



City of Eau Claire

Eau Claire, Wisconsin

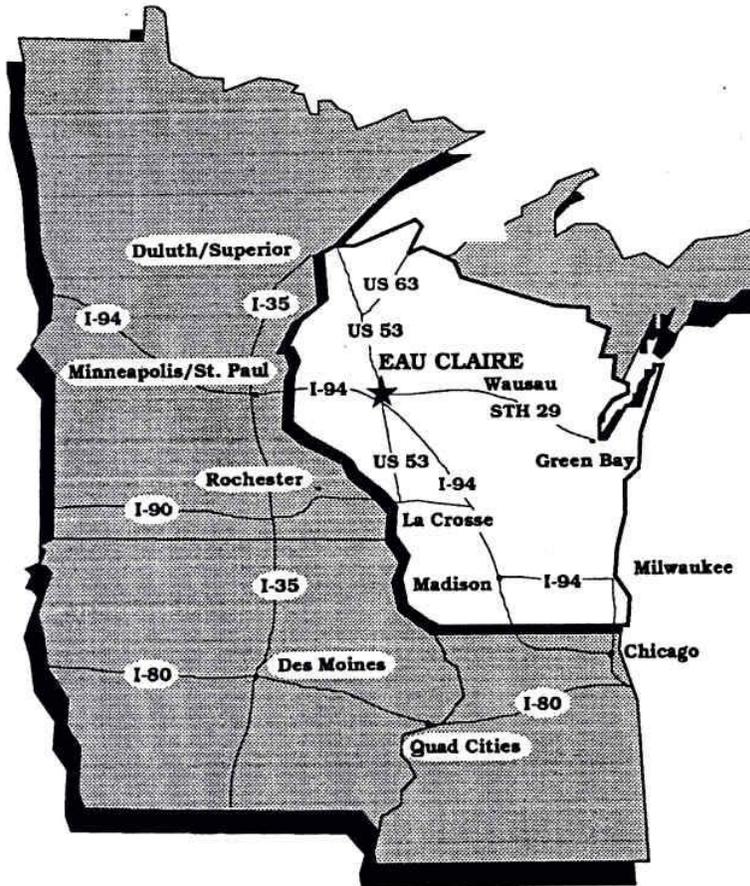
COMPREHENSIVE ANNUAL FINANCIAL REPORT
INCLUDING INDEPENDENT AUDITORS' REPORT
AS OF AND FOR THE YEAR ENDED

DECEMBER 31, 2014

Finance Department
Jacob Winzenz, Finance Director

EAU CLAIRE, WISCONSIN

The City of Eau Claire is located in west central Wisconsin at the confluence of the Eau Claire and Chippewa Rivers. The City was established as a lumbering settlement in the 1840's. Today it serves as the major center for health and professional services, education, retail trade and industry in the Chippewa Valley.



Eau Claire is conveniently linked by air, fiber optics, railroad and the interstate system to all of the major markets in the upper Midwest. The City is less than 2 hours away from Minneapolis / St. Paul via I-94 and just 4.5 hours from Milwaukee, also via I-94. Scheduled daily air service links Eau Claire with the Chicago O'Hare International Airport.

Eau Claire's quality of life is no secret. Several national surveys have ranked Eau Claire toward the top of all U.S. metropolitan areas. Eau Claire's picturesque setting on the banks of the Eau Claire and Chippewa Rivers is one of its greatest assets. The City has made excellent use of its natural features with many

beautiful urban and rural parks and parkways. Well-preserved historic neighborhoods add to the City's charm. The City's residents enjoy a wide variety of year-round sporting events, thanks to the four distinct seasons. Swimming, biking, boating, golfing, hunting, fishing, skating, and cross-country skiing are just a few of the activities which attract visitors to the area. Eau Claire is also a cultural center with a strongly supported arts and entertainment calendar. Eau Claire is committed to incorporating green and sustainable energy, technology, and products into its operations.

Low costs of living and housing, full governmental services, a cooperative business environment and a growing economy all contribute to make Eau Claire an attractive place to live and work.

CITY OF EAU CLAIRE

COMPREHENSIVE ANNUAL FINANCIAL REPORT As of and for the Year Ended December 31, 2014

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INTRODUCTORY SECTION

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- > Elected and Appointed Officials
- > Organizational Chart
- > Letter of Transmittal
- > Awards

CITY OF EAU CLAIRE, WISCONSIN
ELECTED AND APPOINTED OFFICIALS

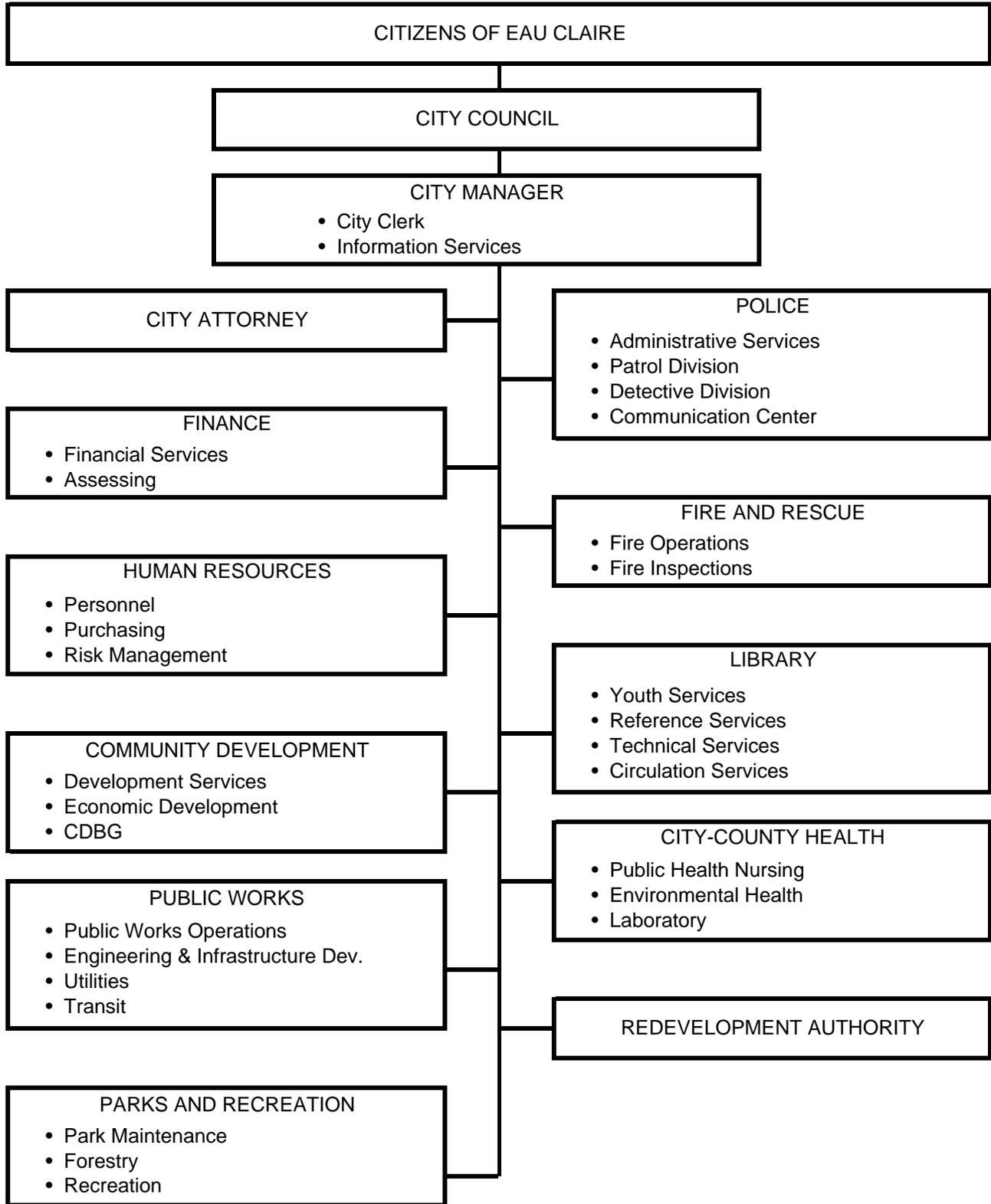
Elected Officials

	<u>Term Commenced</u>	<u>Term Expires</u>
Kerry J. S. Kincaid Council President	April 2014	April 2017
David L. Duax District One	April 2012	April 2015
David Klinkhammer District Two	April 2012	April 2015
Kathleen Mitchell District Three	April 2012	April 2015
Bob Von Haden District Four	April 2012	April 2015
Andrew Werthmann District Five	April 2012	April 2015
Eric Larsen Council at Large	April 2013	April 2016
Monica Lewis Council at Large	April 2013	April 2016
David Strobel Council at Large	April 2013	April 2016
Michael Xiong Council at Large	April 2013	April 2016
Catherine Emmanuelle Council at Large	April 2013	April 2016

Appointed Officials

Russell M. VanGompel.....	City Manager
Jacob Winzenz	Finance Director
J. Dale Peters	Director of Human Resources/Assistant City Manager
John LeBrun	Information Services Manager
Darryl Tufte.....	Director of Community Development
Phillip C. Fieber	Director of Public Works
Lyle N. Koerner, Jr.	Fire Chief
Gerald W. Staniszewski.....	Police Chief
Stephen C. Nick.....	City Attorney
John Stoneberg.....	Public Library Director
Elizabeth Giese.....	City-County Health Director
Donna A. Austad	City Clerk
Mike Schatz, EDFP	Economic Development Administrator

