              | 1,188,455              | 1,247,031              | 1,282,138              | 1,339,550              |
| Intergovernmental revenues not restricted to specific purposes | 7,225,989              | 6,641,204              | 6,393,727              | 6,173,713              | 6,219,960              | 6,346,665              | 6,435,883              | 6,083,605              | 6,170,550              | 5,550,727              |
| Investment income  | 516,862                | 575,184                | 810,153                | 954,555                | 1,352,467              | 1,090,103              | 477,921                | 314,408                | 323,802                | 260,412                |
| Miscellaneous  | 183,832                | 265,582                | 347,599                | 309,620                | 378,743                | 288,644                | 298,070                | 284,869                | 111,834                | 86,492                 |
| Gain on sale of capital assets                                 | 73,500                 | 40,268                 | 11,783                 | 57,201                 | 14,812                 | 28,319                 | 11,965                 | 48,206                 | 40,676                 | 4,947                  |
| Transfers  | <u>1,032,458</u>       | <u>1,105,132</u>       | <u>1,086,471</u>       | <u>(20,856,779)</u>    | <u>526,639</u>         | <u>1,062,501</u>       | <u>1,417,655</u>       | <u>1,435,046</u>       | <u>(2,604,305)</u>     | <u>(447,532)</u>       |
| Total governmental activities                                  | <u>29,016,090</u>      | <u>29,228,753</u>      | <u>30,334,474</u>      | <u>9,127,074</u>       | <u>32,555,409</u>      | <u>34,200,496</u>      | <u>34,531,661</u>      | <u>35,393,931</u>      | <u>31,252,300</u>      | <u>32,593,850</u>      |
| Business-type activities:                                      |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Taxes  | -                      | -                      | -                      | 333,632                | 227,746                | 375,971                | 317,785                | 300,000                | 898,786                | 1,090,950              |
| Investment income  | 78,168                 | 77,135                 | 150,923                | 226,023                | 184,889                | 90,244                 | 33,684                 | 42,885                 | 11,979                 | 7,127                  |
| Gain on sale of capital assets                                 | 200                    | 1,267                  | 657                    | 80,206                 | 60,000                 | 2,000                  | 1,544                  | -                      | -                      | 2,530                  |
| Transfers  | <u>(1,032,458)</u>     | <u>(1,105,132)</u>     | <u>(1,086,471)</u>     | <u>20,856,779</u>      | <u>(526,639)</u>       | <u>(1,062,501)</u>     | <u>(1,417,655)</u>     | <u>(1,435,046)</u>     | <u>2,604,305</u>       | <u>447,532</u>         |
| Total business-type activities                                 | <u>(954,090)</u>       | <u>(1,026,730)</u>     | <u>(934,891)</u>       | <u>21,496,640</u>      | <u>(54,004)</u>        | <u>(594,286)</u>       | <u>(1,064,642)</u>     | <u>(1,092,161)</u>     | <u>3,515,070</u>       | <u>1,548,139</u>       |
| Total primary government                                       | <u>\$ 28,062,000</u>   | <u>\$ 28,202,023</u>   | <u>\$ 29,399,583</u>   | <u>\$ 30,623,714</u>   | <u>\$ 32,501,405</u>   | <u>\$ 33,606,210</u>   | <u>\$ 33,467,019</u>   | <u>\$ 34,301,770</u>   | <u>\$ 34,767,370</u>   | <u>\$ 34,141,989</u>   |
| Change in net position   |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Governmental activities  | \$ 3,584,346           | \$ 4,577,547           | \$ 6,316,046           | \$ (16,325,386)        | \$ 539,238             | \$ 5,395,867           | \$ 8,080,338           | \$ 11,950,739          | \$ 4,232,288           | \$ 6,270,607           |
| Business-type activities                                       | <u>2,611,657</u>       | <u>1,478,302</u>       | <u>2,578,534</u>       | <u>24,974,856</u>      | <u>3,118,653</u>       | <u>1,135,173</u>       | <u>(340,087)</u>       | <u>(336,225)</u>       | <u>6,698,144</u>       | <u>4,215,212</u>       |
| Total primary government                                       | <u>\$ 6,196,003</u>    | <u>\$ 6,055,849</u>    | <u>\$ 8,894,580</u>    | <u>\$ 8,649,470</u>    | <u>\$ 3,657,891</u>    | <u>\$ 6,531,040</u>    | <u>\$ 7,740,251</u>    | <u>\$ 11,614,514</u>   | <u>\$ 10,930,432</u>   | <u>\$ 10,485,819</u>   |

**CITY OF WAUSAU**  
Schedule 3  
Program Revenues by Function/Program  
Last Ten Fiscal Years  
(accrual basis of accounting)