Organizational Chart City of Eau Claire, Wisconsin





CITY OF EAU CLAIRE

*FINANCE DEPARTMENT
Finance Administration
(715) 839-6044*

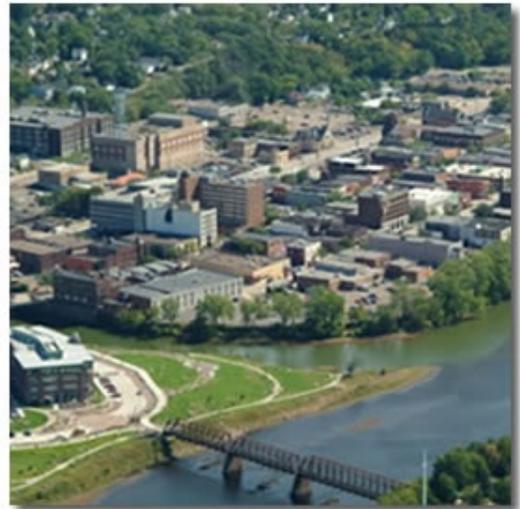
General Fund	<ul style="list-style-type: none"> Accounts for the general administration of the City of Eau Claire 	
Special Revenue Funds	<ul style="list-style-type: none"> Cemetery Maintenance Hazardous Materials Response Community Development HOME Grant Police Department K9 Economic Development 	<ul style="list-style-type: none"> Community Enhancement Public Library City-County Health Dept. Downtown Partners Former Landfill Escrow
Enterprise Funds	<ul style="list-style-type: none"> Hobbs Ice Center Outdoor Pool 	<ul style="list-style-type: none"> Public Transit Water, Sewer, Storm Water, & Parking Utilities
Internal Service Funds	<ul style="list-style-type: none"> Central Equipment 	<ul style="list-style-type: none"> Risk Management
Capital Projects Funds	<ul style="list-style-type: none"> TIF #5 TIF #8 TIF #9 Bridge Projects Environmental Improvements 	<ul style="list-style-type: none"> Land, Buildings, & Equipment Library Buildings & Equipment Parks & Recreation Projects Streets Capital Projects
Debt Service Funds	<ul style="list-style-type: none"> General Debt Service 	<ul style="list-style-type: none"> TIF #6 & TIF #7

The Redevelopment Authority and four Business Improvement Districts (BIDs) are component units of the City, so this report includes a discrete presentation of their financial data. The Redevelopment Authority was created by the City Council in 1991 for the purpose of eliminating and preventing substandard, deteriorated and blighted areas and encouraging urban renewal. The South Barstow, West Grand, Water Street, and North Barstow/Medical Business Improvement Districts account for the collection of special assessments from their members for business promotion within each District.

Community Profile

Eau Claire is located in west-central Wisconsin in both Eau Claire and Chippewa counties. Eau Claire was established as a lumbering settlement in the 1840's. The city was incorporated in 1872 and currently covers an area of approximately 34 square miles. The City's current population is 66,834, and the population of the Greater Eau Claire Metropolitan Area is 162,700.

Eau Claire is situated along Interstate 94 between Minneapolis and Chicago, and is home to the Chippewa Valley Regional Airport. Due to its location, Eau Claire serves as the center for health and professional services, education, retail trade, technology, and industry in west-central Wisconsin.



Government Profile



The City of Eau Claire has a Council/Manager form of government. There are eleven members of the Eau Claire City Council, of whom five are elected from aldermanic districts. The remaining six Council members are comprised of five at-large members and the Council President. District Council members were elected to three-year terms in April 2015. At-large Council members were elected to three-year terms in April 2013. The Council President was elected to a three-year term in April 2014.

The City provides a number of services, including police and fire protection; street construction and infrastructure maintenance; water, sewer, and storm water; and public transit. The City's Program of Services and Capital Improvement Plan are updated and approved by Council annually. Council workshops and public hearings provide citizens with opportunities for feedback for the Operating Budget and Capital Improvement Plan.

Economic Conditions

Top Employers

Healthcare, education, retail, and manufacturing sectors provide many of the jobs found in Eau Claire. The city is the location for the headquarters of Menards, the nation's third largest home improvement retail chain. Six separate employers each provide jobs for at least 1,000 individuals.

Innovative Healthcare

Eau Claire is home to four award winning medical facilities. The Mayo Clinic Health System is a nationally ranked hospital that employs over 3,600 individuals. Mayo Clinic Health System's location in downtown Eau Claire has contributed to the growth and vitality of the central business district. Marshfield Clinic and Sacred Heart Hospital are award winning and nationally recognized healthcare providers that employ over 2,100 individuals. Oakleaf Medical Network is a private hospital designed exclusively for surgery, and has received numerous awards for patient safety and patient experience.



Marshfield Clinic



Mayo Clinic Health System



Sacred Heart Hospital

A Growing Regional Talent Pool

University of Wisconsin – Eau Claire, Chippewa Valley Technical College, and Globe University comprise three institutions of higher education that contribute to a growing talent pool in west-central Wisconsin. The three schools combined have over 20,000 students enrolled in programs such as applied science, nursing, computer science, marketing, and welding. In 2014, Princeton Review named University of Wisconsin – Eau Claire one of the nation’s “best values for public colleges.”

Tourism in Eau Claire

Tourism is a vital component of Eau Claire’s economy. People from across the country visit Eau Claire for its natural and cultural resources. Area tourism generates over \$300 million in revenue and creates approximately 6,100 jobs in the Chippewa Valley.

Downtown Eau Claire

Eau Claire’s vibrant and growing downtown area is a significant economic engine for the city. According to the most recent data, the downtown area of approximately 0.85 square miles contains 648 businesses that employ over 12,000 individuals. Health services comprise the largest employer category in downtown Eau Claire, followed by the service industry, retail trade, and manufacturing.

Major Initiatives



Downtown Re-Development

The City of Eau Claire remains committed to re-developing portions of the downtown. A mixed-used building incorporating first floor retail/commercial space and housing is under construction along the confluence of the Eau Claire and Chippewa Rivers. In addition, plans are moving forward for a \$55 million performing arts center that will draw more visitors into downtown Eau Claire.

Trail Development

Trail development is a priority of the Parks and Recreation Department. The natural resources of Eau Claire provide recreational opportunities that bring visitors from across the country. Ongoing land acquisitions and trail development are paving the way for the City to connect its bicycle system into the larger regional and State trail systems.





Renovations at Hobbs Municipal Ice Center

Visitors to Hobbs Municipal Ice Center will notice several additions over the next few years. The club viewing room will be updated to enhance the experience of watching hockey games. In addition, new locker rooms and office space will increase the space necessary to accommodate a new hockey team in Eau Claire.

Lismore Hotel

The Lismore Hotel, owing its name to Eau Claire's sister city of Lismore, Australia, will replace the former Ramada Hotel in downtown Eau Claire. An investment of \$16 million has been made by the ownership group to renovate and replace virtually every surface of the building. The Lismore will include 112 guest rooms in addition to event space and a 100 seat restaurant. The anticipated opening of the hotel is late 2015.



West Bank Re-Development

The City is continuing with its process of acquiring land along the west bank of the Chippewa River. As properties become available for purchase, the City acquires properties for future infrastructure and public amenity improvements.



Marketing for Block 7

Block 7 is currently being used as a surface parking lot for area employees. Upon completion of the North Barstow parking ramp, Block 7 will be available for development. Economic development staff will market the site, and anticipated future uses include retail or office space.

Awards and Recognition



The City of Eau Claire was recognized as an All-America City in 2014. This prestigious award recognizes a small selection of cities in a new category each year. In 2014, the category involved healthy communities. In order to be recognized as an All-America City in the “healthy communities” category, the City had to address issues such as obesity, fitness, healthy eating, and disease prevention.

Area Development, an executive publication covering site selection, facility planning, and relocation, recently ranked Eau Claire 61st out of 365 Metropolitan Statistical Areas (MSAs) in the United States for economic and job growth.

In a recent article by Yahoo Finance, Eau Claire was named in the top ten cities to retire on \$100 per day. The list, compiled by AARP Magazine, focused on areas where retirees could live comfortably and affordably on a budget. Eau Claire's low cost of living, easy access to high-quality healthcare, recreational opportunities and cultural events make Eau Claire one of the Best Places to Retire.

Kiplinger.com named Eau Claire the 7th best city for cheapskates. The study examined metropolitan areas where income levels are high relative to the cost of living. Kiplinger also considered the amount of free (or almost free) things to do that the area offers. The Chippewa River Trail System and Lake Wissota were specifically cited by the study.

Forbes recently released its annual “Best Places for Business and Careers,” naming Eau Claire 66th out of 184 “small places” with a population under 250,000. In the “small places” category, Eau Claire ranked 101st in cost of business, 93rd in job growth, and 48th in education.

TheAtlanticCities.com reported that Lumos Labs conducted a study based upon brain performance and cognitive capacity to measure the smartest cities. Scientists tracked over one million individuals and rated them in five areas: memory, processing speed, flexibility, attention, and problem solving. The information was then linked with education attainment, knowledge, and creative work. Eau Claire was ranked 23rd out of 169 metropolitan areas.

Financial Information

Accounting System and Budgetary Control

The diverse nature of government operations and the necessity of assuring legal compliance preclude recording and summarizing all governmental financial transactions and balances in a single accounting entity. From an accounting and financial management viewpoint, a governmental unit is a combination of several different fiscal and accounting entities, each having a separate set of accounts and functioning independently of each other. Each accounting entity is accounted for in a separate fund. A fund is defined as a fiscal accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Budgetary control is maintained through an annual budget ordinance passed by the City Council. Formal budgetary integration is employed as a management control device during the year for the General fund, Debt Service fund, and certain special revenue funds, and is adopted on a basis consistent with generally accepted accounting principles. Fixed, long-term budgets on a project basis are used for capital project funds. Flexible annual budgets are approved for proprietary funds to provide for financial management. The City Manager and Finance Director may authorize transfers of budgeted amounts within departments; however, transfers between departments and additional appropriations to the original budget must be made by Council resolution.

Internal Control

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits likely to be derived and that the evaluation of cost and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Fiscal Policies

The City's fiscal policies are detailed in the City's annual budget document, The Program of Services. The policies provide directives for the City's financial operations including budgeting, investing, revenues, reserves, special assessments, purchasing, pension, special events and risk management. In 2009, the City Council established a Fiscal Policy Advisory Committee to facilitate a review of fiscal matters. The committee's ongoing efforts to raise public awareness of the difficult budget issues help develop a process of "informed consent."

Independent Audit

Included in the financial section is the independent auditor's report which is a significant part of the Comprehensive Annual Financial Report (CAFR). In this report, Baker Tilly Virchow Krause, LLP, Certified Public Accountants, express their opinion that the financial statements are presented fairly in conformity with generally accepted accounting principles and comment on the scope of the examination. The opinion is unqualified and signifies a substantial level of achievement. Compliance audits of the City's federal and state financial assistance programs for fiscal year ending December 31, 2014 were also completed by the independent auditors. The reports are available under separate cover.

Management's Discussion and Analysis

Immediately following the independent auditor's report is the *Management's Discussion and Analysis*, which provides a narrative introduction, overview, and analysis of the basic financial statements.

Reporting Achievement

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the City of Eau Claire a Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2013. The City has received this award each year since 1984. In order to receive a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

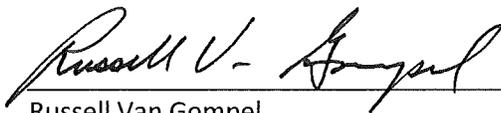
Acknowledgments

We would like to thank the City Council for their support in responsibly planning and conducting the financial operations of the City. In addition, we would like to thank Kathryn Ludack, Accounting Manager/Comptroller, Christine Wagner, Financial Operations Manager, Justin Kennedy, Senior Accountant, Rose Adams, Accountant, Vicki Franson, Accountant, Julie Lau, Accountant and the remainder of the Finance Department staff for their dedication in preparing this report.

Respectfully submitted,



Jacob J. Winzenz
Finance Director



Russell Van Gompel
City Manager

The Government Finance Officers Association of United States and Canada (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the City of Eau Claire, Wisconsin for its comprehensive annual financial report for the fiscal year ended December 31, 2013. This was the twenty-eighth consecutive year that the government has achieved this prestigious award.

In order to be awarded a *Certificate of Achievement*, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both the generally accepted accounting principles and applicable legal requirements.

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



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of Eau Claire
Wisconsin**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

A handwritten signature in black ink, reading "Jeffrey R. Egan". The signature is written in a cursive style.

Executive Director/CEO

FINANCIAL SECTION

This section contains the following subsections:

- > Auditors' Report
- > Management's Discussion and Analysis
- > Basic Financial Statements
- > Notes to Financial Statements
- > Combining and Individual Fund Statements and Schedules

Auditors' Report

Independent audits of local government financial statements are essential elements of financial control and accountability.

The local government is responsible for the contents of its financial statements, including the notes to the financial statements. The independent auditors' responsibility is to report on the financial statements.



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Madison, WI 53707-7398
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bakertilly.com

INDEPENDENT AUDITORS' REPORT

To the City Council
City of Eau Claire
Eau Claire, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Eau Claire, Wisconsin, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City of Eau Claire'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 from 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 over financial reporting relevant to the City of Eau Claire'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 of Eau Claire'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.

To the City Council
City of Eau Claire

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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Eau Claire, Wisconsin, as of December 31, 2014 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, General Fund budgetary comparison information, and other post-employment benefit information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Eau Claire's basic financial statements. The combining and individual fund financial statement schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 combining and individual fund financial statement schedules are fairly stated in all material respects, in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Eau Claire's basic financial statements. The "Introductory Section" and "Statistical Section" are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has 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 it.

To the City Council
City of Eau Claire

Prior-Year Comparative Information

We have previously audited the City of Eau Claire's 2013 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information in our report dated June 27, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we will issue a report on our consideration of the City of Eau Claire'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 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 of Eau Claire's internal control over financial reporting and compliance.

Baker Tilly Vichow Krause, LLP

June 29, 2015

Management's Discussion and Analysis

Management's discussion and analysis provides a narrative introduction and overview the readers need to interpret the basic financial statements. It also provides analysis of some key data presented in the financial statements.

CITY OF EAU CLAIRE, WISCONSIN

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

This discussion and analysis of the financial performance of the City of Eau Claire is intended to provide an overview of the City's financial activities for the fiscal year ended December 31, 2014. Readers are encouraged to consider the information presented here in conjunction with additional information as furnished in the letter of transmittal and the financial statements, which begin on page 1.

FINANCIAL HIGHLIGHTS

- The City of Eau Claire has total assets of \$548.9 million, total deferred outflows of \$.2 million, total liabilities of \$175.1 million and total deferred inflows of \$40.4 million, resulting in a net position of \$333.6 million at the end of 2014. Of the net position, \$263.2 million represents the City's net investment in capital assets, \$25.6 million is held for restricted purposes and \$44.8 million is available to meet the City's ongoing obligations to its citizens and creditors.
- During 2014, the City of Eau Claire's total net position increased by \$5.4 million from 2013, or approximately 1.7%.
- At the close of 2014, the City of Eau Claire's governmental funds reported ending fund balances of \$50.3 million, a net decrease of \$3.6 million from 2013. The City budgeted for a \$2.5 million decrease in fund balance in the General Fund. The General Fund had an increase in fund balance of \$.6 million, due to the net effect of small variances in revenues and expenditures, which are discussed in more detail on page xxiii. The fund balance in Debt Service decreased by \$.4 million, while the other governmental fund balances decreased by \$3.8 million.
- During 2014, the City of Eau Claire continued a proactive plan for the replacement of aging infrastructure, the upgrade of technology used in operations and the improvement of utility services. The City's additions to capital assets totaled \$29 million, net of construction in progress, as shown in Note III-D of this report.
- Wisconsin statute restricts municipality general obligation debt to less than 5% of equalized property value. The City of Eau Claire maintained a level of remaining debt capacity of 58.4%. In 2014, \$8.8 million in new general obligation debt was issued.

OVERVIEW OF THE FINANCIAL STATEMENTS

This section serves as an introduction to the City of Eau Claire's basic financial statements. The basic financial statements for the City are comprised of three components:

- Government-Wide Financial Statements
- Fund Financial Statements
- Notes to the Financial Statements

This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The two government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to private-sector business entities. The *Statement of Net Position* presents information on all of the City of Eau Claire's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the total of the assets and deferred outflows of resources less the total of the liabilities and deferred inflows of resources 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. The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). The City's overall financial position improved from 2013 to 2014, as the City's net position increased by \$5.4 million, or about 1.7%. The government-wide financial statements can be found on pages 1 through 3 of this report.

Both of the government-wide financial statements distinguish those functions of the municipality that are principally supported by taxes and intergovernmental revenues, known as governmental activities, from other functions that are intended to recover all, or a significant portion, of their costs through user fees and services charges, called business-type activities. The governmental activities of the City include general government, public safety, public works, health services, culture and recreation, development and other miscellaneous activities. The business-type activities of the City include the Water, Sewer, Storm Water and Parking Utilities, Public Transit, the Hobbs Ice Center and the Outdoor Pool.

In addition to these various direct operations of the City, or primary government, the government-wide financial statements also include financial information related to legally distinct entities for which the City has financial responsibility and accountability, known as component units. These component units are the Redevelopment Authority, the South Barstow Business Improvement District, the West Grand Business Improvement District, the Water Street Business Improvement District and the North Barstow/Medical Business Improvement District. These entities are described in Note III-H following the financial statements. Separately issued financial statements of the Redevelopment Authority may be obtained from the Finance Director's office, which is located at 203 South Farwell Street, P.O. Box 5148, Eau Claire, WI 54702-5148.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Eau Claire, like other governmental entities, uses fund accounting to ensure and demonstrate compliance with various finance-related legal requirements. Some funds are required by law, while

others are established internally to maintain control over a particular activity. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, governmental fund financial statements focus on near-term inflows and outflows of current spendable resources, as well as balances of spendable resources that can be converted to cash and balances available at the end of the fiscal year for future spending. Such information may be useful in evaluating a government's near-term financing requirements.