| Function/program                 | Fiscal Year          |                      |                      |                      |                      |                      |                      |                      |                      |                      |
|----------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|                                  | <u>2003</u>          | <u>2004</u>          | <u>2005</u>          | <u>2006</u>          | <u>2007</u>          | <u>2008</u>          | <u>2009</u>          | <u>2010</u>          | <u>2011</u>          | <u>2012</u>          |
| <b>Governmental activities:</b>  |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| General government               | \$ 1,536,948         | \$ 1,389,037         | \$ 1,922,614         | \$ 1,841,644         | \$ 1,973,065         | \$ 1,844,981         | \$ 1,033,772         | \$ 1,218,871         | \$ 2,122,953         | \$ 2,042,080         |
| Public safety                    | 1,918,621            | 2,114,634            | 2,189,636            | 2,221,366            | 2,277,781            | 2,521,246            | 2,127,650            | 2,390,722            | 2,581,844            | 3,058,071            |
| Transportation and streets       | 7,207,186            | 5,988,160            | 9,837,220            | 10,382,221           | 9,765,040            | 11,494,513           | 13,392,246           | 16,454,918           | 4,766,167            | 6,289,861            |
| Sanitation, health and welfare   | 242,634              | 256,392              | 245,519              | 296,112              | 315,413              | 341,192              | 265,644              | 275,953              | 200,451              | 238,835              |
| Natural resources and recreation | 378,178              | 253,838              | 297,397              | 283,231              | 258,104              | 369,784              | 273,672              | 238,127              | 285,894              | 362,202              |
| Economic development             | 3,347,341            | 3,125,647            | 3,280,176            | 3,168,477            | 2,751,812            | 2,293,783            | 2,980,506            | 2,800,104            | 5,836,844            | 3,112,624            |
| Total governmental activities    | <u>14,630,908</u>    | <u>13,127,708</u>    | <u>17,772,562</u>    | <u>18,193,051</u>    | <u>17,341,215</u>    | <u>18,865,499</u>    | <u>20,073,490</u>    | <u>23,378,695</u>    | <u>15,794,153</u>    | <u>15,103,673</u>    |
| <b>Business-type activities:</b> |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Water                            | 5,153,120            | 4,776,580            | 5,620,509            | 5,636,234            | 5,645,950            | 5,246,955            | 4,739,304            | 4,634,157            | 4,684,042            | 4,816,525            |
| Wastewater                       | 4,777,985            | 4,309,154            | 4,663,510            | 5,159,952            | 4,999,623            | 4,586,211            | 4,086,261            | 4,340,435            | 5,579,673            | 5,475,224            |
| Parking                          | -                    | -                    | -                    | 995,835              | 999,920              | 1,031,594            | 1,186,704            | 954,213              | 943,029              | 1,406,123            |
| Metro Ride                       | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | 5,251,873            | 2,643,144            |
| Airport                          | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | 1,067,857            |
| Total business-type activities   | <u>9,931,105</u>     | <u>9,085,734</u>     | <u>10,284,019</u>    | <u>11,792,021</u>    | <u>11,645,493</u>    | <u>10,864,760</u>    | <u>10,012,269</u>    | <u>9,928,805</u>     | <u>16,458,617</u>    | <u>15,408,873</u>    |
| <b>Total primary government</b>  | <u>\$ 24,562,013</u> | <u>\$ 22,213,442</u> | <u>\$ 28,056,581</u> | <u>\$ 29,985,072</u> | <u>\$ 28,986,708</u> | <u>\$ 29,730,259</u> | <u>\$ 30,085,759</u> | <u>\$ 33,307,500</u> | <u>\$ 32,252,770</u> | <u>\$ 30,512,546</u> |

**CITY OF WAUSAU**  
Schedule 4  
Fund Balances - Governmental Funds  
(modified accrual basis of accounting)

|  | <u>2003</u>          | <u>2004</u>          | <u>2005</u>          | <u>2006</u>          | <u>2007</u>          | <u>2008</u>          | <u>2009</u>          | <u>2010</u>          | <u>2011</u>          | <u>2012</u>          |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>General Fund</b>                        |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Nonspendable for:                          |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Inventories and prepaids                   | \$ 319,900           | \$ 320,445           | \$ 337,002           | \$ 447,499           | \$ 352,951           | \$ 360,338           | \$ 362,790           | \$ 364,724           | \$ 68,337            | \$ 58,959            |
| Noncurrent receivables/advances            | 6,683,289            | 5,284,476            | 3,996,070            | 2,619,766            | 2,050,675            | 1,495,446            | 1,463,905            | 1,839,138            | 2,036,413            | 2,405,884            |
| Committed to contingencies                 | 500,000              | 500,000              | 500,000              | 500,000              | 500,000              | 500,000              | 500,000              | 500,000              | 500,000              | 460,400              |
| Assigned to subsequent year's expenditures |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Unassigned                                 | 1,838,086            | 1,610,791            | 1,629,000            | 1,616,060            | 1,613,909            | 1,546,482            | 950,000              | 1,013,496            | 1,397,958            | 220,951              |
| Unassigned                                 | <u>6,350,329</u>     | <u>6,004,044</u>     | <u>6,054,742</u>     | <u>6,394,984</u>     | <u>5,875,267</u>     | <u>5,933,697</u>     | <u>6,048,941</u>     | <u>5,545,637</u>     | <u>5,715,907</u>     | <u>6,835,651</u>     |
| Total General Fund                         | <u>15,691,604</u>    | <u>13,719,756</u>    | <u>12,516,814</u>    | <u>11,578,309</u>    | <u>10,392,802</u>    | <u>9,835,963</u>     | <u>9,325,636</u>     | <u>9,262,995</u>     | <u>9,718,615</u>     | <u>9,981,845</u>     |
| <b>All Other Governmental Funds</b>        |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Nonspendable for:                          |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Inventories and prepaids                   | 133,311              | 145,758              | 129,430              | 159,121              | 171,510              | 188,513              | 187,052              | 203,992              | -                    | -                    |
| Noncurrent receivables/advances            | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | 219,119              |
| Restricted for:                            |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Debt service                               | 1,619,992            | 15,473,883           | 5,484,687            | 2,193,326            | 2,103,881            | 1,734,460            | 1,847,536            | 1,818,620            | 180,536              | 556,338              |
| Capital improvements                       | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | 7,548,985            | 4,098,922            |
| Events allocation                          | 75,086               | 21,850               | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    |
| Special purposes                           | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | 5,059,867            | 5,074,477            |
| Trust purposes                             | 247,614              | 275,949              | 372,864              | 398,029              | 443,996              | 532,181              | 617,919              | 631,450              | -                    | -                    |
| Committed to special purposes              | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | 661,952              | 1,087,696            |
| Unassigned, reported in:                   |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Special revenue funds                      | (3,120,456)          | (1,915,566)          | (228,506)            | 1,149,999            | 2,752,392            | 3,240,496            | 3,085,377            | 3,358,295            | -                    | -                    |
| Capital project funds                      | <u>6,917,435</u>     | <u>3,795,069</u>     | <u>4,878,413</u>     | <u>1,377,774</u>     | <u>1,274,260</u>     | <u>3,723,553</u>     | <u>3,228,926</u>     | <u>4,205,327</u>     | <u>(4,865,139)</u>   | <u>(3,824,641)</u>   |
| Total all other governmental funds         | <u>5,872,982</u>     | <u>17,796,943</u>    | <u>10,636,888</u>    | <u>5,278,249</u>     | <u>6,746,039</u>     | <u>9,419,203</u>     | <u>8,966,810</u>     | <u>10,217,684</u>    | <u>8,586,201</u>     | <u>7,211,911</u>     |
| Total governmental funds                   | <u>\$ 21,564,586</u> | <u>\$ 31,516,699</u> | <u>\$ 23,153,702</u> | <u>\$ 16,856,558</u> | <u>\$ 17,138,841</u> | <u>\$ 19,255,166</u> | <u>\$ 18,292,446</u> | <u>\$ 19,480,679</u> | <u>\$ 18,304,816</u> | <u>\$ 17,193,756</u> |