Governmental funds include the General Fund, special revenue, debt service and capital project funds. Of these, the General Fund and the Debt Service-General are shown as major funds and are presented in separate columns. Data from the other governmental funds are combined into a single column for aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. Reconciliations follow the *Balance Sheet-Governmental Funds* and *Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds*. The reconciliations show the adjustments that are needed to convert the governmental funds financial statements to the government-wide *Statement of Net Position and Statement of Activities*.

Proprietary Funds

Proprietary funds maintained by the City of Eau Claire are of two different types: enterprise funds and internal service funds. Enterprise funds are used to report those functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for activities that provide supplies and services to the general public. Proprietary fund statements provide the same type of information as the government-wide financial statements, but in more detail. The City's fund financial statements present separate enterprise fund information for the Water, Sewer and Storm Water Utilities and Public Transit; data from the other proprietary funds are combined into a single column for aggregated presentation. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report. The proprietary fund financial statements begin on page 9 of this report.

Internal service funds are used to account for enterprise-like operations that provide services, on a user fee basis, primarily or exclusively to departmental customers within the governmental entity itself, rather than to external customers. The City uses internal service funds to account for its risk management and central equipment functions. Because these services predominately benefit governmental rather than business-type functions, they have been allocated primarily to the governmental activities in the government-wide financial statements. Detail about each fund may be found in the supplementary information section beginning on page 111.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The City of Eau Claire uses a fiduciary fund to account for taxes collected for the benefit of overlapping tax jurisdictions. The Tax Collection fiduciary fund is not reflected in the government-wide financial statements because the resources of the fund are not available to support the programs of the City. The accounting for the Tax Collection fund is similar to that used for proprietary funds. The fiduciary fund financial statement can be found on page 19 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional detail that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found beginning on page 22 of this report.

Additional Supplementary Information

Following the basic government-wide and fund financial statements and accompanying notes, combining statements are included for the non-major governmental, enterprise and internal service funds, along with component units. The last section of *The City of Eau Claire Comprehensive Annual Financial Report* presents statistical and historical reference data.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The *Statement of Net Position* for the City of Eau Claire is summarized in the table below. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's assets and deferred outflows exceeded liabilities and deferred inflows by \$333.6 million at the close of 2014. The majority of the net position, \$263.2 million, reflects the City's investment in capital assets, including land, land improvements, buildings, machinery and equipment, infrastructure and construction in progress, net of related debt. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**City of Eau Claire, Wisconsin
Summary of Net Position**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2014	2013	2014	2013	2014	2013
Current and Other Assets	\$ 127,248,998	\$ 130,434,079	\$ 26,324,874	\$ 27,602,027	\$ 153,573,872	\$ 158,036,106
Capital Assets (Net)	172,863,630	165,627,533	222,451,312	201,402,700	395,314,942	367,030,233
Total Assets	300,112,628	296,061,612	248,776,186	229,004,727	548,888,814	525,066,339
Deferred Outflows of Resources	154,217	179,209	114,942	133,098	269,159	312,307
Current Liabilities	7,259,237	7,752,939	3,498,580	6,054,289	10,757,817	13,807,228
Noncurrent Liabilities	104,511,369	101,659,209	59,821,428	42,428,876	164,332,797	144,088,085
Total Liabilities	111,770,606	109,412,148	63,320,008	48,483,165	175,090,614	157,895,313
Deferred Inflows of Resources	40,425,663	39,262,386	-	-	40,425,663	39,262,386
Net Investment in Capital Assets	100,938,789	95,534,363	164,710,447	161,838,061	265,649,236	257,372,424
Debt Reclassification	-	-	-	-	(2,449,992)	(2,909,297)
Total Net Investment in Capital Assets	100,938,789	95,534,363	164,710,447	161,838,061	263,199,244	254,463,127
Restricted	22,366,545	24,351,108	3,290,640	3,457,280	25,657,185	27,808,388
Unrestricted	24,765,242	27,680,816	17,570,033	15,359,319	42,335,275	43,040,135
Debt Reclassification	-	-	-	-	2,449,992	2,909,297
Total Unrestricted	24,765,242	27,680,816	17,570,033	15,359,319	44,785,267	45,949,432
Total Net Position	\$ 148,070,576	\$ 147,566,287	\$ 185,571,120	\$ 180,654,660	\$ 333,641,696	\$ 328,220,947
Total Net Position as a % of Total Liabilities/Deferred Inflows	97%	99%	293%	373%	155%	166%
Unrestricted Net Position as a % of Total Liabilities/Deferred Inflows	16%	19%	28%	32%	21%	23%

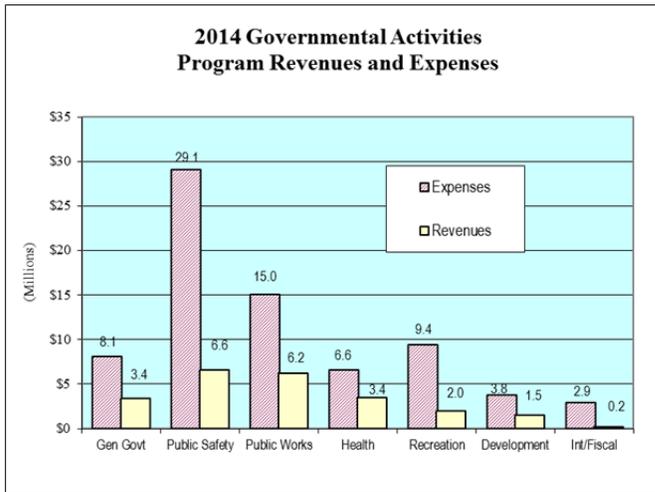
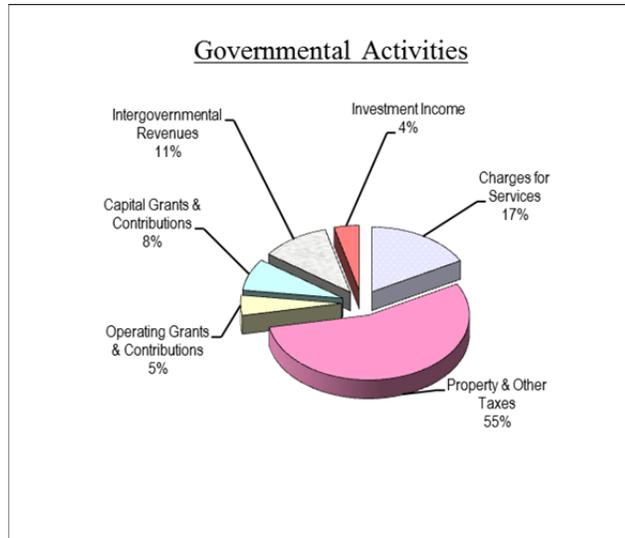
A relatively small portion of the City's net position, \$25.6 million or 8%, represents resources that are subject to other restrictions as to how they may be used. The remaining \$44.8 million of total net position may be used to meet the City's ongoing obligations to its citizens and creditors. It is important to note that \$17.6 million, or about 39%, of the unrestricted net position is related to the City's business-type activities. Consequently, they generally may not be used to fund governmental activities. At the end of 2014, the City is able to report positive balances in net position for the governmental activities as well as business-type activities.

An examination of the *Statement of Activities* provides a concise picture of how the various activities of the City are funded. The following table summarizes the City's governmental and business-type activities.

**City of Eau Claire, Wisconsin
Summary of Activities**

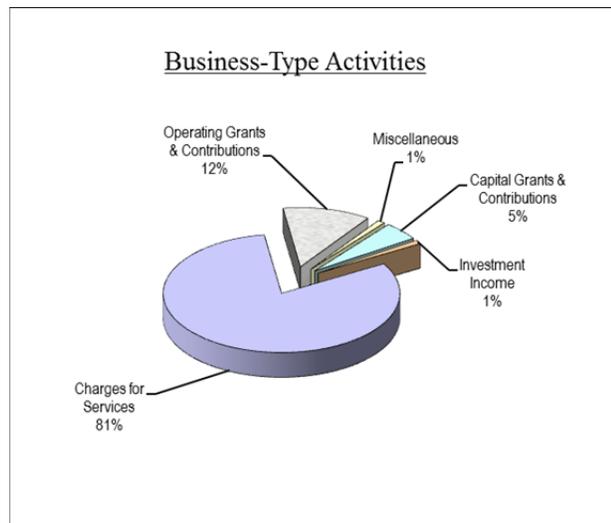
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Revenues						
Program revenues:						
Charges for services	\$ 13,113,933	\$ 12,200,547	\$ 24,937,782	\$ 24,983,656	\$ 38,051,715	\$ 37,184,203
Operating grants & contributions	4,005,881	3,618,217	3,732,560	3,543,831	7,738,441	7,162,048
Capital grants & contributions	6,359,710	5,635,014	1,457,999	2,098,867	7,817,709	7,733,881
General revenues:						
Property taxes	39,082,126	37,145,640	-	-	39,082,126	37,145,640
Other taxes	2,149,965	2,240,563	-	-	2,149,965	2,240,563
Intergovernmental revenues	8,472,470	8,476,861	-	-	8,472,470	8,476,861
Investment income	1,368,713	518,206	112,878	81,087	1,481,591	599,293
Miscellaneous	508,102	177,419	412,622	457,752	920,724	635,171
Total revenues	75,060,900	70,012,467	30,653,841	31,165,193	105,714,741	101,177,660
Expenses						
Program expenses:						
General government	8,057,579	7,304,201	-	-	8,057,579	7,304,201
Public safety	29,094,423	28,084,089	-	-	29,094,423	28,084,089
Public works	15,025,070	16,208,836	-	-	15,025,070	16,208,836
Health services	6,555,268	8,376,282	-	-	6,555,268	8,376,282
Culture and recreation	9,393,095	9,277,789	-	-	9,393,095	9,277,789
Development	3,756,001	3,082,492	-	-	3,756,001	3,082,492
Interest & fiscal charges	2,919,561	3,096,357	-	-	2,919,561	3,096,357
Water Utility	-	-	6,733,490	6,148,766	6,733,490	6,148,766
Sewer Utility	-	-	7,512,146	6,994,271	7,512,146	6,994,271
Storm Water Utility	-	-	3,163,028	3,752,368	3,163,028	3,752,368
Public Transit	-	-	5,980,184	5,545,632	5,980,184	5,545,632
Parking Utility	-	-	528,347	483,670	528,347	483,670
Hobbs Ice Center	-	-	1,181,985	1,193,577	1,181,985	1,193,577
Outdoor Pool	-	-	393,815	350,115	393,815	350,115
Total expenses	74,800,997	75,430,046	25,492,995	24,468,399	100,293,992	99,898,445
Increase in net position before transfers	259,903	(5,417,579)	5,160,846	6,696,794	5,420,749	1,279,215
Transfers	244,386	(750,521)	(244,386)	750,521	-	-
Change in net position	504,289	(6,168,100)	4,916,460	7,447,315	5,420,749	1,279,215
Net position at January 1	147,566,287	153,734,387	180,654,660	173,207,345	328,220,947	326,941,732
Net position at December 31	\$148,070,576	\$147,566,287	\$185,571,120	\$180,654,660	\$333,641,696	\$328,220,947

The chart on the right illustrates how governmental activities are funded. Taxes, primarily real and personal property, but also room taxes and payments-in-lieu of taxes, provide about 55% of the revenue for governmental activities. State aids and other grants comprise another 24% while charges for services and all other sources are equal to 21% of revenues.



Another way to analyze the data in the *Statement of Activities* is to compare expenses of a particular program with revenues generated. The graph on the left reflects this comparison for 2014 governmental activities.

Business-type activities depend on charges for services as their primary revenue sources. As indicated in the graph on the right, 81% of revenues are generated from user charges.



FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS

Governmental Funds

The focus of the City's governmental funds is to provide information regarding near-term inflows, outflows and spendable resources. Such information can be useful in assessing the City's financing requirements.

As of December 31, 2014, the City of Eau Claire's *Balance Sheet - Governmental Funds* on page 4 reported combined ending fund balances of \$50.3 million, a decrease of \$3.6 million over the previous year's ending balances. The decrease is due to a decrease of \$3.8 million in the nonmajor governmental funds, as the General Fund had an increase of \$.6 million in fund balance and the Debt Service Fund had a decrease of \$.4 million.

The decrease of \$3.8 million in the nonmajor governmental funds was primarily caused by the decreases in Buildings and Equipment and TIF 5. The major projects in Buildings and Equipment included the City's portion for an upgrade to the public safety facility, land acquisitions for future trail development and renovations to City Hall. The decrease in TIF 5 was due to capital projects in the Gateway Business Park for water, sewer and storm water utilities, along with street construction. The increase in the General Fund was due to greater than expected revenues for special assessments from increasing home sales, thus causing the special assessments to become due and paid.

The General Fund is the primary operating fund used to account for the governmental operations of the City. The largest revenue sources for the General Fund are taxes and intergovernmental aids, together accounting for 78.1% of revenues. Public safety, public works and general government were the primary operations of the General Fund. Of the \$58.2 million General Fund expenditures and other financing uses, 44.9% or \$26.1 million was allocated to the public safety sector. Another 26.9% or \$15.6 million was expended by the operations of public works and general government.

The General Fund has a fund balance of \$24.8 million, an increase of \$.6 million from 2013. Of the fund balance, \$5.3 million is nonspendable, reflecting loans made to other funds and organizations, prepaid items and inventories. Assigned amounts include \$2.6 million for capital projects, \$2.2 million for maintenance on a major arterial and \$.5 million for carryovers and a potential reimbursement. The unassigned total is \$14.2 million.

The Debt Service Fund had a total fund balance of \$5.7 million, a decrease of \$.4 million from 2013. This balance primarily reflects the amounts restricted to pay debt service on special assessment bond issues and has accumulated from the prepayment of special assessments by property owners.

The Nonmajor Governmental Funds column in the balance sheet includes various special revenue, debt service and capital projects funds used to account for proceeds of specific revenue sources that are restricted to expenditures for specific purposes. The fund balance of the Nonmajor Governmental Funds decreased from 2013 by \$3.8 million.

Proprietary Funds

The City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in greater detail. The detail of the City's proprietary funds can be found from pages 9 to 18. The net position of the enterprise-type proprietary funds at the end of 2014 totaled \$185.6 million, an increase of \$4.9 million from the previous year.

Some highlights:

- The Water Utility fund transferred \$1.6 million to the General Fund and the General Fund and other funds transferred \$1.3 million to the Parking Utility, Public Transit, Hobbs Ice Center and Outdoor Pool funds. After transfers, the enterprise funds had collective income before contributions of \$3.5 million, primarily generated by the Water, Sewer and Storm Water funds.
- Additionally, in 2014, developer infrastructure and other contributions resulted in \$1.4 million of the \$4.9 million net position increase.

GENERAL FUND BUDGETARY HIGHLIGHTS

As shown in the *Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual for the General Fund* on page 73, the original 2014 General Fund budget authorized expenditures and other financing uses of \$59.9 million, funded by anticipated revenues and other financing sources of \$57.5 million and the application of \$2.4 million in available reserves. From time to time during the year, the City Council approved adjustments to the budget, primarily for grants and donations. These changes are reflected in the Final Budgeted Amounts column.

The City ended the year with net favorable variances. Revenues and other financing sources were over budget by \$1.2 million and expenditures and other financing uses were under spent by \$1.9 million. Since the budget anticipated a drawdown of \$2.4 million, the net increase in the General Fund's fund balance is \$.6 million as discussed on page xv. The more significant variances in the revenue lines were the receipts of \$1.3 million over budget in charges for special assessments, intergovernmental revenue, charges for services-public and investment income. The significant revenue shortfalls were \$.2 million for taxes, licenses and permits, fines, forfeitures and penalties and charges for services-intergovernmental.

Several factors contributed to the favorable expenditure variances, with the major variances of wages and benefits at \$.9 million, General Fund subsidies at \$.3 million and contractual services costs at \$.4 million. The General Fund support for Public Transit and the Outdoor Pool was less than anticipated due to greater than expected revenue in Transit and under spent wages, benefits and supply costs in the Outdoor Pool. Making up the balance of the \$1.9 million expenditures variance are the unspent contingency amount of \$.2 million and multiple other budget amounts in many programs, totaling \$.1 million.

CAPITAL ASSETS AND DEBT

Capital Assets

In accordance with the implementation requirements of GASB No. 34, the City has recorded historical costs and depreciation expense associated with all of its capital assets, including infrastructure. As summarized in the table below, the City's reported investment in capital assets for governmental and business-type activities as of December 31, 2014 totaled \$601 million. These assets include the street network in the governmental activities and the water, sewer and storm systems in the business-type activities.

Total accumulated depreciation was calculated to be over \$206 million, or approximately 34% of the historical asset cost. Net of accumulated depreciation, the City's investment in capital assets is more than \$395 million. The net increase over 2013 is approximately \$28.3 million. The largest increases were in work in progress, intangibles, sewer assets and infrastructure. The increase in work in progress and sewers assets of \$20.1 million was due to a major renovation project at the waste water treatment plant. The \$7.2 million increase in intangibles was the result of the City's share of improvements to the public safety building owned by the County. The \$5.1 million increase in infrastructure assets was from the City's share of construction on major arterial streets.