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

|   | <u>2003</u>         | <u>2004</u>        | <u>2005</u>         | <u>2006</u>        | <u>2007</u>        | <u>2008</u>         | <u>2009</u>         | <u>2010</u>        | <u>2011</u>        | <u>2012</u>        |
|---|---------------------|--------------------|---------------------|--------------------|--------------------|---------------------|---------------------|--------------------|--------------------|--------------------|
| <b>REVENUES</b>                                   |                     |                    |                     |                    |                    |                     |                     |                    |                    |                    |
| Taxes   | \$ 19,691,289       | \$ 20,297,710      | \$ 21,378,609       | \$ 22,172,762      | \$ 23,746,926      | \$ 25,053,421       | \$ 25,554,003       | \$ 26,885,969      | \$ 26,865,199      | \$ 26,782,764      |
| Special assessments                               | 860,473             | 434,137            | 593,622             | 504,270            | 448,394            | 929,784             | 700,401             | 876,605            | 328,135            | 616,891            |
| Intergovernmental                                 | 14,431,167          | 17,981,524         | 15,157,234          | 15,564,534         | 13,804,769         | 14,731,078          | 17,279,636          | 14,574,198         | 14,178,400         | 11,112,225         |
| Licenses and permits                              | 713,911             | 765,846            | 826,798             | 751,379            | 849,619            | 732,375             | 672,926             | 677,438            | 668,741            | 743,971            |
| Fines, forfeitures and penalties                  | 438,327             | 476,446            | 573,186             | 364,019            | 372,608            | 359,132             | 321,558             | 323,783            | 371,580            | 387,646            |
| Public charges for services                       | 2,284,782           | 2,456,051          | 2,715,407           | 2,537,051          | 2,628,540          | 3,124,289           | 2,155,563           | 2,108,028          | 1,900,605          | 1,844,875          |
| Intergovernmental charges for services            | 888,628             | 1,113,955          | 1,184,106           | 980,846            | 1,225,529          | 1,170,324           | 1,409,005           | 1,217,706          | 1,199,461          | 1,527,173          |
| Commercial revenues                               | 1,509,885           | 1,871,648          | 1,782,642           | 2,128,918          | 2,592,922          | 2,109,673           | 991,208             | 918,347            | 790,104            | 843,322            |
| Miscellaneous revenues                            | 3,099,362           | 1,181,661          | 1,326,967           | 1,100,995          | 1,295,656          | 1,277,069           | 1,076,544           | 1,330,767          | 2,631,295          | 1,713,531          |
| Total revenues                                    | <u>43,917,824</u>   | <u>46,578,978</u>  | <u>45,538,571</u>   | <u>46,104,774</u>  | <u>46,964,963</u>  | <u>49,487,145</u>   | <u>50,160,844</u>   | <u>48,912,841</u>  | <u>48,933,520</u>  | <u>45,572,398</u>  |
| <b>EXPENDITURES</b>                               |                     |                    |                     |                    |                    |                     |                     |                    |                    |                    |
| Current:  |                     |                    |                     |                    |                    |                     |                     |                    |                    |                    |
| General government                                | 4,203,476           | 4,314,769          | 4,086,318           | 4,360,868          | 4,393,385          | 4,787,342           | 4,023,315           | 3,899,944          | 3,663,394          | 4,113,413          |
| Public safety                                     | 12,465,661          | 12,652,211         | 12,908,512          | 13,563,524         | 14,135,484         | 14,715,228          | 15,218,716          | 15,438,786         | 16,227,647         | 15,560,272         |
| Transportation and streets                        | 8,972,116           | 9,762,448          | 10,244,471          | 9,720,377          | 10,840,937         | 11,582,084          | 11,339,567          | 10,494,061         | 7,626,927          | 7,421,412          |
| Sanitation, health and welfare                    | 1,635,001           | 1,629,466          | 1,733,862           | 1,773,222          | 1,819,901          | 1,828,223           | 1,901,434           | 1,817,462          | 1,945,996          | 2,050,598          |
| Natural resources and recreation                  | 1,999,061           | 1,925,868          | 2,079,035           | 2,018,785          | 2,079,307          | 2,215,340           | 2,269,495           | 2,259,798          | 2,323,491          | 2,282,795          |
| Economic development                              | 2,644,256           | 2,839,146          | 3,022,133           | 5,393,409          | 4,790,380          | 2,240,898           | 3,343,577           | 3,458,377          | 3,615,689          | 3,605,277          |
| Capital outlay                                    | 24,387,624          | 16,577,996         | 9,182,533           | 8,166,128          | 7,981,230          | 11,681,885          | 10,431,681          | 7,345,540          | 12,737,146         | 10,489,321         |
| Debt service:                                     |                     |                    |                     |                    |                    |                     |                     |                    |                    |                    |
| Principal retirement                              | 4,023,463           | 4,281,799          | 18,192,876          | 6,123,812          | 6,557,888          | 9,487,176           | 11,865,474          | 10,566,792         | 6,835,896          | 7,455,729          |
| Retire unfunded pension obligation                | 3,939,067           | -                  | -                   | -                  | -                  | -                   | -                   | -                  | -                  | -                  |
| Interest and debt service charges                 | 1,491,151           | 2,196,370          | 2,764,223           | 2,099,721          | 1,981,955          | 1,949,372           | 2,039,318           | 1,660,110          | 1,443,873          | 1,128,629          |
| Total expenditures                                | <u>65,760,876</u>   | <u>56,180,073</u>  | <u>64,213,963</u>   | <u>53,219,846</u>  | <u>54,580,467</u>  | <u>60,487,548</u>   | <u>62,432,577</u>   | <u>56,940,870</u>  | <u>56,420,059</u>  | <u>54,107,446</u>  |
| Excess (deficiency) of revenues over expenditures | <u>(21,843,052)</u> | <u>(9,601,095)</u> | <u>(18,675,392)</u> | <u>(7,115,072)</u> | <u>(7,615,504)</u> | <u>(11,000,403)</u> | <u>(12,271,733)</u> | <u>(8,028,029)</u> | <u>(7,486,539)</u> | <u>(8,535,048)</u> |





**CITY OF WAUSAU**  
 Schedule 6  
 Assessed Value and Estimated Actual Value (Equalized Value) of Taxable Property

| Levy Year | Fiscal Year | Residential Property | Commercial Property | Industrial Property | Agricultural/<br>Forest Property | Personal Property | Total Taxable Assessed Value <sup>A</sup> | Total Direct Tax Rate <sup>B</sup> | Estimated Actual Taxable Value <sup>C</sup> | Assessed as Percent of Estimated Actual Value |
|-----------|-------------|----------------------|---------------------|---------------------|----------------------------------|-------------------|---|------------------------------------|---|---|
| 2002      | 2003        | \$ 986,151,300       | \$ 487,584,400      | \$ 86,463,900       | \$ 69,800                        | \$ 69,202,400     | \$ 1,629,471,800                          | \$ 10.37                           | \$ 1,923,669,600                            | 84.71%  |
| 2003      | 2004        | 1,002,526,100        | 505,024,000         | 85,797,900          | 64,300                           | 71,141,500        | 1,664,553,800                             | 10.37                              | 2,003,188,900                               | 83.10%  |
| 2004      | 2005        | 1,276,680,800        | 643,656,400         | 107,606,400         | 181,300                          | 90,111,400        | 2,118,236,300                             | 8.57                               | 2,080,684,300                               | 101.80%                                       |
| 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%                                       |

<sup>A</sup> Source: Wisconsin Department of Revenue, Final Statement of Assessment. Values include TIF districts.

<sup>B</sup> Source: City of Wausau Budget document. The rate shown is for properties served by the Wausau School District.

<sup>C</sup> Source: Wisconsin Department of Revenue, County Equalization Report.

**Notes:**  
 Property in the City of Wausau is reassessed every three to four 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 |
|-----------|-----------------|------------|-------------------|----------------------------|------------------------|---------|-----------------|--------------------|----------------|------------------|--------------|
| 2003      | 2004            | \$ 7.87    | \$ 2.50           | \$ 10.37                   | \$ 12.95               | \$ 2.29 | \$ 7.12         | \$ 0.24            | \$ 32.97       | \$ 1.76          | \$ 31.21     |
| 2004      | 2005            | 6.61       | 1.96              | 8.57                       | 10.98                  | 1.90    | 5.71            | 0.20               | 27.36          | 1.36             | 26.00        |
| 2005      | 2006            | 6.83       | 1.89              | 8.72                       | 10.13                  | 1.97    | 5.82            | 0.19               | 26.83          | 1.29             | 25.54        |
| 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        |

(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 |
|-----------|-----------------|------------|-------------------|----------------------------|----------------------------|---------|-----------------|--------------------|----------------|------------------|--------------|
| 2003      | 2004            | \$ 7.87    | \$ 2.50           | \$ 10.37                   | \$ 10.92                   | \$ 2.29 | \$ 7.12         | \$ 0.24            | \$ 30.94       | \$ 1.76          | \$ 29.18     |
| 2004      | 2005            | 6.61       | 1.96              | 8.57                       | 7.49                       | 1.90    | 5.71            | 0.20               | 23.87          | 1.36             | 22.51        |
| 2005      | 2006            | 6.83       | 1.89              | 8.72                       | 9.12                       | 1.97    | 5.82            | 0.19               | 25.82          | 1.29             | 24.53        |
| 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        |

**Notes:**

In 2005, the State of Wisconsin imposed a two year tax levy limitation on all units of local government. In addition, 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 percentage 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