City of Eau Claire, Wisconsin						
Capital Assets, Net of Accumulated Depreciation						
December 31, 2014						
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2014	2013	2014	2013	2014	2013
Land	\$ 16,924,122	\$ 16,419,810	\$ 17,133,895	\$ 16,815,061	\$ 34,058,017	\$ 33,234,871
Land Improvements	10,935,577	10,911,775	-	-	10,935,577	10,911,775
Building and Improvements	23,049,209	23,094,365	14,010,274	13,954,861	37,059,483	37,049,226
Infrastructure	181,683,474	176,668,891	3,949,695	3,824,237	185,633,169	180,493,128
Machinery and Equipment	33,703,598	32,914,109	8,089,301	8,029,888	41,792,899	40,943,997
Intangibles	7,745,855	632,765	45,080	-	7,790,935	632,765
Water Utility	-	-	89,338,318	86,591,035	89,338,318	86,591,035
Sewer Utility	-	-	88,731,673	82,531,610	88,731,673	82,531,610
Storm Water Utility	-	-	53,092,467	51,393,905	53,092,467	51,393,905
Work in Progress	14,991,476	14,867,791	37,912,791	23,451,748	52,904,267	38,319,539
Subtotal	289,033,311	275,509,506	312,303,494	286,592,345	601,336,805	562,101,851
Less Accumulated Dep.	(116,169,681)	(109,881,973)	(89,852,182)	(85,189,645)	(206,021,863)	(195,071,618)
Total	\$ 172,863,630	\$ 165,627,533	\$ 222,451,312	\$ 201,402,700	\$ 395,314,942	\$ 367,030,233

Additional information about the City’s capital assets can be found in Note III-D of this report. As shown in Note III-D, some of the most significant additions to the City’s capital assets during 2014 included the following:

<u>Significant Additions to Capital Assets in 2014</u>		
	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>
Land and Buildings	\$0.9 M	\$0.7 M
Infrastructure	6.6 M	-
Machinery and Equipment	2.1 M	4.3 M
Intangibles	7.1 M	-
Distribution and Collection System	-	7.2 M

Long-Term Debt

At December 31, 2014, the City of Eau Claire had approximately \$138 million of bond and long-term note principal outstanding, as summarized in the following table:

City of Eau Claire, Wisconsin Notes and Bonds Outstanding General Obligation and Revenue Bonds

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2014	2013	2014	2013	2014	2013
General Obligation						
Bonds & Notes	\$ 80,593,775	\$ 81,918,889	\$ 18,166,225	\$ 18,616,111	\$ 98,760,000	\$ 100,535,000
Revenue Bonds	-	-	39,466,371	22,037,448	39,466,371	22,037,448
Total	<u>\$ 80,593,775</u>	<u>\$ 81,918,889</u>	<u>\$ 57,632,596</u>	<u>\$ 40,653,559</u>	<u>\$ 138,226,371</u>	<u>\$ 122,572,448</u>

Under Wisconsin State Statute Section 67.03(1), the outstanding general obligation long-term debt of a municipality may not exceed 5% of the equalized property value of all taxable property within the jurisdiction. Applicable general obligation debt of the City at the close of 2014 totaled \$98.8 million, which, with amounts available for payment of principal, is less than 42% of the maximum legal limit. During 2014, the City issued new debt for the following amounts and purposes:

**City of Eau Claire, Wisconsin
Long-term Debt Issued**

<u>Date</u>	<u>Type of Debt</u>	<u>Amount</u>
06/12/13	Additional draws on Sewerage System Revenue Bonds, Series 2013 via State of Wisconsin Department of Natural Resources Clean Water Fund Project No. 4176-05 for the construction of improvements to the sewerage treatment plant	\$19,798,923
09/03/14	General Obligation Corporate Purpose Bonds for streets and storm water improvements	\$4,720,000
09/03/14	General Obligation Promissory Notes for streets, land buildings and equipment and refunding of 2004 streets, storm water and TIF 7	\$4,100,000

The General Obligation Corporate Purpose and Refunding Bonds were rated AA by Standard & Poor's Ratings Services and Aa1 by Moody's Investors Service. The Water Revenue Bonds issued in prior years are rated AA+ by Standard & Poor's Rating Services and Aa3 by Moody's Investors Service.

Additional information about the City's long-term debt can be found in Note III-F of this report.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. As in the past, the City provides the Comprehensive Annual Financial Report on our web page (www.eauclairewi.gov). If anyone has any questions about this report or needs additional financial information about the City of Eau Claire, please contact the Finance Department at 203 South Farwell Street, Eau Claire, Wisconsin, 54701. Finance Department staff can also be reached at (715) 839-4915.

Basic Financial Statements

The basic financial statements include all fund types, including discrete presentation of one enterprise fund type component unit and four governmental type component units, in order to provide an overview of the financial position and results of operations for the City as a whole.

CITY OF EAU CLAIRE

STATEMENT OF NET POSITION

As of December 31, 2014

(With Comparative Reporting Entity Totals for December 31, 2013)

	Primary Government				Totals Reporting Entity		
	Governmental	Business-	Debt	Totals	Component Units	2014	2013
	Activities	type Activities	Reclassifications				
ASSETS							
Cash and investments	\$ 61,625,030	\$ 19,953,287	\$ -	\$ 81,578,317	\$ 1,019,025	\$ 82,597,342	\$ 85,394,706
Taxes receivable, net	42,005,778	931,104	-	42,936,882	-	42,936,882	41,882,514
Special assessments receivable	5,257,360	1,172,586	-	6,429,946	150,000	6,579,946	6,773,344
Notes receivable, net	3,031,843	-	-	3,031,843	338,456	3,370,299	3,119,661
Accounts receivable, net	2,613,574	4,439,284	-	7,052,858	6,243	7,059,101	7,147,676
Interest receivable	77,775	-	-	77,775	-	77,775	87,925
Due from other governments	2,805,616	2,359,234	-	5,164,850	-	5,164,850	5,557,270
Internal balances	6,357,738	(6,357,738)	-	-	-	-	-
Prepaid items and inventories	1,736,836	336,478	-	2,073,314	-	2,073,314	900,539
Restricted cash and investments	970,952	3,490,639	-	4,461,591	-	4,461,591	7,827,241
Deposit in insurance pools	766,496	-	-	766,496	-	766,496	766,496
Property held for resale	-	-	-	-	1,867,925	1,867,925	2,039,070
Capital assets							
Construction in progress	14,991,476	37,912,791	-	52,904,267	-	52,904,267	38,319,539
Land	16,924,122	17,133,895	-	34,058,017	-	34,058,017	33,234,871
Other capital assets, net of depreciation/amortization	140,948,032	167,404,626	-	308,352,658	-	308,352,658	295,475,823
Total Assets	300,112,628	248,776,186	-	548,888,814	3,381,649	552,270,463	528,526,675
DEFERRED OUTFLOWS OF RESOURCES							
Deferred charge on refunding	154,217	114,942	-	269,159	-	269,159	312,307
Total Deferred Outflows of Resources	154,217	114,942	-	269,159	-	269,159	312,307
LIABILITIES							
Accounts payable and accrued expenses	3,125,167	2,535,122	-	5,660,289	123,296	5,783,585	8,752,743
Accrued liabilities	3,633,647	904,320	-	4,537,967	-	4,537,967	4,239,106
Customer deposits	156,364	54,758	-	211,122	497	211,619	270,336
Due to other governments	344,059	4,380	-	348,439	1,182	349,621	631,827
Noncurrent liabilities							
Due within one year	9,863,984	2,182,206	-	12,046,190	-	12,046,190	11,722,613
Due in more than one year	94,647,385	57,639,222	-	152,286,607	-	152,286,607	132,365,472
Total Liabilities	111,770,606	63,320,008	-	175,090,614	124,975	175,215,589	157,982,097
DEFERRED INFLOWS OF RESOURCES							
Unearned revenues	40,425,663	-	-	40,425,663	150,000	40,575,663	39,412,386
Total Deferred Inflows of Resources	40,425,663	-	-	40,425,663	150,000	40,575,663	39,412,386
NET POSITION							
Net investment in capital assets	100,938,789	164,710,447	(2,449,992)	263,199,244	-	263,199,244	254,463,127
Restricted for:							
Debt service payments	6,874,542	609,640	-	7,484,182	-	7,484,182	9,511,161
Cemetery maintenance	157,918	-	-	157,918	-	157,918	261,020
Hazmat	86,064	-	-	86,064	-	86,064	100,729
Community development	2,003,411	-	-	2,003,411	-	2,003,411	1,949,072
Home grant	26,671	-	-	26,671	-	26,671	9,015
Police department K9	570,461	-	-	570,461	-	570,461	-
Economic development	4,401,157	-	-	4,401,157	-	4,401,157	4,627,788
Community enhancement	113,048	-	-	113,048	-	113,048	79,081
Library	1,349,154	-	-	1,349,154	-	1,349,154	1,254,430
Health	1,234,298	-	-	1,234,298	-	1,234,298	979,785
Downtown partners	94,525	-	-	94,525	-	94,525	112,875
TIF projects	1,501,696	-	-	1,501,696	-	1,501,696	3,620,786
Capital contracts	2,846,404	-	-	2,846,404	-	2,846,404	2,073,823
RCU agreement	87,897	-	-	87,897	-	87,897	87,897
Insurance deposits	1,019,299	-	-	1,019,299	-	1,019,299	1,057,926
Equipment replacement	-	2,681,000	-	2,681,000	-	2,681,000	2,083,000
Business improvement	-	-	-	-	242,759	242,759	260,847
Unrestricted	24,765,242	17,570,033	2,449,992	44,785,267	2,863,915	47,649,182	48,912,137
TOTAL NET POSITION	\$ 148,070,576	\$ 185,571,120	\$ -	\$ 333,641,696	\$ 3,106,674	\$ 336,748,370	\$ 331,444,499

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2014

(With Comparative Reporting Entity Totals for the Year Ended December 31, 2013)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 8,057,579	\$ 3,349,936	\$ 43,662	\$ 35,000
Public safety	29,094,423	5,149,859	1,489,262	-
Public works	15,025,070	335,389	16,193	5,883,864
Health services	6,555,268	2,032,850	1,398,881	16,378
Culture and recreation	9,393,095	1,556,224	47,988	424,468
Development	3,756,001	689,675	812,867	-
Interest and fiscal charges	2,919,561	-	197,028	-
Total Governmental Activities	74,800,997	13,113,933	4,005,881	6,359,710
Business-type Activities				
Water Utility	6,733,490	9,443,359	(67,960)	682,033
Sewer Utility	7,512,146	9,380,247	-	483,456
Storm Water Utility	3,163,028	4,247,032	42,797	292,510
Public Transit	5,980,184	739,331	3,757,723	-
Parking Utility	528,347	166,299	-	-
Hobbs Ice Center	1,181,985	721,323	-	-
Outdoor Pool	393,815	240,191	-	-
Total Business-type Activities	25,492,995	24,937,782	3,732,560	1,457,999
Total Primary Government	\$ 100,293,992	\$ 38,051,715	\$ 7,738,441	\$ 7,817,709
Component Units				
Redevelopment Authority	\$ 564,763	\$ 61,085	\$ -	\$ -
South Barstow Business Improvement District	81,913	-	-	-
North Barstow/Medical Business Improvement District	29,710	-	-	-
West Grand Business Improvement District	12,119	-	-	-
Water Street Business Improvement District	45,676	-	-	-
Total Component Units	\$ 734,181	\$ 61,085	\$ -	\$ -
General Revenues				
Taxes				
Property taxes, levied for general purposes				
Property taxes, levied for debt service				
Property taxes, levied for TIF districts				
Other taxes				
Special assessments				
Intergovernmental revenues not restricted to specific programs				
Investment income				
Gain on disposal of capital assets				
Contributions from city				
Miscellaneous				
Total General Revenues				
Transfers				
Change in Net Position				
NET POSITION - Beginning of Year				
NET POSITION - END OF YEAR				

See accompanying notes to financial statements.