| Taxpayer                    | Type of Business               | 2012                                |  |      | 2003                                |  |      |
|-----------------------------|--------------------------------|-------------------------------------|--|------|-------------------------------------|--|------|
|                             |                                | Taxable Assessed Value <sup>A</sup> | Percent of Total Assessed Value <sup>B</sup> | Rank | Taxable Assessed Value <sup>A</sup> | Percent of Total Assessed Value <sup>B</sup> | Rank |
| Ghidorzi                    | Office/Real Estate Development | \$ 74,292,600                       | 2.73%  | 1    | \$ 33,650,500                       | 2.02%  | 2    |
| Aspirus/Wausau Hospital     | Medical                        | 47,899,800                          | 1.76%  | 2    | 15,130,900                          | 0.91%  | 6    |
| Employers Insurance/Liberty | Insurance                      | 31,066,800                          | 1.14%  | 3    | 49,378,200                          | 2.97%  | 1    |
| Apogee/Wausau Metals        | Manufacturing                  | 29,491,700                          | 1.08%  | 4    | 11,354,600                          | 0.68%  | 8    |
| Marshfield Clinic           | Medical                        | 27,265,700                          | 1.00%  | 5    | 28,308,800                          | 1.70%  | 3    |
| Wausau Benefits/Fiserv      | Insurance                      | 22,961,100                          | 0.84%  | 6    |                                     |  |      |
| Wausau Center Mall          | Retail                         | 21,970,500                          | 0.81%  | 7    | 15,895,700                          | 0.95%  | 5    |
| Eastbay                     | Retail/Distribution            | 21,589,400                          | 0.79%  | 8    | 16,750,400                          | 1.01%  | 4    |
| First Wausau Tower          | Office                         | 20,813,600                          | 0.77%  | 9    |                                     |  |      |
| L & L Properties LLC        | Apartments                     | 18,540,600                          | 0.68%  | 10   |                                     |  |      |
| Kolbe & Kolbe               | Manufacturing                  |                                     |  |      | 13,240,800                          | 0.80%  | 7    |
| M & I Bank                  | Banking                        |                                     |  |      | 9,221,100                           | 0.55%  | 9    |
| P J Investments             | Retail                         |                                     |  |      | 8,623,800                           | 0.52%  | 10   |
|                             | <b>TOTAL</b>                   | <b>\$ 315,891,800</b>               | <b>11.60%</b>                                |      | <b>\$ 201,554,800</b>               | <b>12.11%</b>                                |      |

<sup>A</sup> Per City Assessor records.

<sup>B</sup> Based on the City's total assessed valuation on January 1, 2012 and 2003 of \$2,723,406,100 and \$1,664,553,800, 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 |
|-----------------|----------------|---|---------------------------|--------------------------------------|--------------------------------------|------------------------------|---|
| 2003            | \$ 15,987,121  | \$ 15,690,809                                     | 98.15%                    | \$ 15,705,415                        | 98.24%                               | \$ 41,233                    | 0.26%   |
| 2004            | 16,288,605     | 16,017,185  | 98.33%                    | 16,031,511                           | 98.42%                               | 24,091                       | 0.15%   |
| 2005            | 17,087,161     | 16,743,305  | 97.99%                    | 16,752,309                           | 98.04%                               | 42,158                       | 0.25%   |
| 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%   |

**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

|      | <u>City</u><br><u>Direct Rate</u> | <u>Marathon</u><br><u>County</u><br><u>Direct Rate</u> | <u>State of</u><br><u>Wisconsin</u> |
|------|-----------------------------------|--|-------------------------------------|
| 2003 | 0.0%                              | 0.5%   | 5.0%                                |
| 2004 | 0.0%                              | 0.5%   | 5.0%                                |
| 2005 | 0.0%                              | 0.5%   | 5.0%                                |
| 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%                                |

|   |
|---|
| <p><b>Note:</b><br/>                 Wisconsin counties have the option of levying a 0.5% sales tax.<br/>                 Cities do not have the option of levying sales tax.</p> |
|---|

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

| Fiscal Year | Governmental Activities  |                | Business-type Activities |                             |                                  | Total Primary Government | Percentage of Personal Income | Per Capita |
|-------------|--------------------------|----------------|--------------------------|-----------------------------|----------------------------------|--------------------------|-------------------------------|------------|
|             | General Obligation Bonds | Capital Leases | General Obligation Bonds | Water Utility Revenue Bonds | Wastewater Utility Revenue Bonds |                          |                               |            |
| 2003        | \$ 49,436,043            | \$ -           | \$ 1,404,336             | \$ 4,670,000                | \$ 5,905,000                     | \$ 61,415,379            | 7.60%                         | \$ 1,581   |
| 2004        | 66,733,744               | -              | 1,044,001                | 4,375,000                   | 5,260,000                        | 77,412,745               | 9.68%                         | 1,989      |
| 2005        | 54,645,367               | -              | 658,131                  | 3,865,000                   | 4,590,000                        | 63,758,498               | 7.34%                         | 1,623      |
| 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               | N/A                           | 1,235      |



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

| Fiscal<br>Year | General<br>Obligation<br>Bonds <sup>A</sup> | Less Assets<br>Restricted for<br>Debt Service | Total<br>Net Debt | Percentage of<br>Actual Taxable<br>Property Value <sup>B</sup> | Per<br>Capita <sup>C</sup> |
|----------------|---|---|-------------------|--|----------------------------|
| 2003           | \$ 50,840,379                               | \$ 192,387                                    | \$ 50,647,992     | 2.53%  | \$ 1,304                   |
| 2004           | 67,777,745                                  | 17,347,189                                    | 50,430,556        | 2.42%  | 1,296                      |
| 2005           | 55,303,498                                  | 3,987,932                                     | 51,315,566        | 2.30%  | 1,307                      |
| 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                      |

<sup>A</sup> 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.

<sup>B</sup> Actual Taxable Property Values can be found in Schedule 6.

<sup>C</sup> Population data can be found in Schedule 16.

**CITY OF WAUSAU**  
Schedule 13  
Computation of Direct and Overlapping General Obligation Debt  
December 31, 2012

| <u>Taxing Jurisdiction</u>               | <u>Net Debt<br/>Outstanding</u> | <u>Percentage<br/>Applicable to<br/>City of Wausau</u> | <u>Amount<br/>Applicable to<br/>City of Wausau</u> |
|--|---------------------------------|--|--|
| City of Wausau <sup>A</sup>              | \$ 47,789,237                   | 100.00%  | <u>\$ 47,789,237</u>                               |
| Overlapping Debt:                        |                                 |  |  |
| Wausau School District                   | 50,335,000                      | 61.74%   | 31,076,829   |
| DC Everest School District               | 43,470,000                      | 5.06%  | 2,199,582  |
| Northcentral Technical College           | 24,115,000                      | 15.93%   | 3,841,520  |
| Marathon County                          | 15,645,000                      | 27.19%   | <u>4,253,876</u>                                   |
| Total Overlapping Debt                   |                                 |  | <u>41,371,807</u>                                  |
| <b>Total Direct and Overlapping Debt</b> |                                 |  | <u><u>\$ 89,161,044</u></u>                        |

<sup>A</sup> City of Wausau debt is shown net of amounts available for future debt service costs.