Net (Expenses) Revenues and Changes in Net Position				Totals Reporting Entity	
Governmental Activities	Business-type Activities	Totals		2014	2013
		Primary Government	Component Units		
\$ (4,628,981)	\$ -	\$ (4,628,981)	\$ -	\$ (4,628,981)	\$ (3,779,454)
(22,455,302)	-	(22,455,302)	-	(22,455,302)	(22,514,141)
(8,789,624)	-	(8,789,624)	-	(8,789,624)	(10,417,364)
(3,107,159)	-	(3,107,159)	-	(3,107,159)	(5,367,594)
(7,364,415)	-	(7,364,415)	-	(7,364,415)	(7,659,348)
(2,253,459)	-	(2,253,459)	-	(2,253,459)	(1,350,550)
(2,722,533)	-	(2,722,533)	-	(2,722,533)	(2,887,817)
<u>(51,321,473)</u>	<u>-</u>	<u>(51,321,473)</u>	<u>-</u>	<u>(51,321,473)</u>	<u>(53,976,268)</u>
-	3,323,942	3,323,942	-	3,323,942	3,482,803
-	2,351,557	2,351,557	-	2,351,557	3,059,768
-	1,419,311	1,419,311	-	1,419,311	568,727
-	(1,483,130)	(1,483,130)	-	(1,483,130)	(24,174)
-	(362,048)	(362,048)	-	(362,048)	(320,015)
-	(460,662)	(460,662)	-	(460,662)	(489,761)
-	(153,624)	(153,624)	-	(153,624)	(119,393)
<u>-</u>	<u>4,635,346</u>	<u>4,635,346</u>	<u>-</u>	<u>4,635,346</u>	<u>6,157,955</u>
<u>(51,321,473)</u>	<u>4,635,346</u>	<u>(46,686,127)</u>	<u>-</u>	<u>(46,686,127)</u>	<u>(47,818,313)</u>
-	-	-	(503,678)	(503,678)	(114,755)
-	-	-	(81,913)	(81,913)	(136,903)
-	-	-	(29,710)	(29,710)	(34,159)
-	-	-	(12,119)	(12,119)	(15,561)
-	-	-	(45,676)	(45,676)	(14,251)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(673,096)</u>	<u>(673,096)</u>	<u>(315,629)</u>
29,459,781	-	29,459,781	-	29,459,781	29,060,394
7,504,757	-	7,504,757	-	7,504,757	6,258,694
2,117,588	-	2,117,588	-	2,117,588	1,826,552
2,149,965	-	2,149,965	-	2,149,965	2,240,563
-	-	-	150,000	150,000	147,000
8,472,470	-	8,472,470	-	8,472,470	8,476,861
1,368,713	112,878	1,481,591	6,130	1,487,721	605,042
386,773	83	386,856	-	386,856	30,426
-	-	-	400,088	400,088	360,670
<u>121,329</u>	<u>412,539</u>	<u>533,868</u>	<u>-</u>	<u>533,868</u>	<u>607,379</u>
<u>51,581,376</u>	<u>525,500</u>	<u>52,106,876</u>	<u>556,218</u>	<u>52,663,094</u>	<u>49,613,581</u>
<u>244,386</u>	<u>(244,386)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
504,289	4,916,460	5,420,749	(116,878)	5,303,871	1,479,639
<u>147,566,287</u>	<u>180,654,660</u>	<u>328,220,947</u>	<u>3,223,552</u>	<u>331,444,499</u>	<u>329,964,860</u>
<u>\$ 148,070,576</u>	<u>\$ 185,571,120</u>	<u>\$ 333,641,696</u>	<u>\$ 3,106,674</u>	<u>\$ 336,748,370</u>	<u>\$ 331,444,499</u>

CITY OF EAU CLAIRE

BALANCE SHEET GOVERNMENTAL FUNDS As of December 31, 2014

	General Fund	Debt Service - General	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 19,205,956	\$ 5,401,562	\$ 23,425,626	\$ 48,033,144
Receivables				
Taxes	34,872,478	378,030	6,743,562	41,994,070
Delinquent personal property taxes	11,708	-	-	11,708
Accounts, net	2,159,970	18,879	358,376	2,537,225
Notes, net	25,000	-	3,006,843	3,031,843
Special assessments	4,273,185	984,175	-	5,257,360
Interest	77,775	-	-	77,775
Due from other governments	1,745,736	-	1,029,256	2,774,992
Due from other funds	1,616,765	-	-	1,616,765
Prepaid items and inventories	949,733	-	114,298	1,064,031
Advances to other funds	4,813,466	250,000	1,400,000	6,463,466
Restricted assets - cash and investment	-	-	718,149	718,149
	\$ 69,751,772	\$ 7,032,646	\$ 36,796,110	\$ 113,580,528
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 703,576	\$ -	\$ 2,072,992	\$ 2,776,568
Accrued liabilities	2,547,979	-	288,562	2,836,541
Deposits	144,681	-	11,683	156,364
Due to other governments	6,348	-	337,711	344,059
Due to other funds	-	-	70,064	70,064
Advances from other funds	-	-	3,599,845	3,599,845
Total Liabilities	3,402,584	-	6,380,857	9,783,441
Deferred Inflows of Resources				
Unearned revenues	33,627,002	-	6,798,661	40,425,663
Unavailable revenues	7,936,106	1,381,084	3,773,489	13,090,679
Total Deferred Inflows of Resources	41,563,108	1,381,084	10,572,150	53,516,342
Fund Balances				
Nonspendable	5,234,391	-	114,298	5,348,689
Restricted	-	5,651,562	11,958,954	17,610,516
Assigned	5,321,453	-	11,395,947	16,717,400
Unassigned (deficit)	14,230,236	-	(3,626,096)	10,604,140
Total Fund Balances	24,786,080	5,651,562	19,843,103	50,280,745
	\$ 69,751,772	\$ 7,032,646	\$ 36,796,110	\$ 113,580,528

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
As of December 31, 2014

Total fund balance - governmental funds \$ 50,280,745

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in government activities are not financial resources and therefore are not reported in the fund statements. Capital assets at year end (excluding internal service funds) consist of:

Construction in progress	\$ 14,991,476	
Land	16,924,122	
Other capital assets, net of depreciation/amortization	140,948,032	
Less: Internal service fund included below	<u>(11,401,256)</u>	161,462,374

Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These amounts are the net effect of these differences:

(Premium)/discount on debt	(854,473)
Deferred loss on refunding of debt	154,217

Receivables that may be uncollectible are recorded in unavailable revenue on the fund statements and do not require an allowance. On the government-wide statements an allowance for uncollectible accounts is necessary to offset the revenue that was recognized when earned on the government-wide statements.

(101,860)

Special assessments, loans receivable, and various other receivables are reported as unavailable revenue in the fund financial statements and are recognized as revenue when earned in the government-wide financial statements.

These types of unavailable revenues at year end consist of:

Delinquent personal property taxes receivable	106,993	
Accounts receivable	2,361,139	
Loan receivable	3,006,843	
Interest receivable	92,201	
Special assessments receivable	6,995,842	
Grants receivable	<u>527,661</u>	13,090,679

Internal service funds are used by management to charge the costs of risk management and central equipment to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.

26,299,941

Long-term liabilities, including bonds and notes payable, are not due in the current period and therefore are not reported in the fund statements.