<sup>B</sup> 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, 2012

**Legal Debt Margin at December 31, 2012**

|  |                         |
|--|-------------------------|
| Equalized Value of Real & Personal Property        | \$ <u>2,554,319,700</u> |
| Legal Debt Limit (5% of equalized value)           | \$ <u>127,715,985</u>   |
| Total Debt Applicable to Debt Limitation           | 48,345,575              |
| Less: Available funds reserved for debt retirement | <u>(556,338)</u>        |
| Net Amount Applicable to Debt Limitation           | <u>47,789,237</u>       |
| Remaining Legal Debt Margin                        | <u>\$ 79,926,748</u>    |

| Fiscal<br>Year | Total<br>Equalized Value | Debt Limit     | Net debt<br>applicable<br>to limit | Legal<br>Debt Margin | Net debt<br>applicable to<br>limit as percent<br>of Debt Limit |
|----------------|--------------------------|----------------|------------------------------------|----------------------|--|
| 2003           | \$ 2,003,188,900         | \$ 100,159,445 | \$ 50,647,992                      | \$ 49,511,453        | 50.57%   |
| 2004           | 2,080,684,300            | 104,034,215    | 50,430,556                         | 53,603,659           | 48.47%   |
| 2005           | 2,233,469,700            | 111,673,485    | 51,315,566                         | 60,357,919           | 45.95%   |
| 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%   |

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

| Fiscal Year | Gross Revenues <sup>1</sup> | Direct Operating Expenses <sup>2</sup> | Net Revenue Available for Debt Service | Debt Service Requirements <sup>3</sup> |            |            | Coverage |
|-------------|-----------------------------|--|--|--|------------|------------|----------|
|             |                             |  |  | Principal                              | Interest   | Total      |          |
| 2003        | \$ 3,933,638                | \$ 1,861,324                           | \$ 2,072,314                           | \$ 290,000                             | \$ 248,000 | \$ 538,000 | 3.85     |
| 2004        | 3,991,021                   | 1,984,653                              | 2,006,368                              | 295,000                                | 233,500    | 528,500    | 3.80     |
| 2005        | 4,171,589                   | 2,135,728                              | 2,035,861                              | 510,000                                | 218,750    | 728,750    | 2.79     |
| 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      |

(Continued)

<sup>1</sup> Includes Total Operating Revenues and Investment Income .

<sup>2</sup> Includes Total Operating Expenses less Depreciation.

<sup>3</sup> 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<br>Year | Gross<br>Revenues <sup>1</sup> | Direct<br>Operating<br>Expenses <sup>2</sup> | Net Revenue<br>Available for<br>Debt Service | Debt Service Requirements <sup>3</sup> |            |            | Coverage |
|----------------|--------------------------------|--|--|--|------------|------------|----------|
|                |                                |  |  | Principal                              | Interest   | Total      |          |
| 2003           | \$ 3,679,753                   | \$ 2,247,092                                 | \$ 1,432,661                                 | \$ 630,000                             | \$ 293,875 | \$ 923,875 | 1.55     |
| 2004           | 3,605,640                      | 2,372,380                                    | 1,233,260                                    | 645,000                                | 271,825    | 916,825    | 1.35     |
| 2005           | 3,722,185                      | 2,451,789                                    | 1,270,396                                    | 670,000                                | 249,250    | 919,250    | 1.38     |
| 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      |

<sup>1</sup> Includes Total Operating Revenues and Investment Income .

<sup>2</sup> Includes Total Operating Expenses less Depreciation.

<sup>3</sup> 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 <sup>1</sup> | Personal Income <sup>2</sup> | AGI Per Return <sup>3</sup> | School System Enrollment <sup>4</sup> | Unemployment Rate <sup>5</sup> |
|-------------|--|------------------------------|-----------------------------|---------------------------------------|--------------------------------|
| 2003        | 38,848                                 | \$ 807,851,982               | \$ 38,343                   | 8,746                                 | 6.4%                           |
| 2004        | 38,912                                 | 799,627,872                  | 37,727                      | 8,759                                 | 6.0%                           |
| 2005        | 39,275                                 | 869,166,468                  | 39,677                      | 8,768                                 | 5.4%                           |
| 2006        | 39,740                                 | 926,385,502                  | 46,221                      | 8,836                                 | 5.7%                           |
| 2007        | 40,080                                 | 934,089,922                  | 41,816                      | 8,780                                 | 5.1%                           |
| 2008        | 40,360                                 | 927,042,024                  | 42,674                      | 8,681                                 | 6.6%                           |
| 2009        | 40,700                                 | 856,501,154                  | 40,535                      | 8,522                                 | 12.0%                          |
| 2010        | 40,700                                 | 870,788,312                  | 40,691                      | 8,546                                 | 9.5%                           |
| 2011        | 39,142                                 | 899,556,630                  | 41,620                      | 8,574                                 | 8.8%                           |
| 2012        | 39,160                                 | n/a                          | n/a                         | 8,623                                 | 8.9%                           |

<sup>1</sup> Source: Wisconsin Department of Administration estimates.

<sup>2</sup> Source: Wisconsin Department of Revenue. Adjusted Gross Income for all tax returns filed for City of Wausau residents.

<sup>3</sup> Source: Wisconsin Department of Revenue. Average Adjusted Gross Income for returns filed.

<sup>4</sup> Source: Wisconsin Department of Public Instruction.

<sup>5</sup> Source: Wisconsin Department of Workforce Development. Annual rates not seasonally adjusted.

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

| Employer                    | Type of business          | 2012                 |      |                                     | 2003                 |      |                                     |
|-----------------------------|---------------------------|----------------------|------|-------------------------------------|----------------------|------|-------------------------------------|
|                             |                           | Number of Employees* | Rank | Percentage of Total City Employment | Number of Employees* | Rank | Percentage of Total City Employment |
| Aspirus/Wausau Hospital     | Medical                   | 3,060                | 1    | 17.42%                              | 2,646                | 1    | 13.93%                              |
| Eastbay                     | Retail/distribution       | 1,452                | 2    | 8.27%                               | 1,600                | 3    | 8.43%                               |
| Wausau School District      | Education                 | 1,225                | 3    | 6.97%                               | 1,300                | 5    | 6.85%                               |
| United Health Care          | Benefits Administration   | 1,161                | 4    | 6.61%                               | 970                  | 7    | 5.11%                               |
| Employers Insurance/Liberty | Insurance                 | 1,052                | 5    | 5.99%                               | 1,400                | 4    | 7.37%                               |
| Kolbe & Kolbe               | Window/door manufacturing | 1,000                | 6    | 5.69%                               | 1,640                | 2    | 8.64%                               |
| North Central Health Care   | Health care/medical       | 775                  | 7    | 4.41%                               | 990                  | 6    | 5.21%                               |
| Marathon County             | Government                | 740                  | 8    | 4.21%                               | 776                  | 9    | 4.09%                               |
| Total                       |                           | <u>10,465</u>        |      | 59.57%                              | <u>11,322</u>        |      | 59.63%                              |
| Total City Employment       |                           | <u>17,566</u>        |      |                                     | <u>18,987</u>        |      |                                     |

\*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

|                            | <u>2003</u>   | <u>2004</u>   | <u>2005</u>   | <u>2006</u>   | <u>2007</u>   | <u>2008</u>   | <u>2009</u>   | <u>2010</u>   | <u>2011</u>   | <u>2012</u>   |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| General Government         |               |               |               |               |               |               |               |               |               |               |
| Mayor's office             | 4.00          | 3.50          | 3.50          | 3.50          | 3.50          | 3.50          | 3.50          | 2.50          | 2.50          | 3.00          |
| Customer service           | 15.25         | 15.25         | 15.25         | 14.15         | 14.15         | 13.65         | 13.20         | 11.20         | 11.20         | 11.46         |
| Assessment                 | 6.50          | 6.50          | 6.50          | 6.50          | 6.50          | 6.50          | 6.50          | 6.50          | 6.50          | 6.50          |
| Human resources            | 2.00          | 2.00          | 2.00          | 2.50          | 2.50          | 2.00          | 2.00          | 2.00          | 2.00          | 3.00          |
| City attorney              | 3.75          | 3.75          | 3.75          | 3.75          | 4.00          | 4.00          | 3.25          | 3.25          | 3.25          | 3.25          |
| Municipal court            | <u>1.50</u>   | <u>1.50</u>   | <u>1.50</u>   | <u>1.50</u>   | <u>1.50</u>   | <u>1.50</u>   | <u>1.50</u>   | <u>1.50</u>   | <u>1.50</u>   | <u>1.50</u>   |
| Total General Government   | <u>33.00</u>  | <u>32.50</u>  | <u>32.50</u>  | <u>31.90</u>  | <u>32.15</u>  | <u>31.15</u>  | <u>29.95</u>  | <u>26.95</u>  | <u>26.95</u>  | <u>28.71</u>  |
| Public Safety              |               |               |               |               |               |               |               |               |               |               |
| Police department          | 76.00         | 76.00         | 78.75         | 78.75         | 79.75         | 83.75         | 83.75         | 80.25         | 80.25         | 77.43         |
| Fire department            | 61.00         | 60.00         | 59.00         | 60.00         | 59.00         | 59.00         | 59.00         | 60.00         | 60.00         | 60.00         |
| Inspections and electrical | <u>13.00</u>  | <u>13.00</u>  | <u>13.00</u>  | <u>13.00</u>  | <u>12.00</u>  | <u>11.00</u>  | <u>11.00</u>  | <u>10.00</u>  | <u>6.00</u>   | <u>-</u>      |
| Total Public Safety        | <u>150.00</u> | <u>149.00</u> | <u>150.75</u> | <u>151.75</u> | <u>150.75</u> | <u>153.75</u> | <u>153.75</u> | <u>150.25</u> | <u>146.25</u> | <u>137.43</u> |
| Parks Department *         | -             | -             | -             | -             | -             | -             | -             | -             | -             | -             |
| Public Works               | 65.50         | 65.50         | 66.00         | 66.00         | 64.00         | 65.85         | 63.50         | 60.85         | 68.35         | 68.85         |
| Community Development      | 12.25         | 12.25         | 12.75         | 12.75         | 12.75         | 11.75         | 11.75         | 11.75         | 11.75         | 12.00         |
| Metro Ride                 | 33.00         | 33.00         | 33.00         | 33.00         | 33.00         | 32.00         | 33.00         | 33.00         | 33.00         | 28.00         |
| Water & Sewer Utilities    | <u>31.75</u>  | <u>31.75</u>  | <u>31.25</u>  | <u>27.50</u>  | <u>26.50</u>  | <u>26.50</u>  | <u>26.50</u>  | <u>26.50</u>  | <u>21.50</u>  | <u>26.50</u>  |
| Total Regular Employees    | <u>325.50</u> | <u>324.00</u> | <u>326.25</u> | <u>322.90</u> | <u>319.15</u> | <u>321.00</u> | <u>318.45</u> | <u>309.30</u> | <u>307.80</u> | <u>301.49</u> |

Source: Finance and Human Resource Departments.

\*The City and Marathon County operate a combined park department. As of 2002, all employees are considered employees of Marathon County. Up to 2003, the City had one full-time employee on its payroll.

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 |             |             |             |             |             |             |             |             |             |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|  | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> |
| General Government                     |             |             |             |             |             |             |             |             |             |             |
| Building permits issued                |             |             |             |             |             |             |             |             |             |             |
| Residential                            | 937         | 925         | 847         | 750         | 766         | 646         | 600         | 943         | 827         | 842         |
| Non-residential                        | 156         | 170         | 174         | 179         | 231         | 156         | 142         | 140         | 170         | 178         |
| Total construction value (\$000)       |             |             |             |             |             |             |             |             |             |             |
| Residential                            | 28,892      | 33,325      | 35,131      | 24,397      | 31,732      | 25,530      | 10,953      | 14,848      | 15,085      | 12,772      |
| Non-residential                        | 54,964      | 42,204      | 61,077      | 45,361      | 99,352      | 16,411      | 21,018      | 16,506      | 18,599      | 44,076      |
| Police                                 |             |             |             |             |             |             |             |             |             |             |
| Calls for service                      | N/A         | N/A         | N/A         | 50,519      | 51,841      | 53,741      | 50,148      | 50,580      | 51,996      | 55,065      |
| Parking tickets issued                 | N/A         | N/A         | N/A         | 9,509       | 16,435      | 12,968      | 10,907      | 6,970       | 6,781       | 9,112       |
| Total arrests                          | N/A         | N/A         | 3,267       | 3,413       | 3,389       | 3,451       | 3,255       | 3,047       | 3,159       | 3,262       |
| Fire                                   |             |             |             |             |             |             |             |             |             |             |
| Fire responses                         | 1,648       | 1,455       | 1,478       | 1,433       | 1,393       | 1,437       | 1,285       | 1,333       | 1,493       | 1,618       |
| Emergency responses                    | 3,350       | 3,565       | 3,734       | 4,003       | 4,185       | 4,617       | 4,074       | 4,161       | 4,224       | 4,311       |
| Inspections                            | 4,183       | 3,816       | 4,438       | 4,018       | 4,043       | 3,971       | 3,951       | 4,004       | 3,919       | 3,922       |
| Public works                           |             |             |             |             |             |             |             |             |             |             |
| Miles of street swept                  | 6,670       | 11,516      | 7,019       | 6,127       | 6,470       | 5,485       | 6,304       | 5,419       | 4,614       | 5,151       |
| Cu. yds. of debris - sweeping          | 4,399       | 4,335       | 6,179       | 4,963       | 3,530       | 3,293       | 3,817       | 2,833       | 2,935       | 4,986       |
| Tons of asphalt used (potholes)        | 1,058       | 480         | 406         | 598         | 570         | 701         | 719         | 1,381       | 475         | 614         |
| Water                                  |             |             |             |             |             |             |             |             |             |             |
| Ave. daily consumption (000 gal.)      | 4,931       | 4,845       | 5,099       | 5,347       | 5,527       | 5,114       | 4,979       | 5,125       | 5,205       | 5,322       |
| Peak daily consumption (000 gal.)      | 8,771       | 7,524       | 8,529       | 8,531       | 7,725       | 9,043       | 7,510       | 7,033       | 6,855       | 7,921       |
| Number of customers                    | 14,613      | 14,791      | 15,275      | 15,405      | 15,533      | 15,692      | 15,613      | 15,614      | 15,637      | 15,687      |
| Wastewater                             |             |             |             |             |             |             |             |             |             |             |
| Ave. daily sewage treatment (000 gal.) | 3,770       | 3,977       | 3,930       | 4,166       | 4,122       | 4,199       | 3,900       | 3,842       | 4,335       | 4,258       |
| Metro Ride                             |             |             |             |             |             |             |             |             |             |             |
| Total route miles                      | 638,730     | 620,471     | 603,668     | 739,055     | 720,858     | 604,793     | 573,876     | 573,105     | 571,175     | 401,126     |
| Total passengers                       | 743,249     | 758,061     | 819,165     | 865,988     | 857,010     | 851,895     | 794,121     | 774,081     | 788,748     | 631,360     |
| Cost per passenger                     | \$3.66      | \$3.85      | \$3.55      | \$3.64      | \$3.86      | \$3.89      | \$3.88      | \$4.02      | \$4.24      | \$4.28      |

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

|                             | Fiscal Year |             |             |             |             |             |             |             |             |             |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                             | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> |
| 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            | 214.5       | 218.7       | 221.9       | 223.4       | 225.5       | 228.7       | 233.8       | 239.0       | 245.0       | 250.8       |
| Parks & recreation          |             |             |             |             |             |             |             |             |             |             |
| Parks                       | 36          | 36          | 36          | 36          | 36          | 35          | 36          | 36          | 37          | 37          |
| Acreage                     | 338         | 338         | 338         | 343         | 343         | 342         | 342         | 342         | 342         | 342         |
| Swimming pools              | 3           | 3           | 3           | 3           | 3           | 3           | 3           | 3           | 3           | 3           |
| Water                       |             |             |             |             |             |             |             |             |             |             |
| Miles of main               | 217.0       | 221.1       | 227.1       | 229.8       | 230.6       | 231.6       | 231.9       | 232.3       | 232.3       | 232.3       |
| 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               | 1,451       | 1,481       | 1,541       | 1,571       | 1,587       | 1,600       | 1,602       | 1,606       | 1,607       | 1,612       |
| Wastewater                  |             |             |             |             |             |             |             |             |             |             |
| Miles of main               | 212.3       | 218.1       | 221.3       | 224.3       | 225.2       | 225.6       | 226.2       | 226.4       | 226.6       | 226.6       |
| Stormwater                  |             |             |             |             |             |             |             |             |             |             |
| Miles of main               | 124.7       | 127.3       | 127.8       | 128.3       | 128.6       | 129.3       | 129.7       | 132.0       | 133.8       | 137.8       |