Long-term liabilities at year end (excluding internal service funds) consist of:

General obligation debt	(80,593,775)	
Vested compensated absences	(2,223,919)	
Police and fire pension liability	(171,314)	
Permanent disability liability	(266,826)	
Other post-employment benefits	(18,270,063)	
Accrued interest on general obligation debt	<u>(735,150)</u>	<u>(102,261,047)</u>

TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES

\$ 148,070,576

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

For the Year Ended December 31, 2014

	General Fund	Debt Service - General	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	\$ 32,864,059	\$ -	\$ 8,444,228	\$ 41,308,287
Special assessments	1,995,623	503,724	-	2,499,347
Intergovernmental	11,651,497	-	2,308,135	13,959,632
Licenses and permits	1,579,841	-	512,980	2,092,821
Fines, forfeitures and penalties	651,373	-	101,780	753,153
Charges for services - public	3,689,600	12,500	430,551	4,132,651
Charges for services - intergovernmental	3,169,641	-	1,990,043	5,159,684
Investment income	1,077,680	4,923	109,310	1,191,913
Miscellaneous	342,870	-	1,845,828	2,188,698
Total Revenues	57,022,184	521,147	15,742,855	73,286,186
EXPENDITURES				
Current				
General government	6,581,111	3,571	97	6,584,779
Public safety	26,131,390	-	102,548	26,233,938
Public works	9,048,185	-	97,004	9,145,189
Health services	-	-	5,456,892	5,456,892
Culture and recreation	4,137,661	-	3,683,793	7,821,454
Development	-	-	3,666,625	3,666,625
Miscellaneous	540,975	-	-	540,975
Capital Outlay	36,345	-	14,196,637	14,232,982
Debt Service				
Principal retirement	-	6,630,114	1,570,000	8,200,114
Interest and fiscal charges	-	2,680,136	437,438	3,117,574
Total Expenditures	46,475,667	9,313,821	29,211,034	85,000,522
Excess (deficiency) of revenues over expenditures	10,546,517	(8,792,674)	(13,468,179)	(11,714,336)
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	-	-	6,354,176	6,354,176
Refunding long-term debt issued	-	830,000	-	830,000
Premium on long-term debt issued	-	37,400	-	37,400
Transfers from other funds	1,699,516	7,504,757	3,929,547	13,133,820
Transfers to other funds	(11,715,942)	-	(973,492)	(12,689,434)
Sale of capital assets	65,485	-	385,175	450,660
Total Other Financing Sources (Uses)	(9,950,941)	8,372,157	9,695,406	8,116,622
Net change in fund balances	595,576	(420,517)	(3,772,773)	(3,597,714)
FUND BALANCES - Beginning of Year	24,190,504	6,072,079	23,615,876	53,878,459
FUND BALANCES - END OF YEAR	\$ 24,786,080	\$ 5,651,562	\$ 19,843,103	\$ 50,280,745

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended December 31, 2014

Net change in fund balances - total governmental funds	\$ (3,597,714)
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>	
<p>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 exceeded depreciation in the current period.</p>	
Capital outlay is capitalized in the government-wide statements	14,232,982
Some functional expenditures are capitalized	759,828
Some capital outlay is not capitalized in the government-wide statements	(960,558)
Depreciation is reported in the government-wide statements	(7,520,229)
Contributed assets are reported in the government-wide statements.	849,900
<p>In the statement of activities, the gain or loss on the disposal of capital assets is reported. In the fund financial statements, proceeds from the sale of capital assets are reported because the proceeds increase financial resources. This is the amount of net book value of capital asset disposals.</p>	
	(759,345)
<p>Receivables not currently available are reported as unavailable revenue in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements. This amount is the change in the following unavailable revenue categories:</p>	
Delinquent personal property taxes receivable	(214,960)
Accounts receivable	224,161
Loan receivable	303,061
Interest receivable	(26,948)
Special assessments receivable	(58,778)
Grants receivable	124,507
<p>Receivables that may be uncollectible are recorded in unavailable revenue on the fund statements and do not require an allowance. On the government-wide statements an allowance for uncollectible accounts is necessary to offset the revenue that was recognized when earned on the government-wide statements.</p>	
	58,899
<p>Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount of principal payments paid.</p>	
	8,200,114
<p>Issuing debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. This is the amount of debt issued during the year.</p>	
	(6,875,000)
<p>Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. This amount is the change in the following liabilities:</p>	
Compensated absences	111,152
Police and fire pension liability	18,340
Permanent disability liability	9,064
Other post-employment benefits	(3,818,702)

See accompanying notes to financial statements.

Interest on long-term debt in the statement of activities differs from the amount reported in the fund financial statements because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities interest expense is recognized as the interest accrues regardless of when it is due.	\$ 98,536
Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These amounts are the net effect of these differences:	
Premium on new debt	(346,575)
Amortization of premium/(discount)	132,537
Amortization of deferred loss on refunding	(24,992)
Internal service funds are used by management to charge the costs of risk management and central equipment to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	<u>(414,991)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 504,289</u>

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 As of December 31, 2014

	Business-type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Storm Water Utility
ASSETS			
Current Assets			
Cash and investments	\$ 4,484,100	\$ 11,026,645	\$ 3,794,272
Taxes receivable	434,218	361,758	135,128
Accounts receivable, net	1,793,258	1,657,827	894,712
Due from other governments	-	183,307	132,720
Inventories	279,470	-	-
Prepaid items	9,783	-	-
Restricted cash and investments	104,135	148,364	-
Total Current Assets	7,104,964	13,377,901	4,956,832
Noncurrent Assets			
Restricted cash and investments	972,140	2,266,000	-
Deposit in insurance pools	-	-	-
Special assessment receivable	600,070	569,133	3,383
Advances to other funds	-	-	-
Capital assets:			
Construction in progress	304,996	36,431,072	1,158,005
Land	317,174	169,171	15,997,354
Capital assets	89,338,319	88,731,673	53,092,467
Less: Accumulated depreciation/amortization	(30,458,483)	(32,529,594)	(13,713,904)
Total Capital Assets (Net of Accumulated Depreciation/Amortization)	59,502,006	92,802,322	56,533,922
Total Noncurrent Assets	61,074,216	95,637,455	56,537,305
Total Assets	68,179,180	109,015,356	61,494,137
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	-	-	114,942
Total Deferred Outflows of Resources	-	-	114,942

<u>Business-type Activities - Enterprise Funds</u>			
<u>Public Transit</u>	<u>Nonmajor Enterprise Funds</u>	<u>Totals</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 45,691	\$ 602,579	\$ 19,953,287	\$ 13,591,886
-	-	931,104	-
8,424	85,063	4,439,284	178,209
2,011,609	31,598	2,359,234	30,624
46,925	-	326,395	564,188
300	-	10,083	108,617
-	-	252,499	-
<u>2,112,949</u>	<u>719,240</u>	<u>28,271,886</u>	<u>14,473,524</u>
-	-	3,238,140	252,803
-	-	-	766,496
-	-	1,172,586	-
-	-	-	1,838,700
-	18,718	37,912,791	872,517
-	650,196	17,133,895	247,199
7,669,859	18,424,490	257,256,808	23,498,470
<u>(4,772,842)</u>	<u>(8,377,359)</u>	<u>(89,852,182)</u>	<u>(13,216,930)</u>
<u>2,897,017</u>	<u>10,716,045</u>	<u>222,451,312</u>	<u>11,401,256</u>
<u>2,897,017</u>	<u>10,716,045</u>	<u>226,862,038</u>	<u>14,259,255</u>
<u>5,009,966</u>	<u>11,435,285</u>	<u>255,133,924</u>	<u>28,732,779</u>
-	-	114,942	-
-	-	114,942	-

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF NET POSITION (cont.) PROPRIETARY FUNDS As of December 31, 2014

	Business-type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Storm Water Utility
LIABILITIES			
Current Liabilities			
Accounts payable	\$ 439,414	\$ 1,630,445	\$ 182,938
Accrued payroll and payroll taxes	152,771	149,435	25,623
Accrued compensated absences	137,959	137,382	20,921
Accrued interest			165,450
Deposits	-	-	-
Due to other governments	-	-	1,484
Due to other funds	-	-	-
Current portion of advances	283,663	65,145	-
Current portion of general obligation debt	-		1,521,762
Current portion of unpaid claims	-	-	-
Liabilities payable from restricted assets:			
Current portion revenue bonds	210,000	-	-
Accrued interest	51,635	148,364	-
Total Current Liabilities	1,275,442	2,130,771	1,918,178
Noncurrent Liabilities			
Advances from other funds	684,711	403,802	-
Revenue bonds payable	4,540,000	34,716,371	-
General obligation debt	-	-	16,644,463
Other post-employment benefits	621,662	413,775	-
Unpaid claims	-	-	-
Unamortized premium on debt	20,338	-	202,873
Total Noncurrent Liabilities	5,866,711	35,533,948	16,847,336
Total Liabilities	7,142,153	37,664,719	18,765,514
NET POSITION			
Net investment in capital assets	54,731,668	58,085,951	38,279,766
Restricted for:			
Restricted deposits	-	-	-
Debt service	609,640	-	-
Equipment replacement	415,000	2,266,000	-
Unrestricted (deficit)	5,280,719	10,998,686	4,563,799
TOTAL NET POSITION	\$ 61,037,027	\$ 71,350,637	\$ 42,843,565

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.

NET POSITION OF BUSINESS-TYPE ACTIVITIES

<u>Business-type Activities - Enterprise Funds</u>			
<u>Public Transit</u>	<u>Nonmajor Enterprise Funds</u>	<u>Totals</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 190,868	\$ 91,457	\$ 2,535,122	\$ 348,599
166,884	17,386	512,099	61,956
147,494	6,688	450,444	39,299
-	26,772	192,222	-
49,595	5,163	54,758	-
-	2,896	4,380	-
1,482,442	64,259	1,546,701	-
-	205,000	553,808	-
-	-	1,521,762	-
-	-	-	220,000
-	-	210,000	-
-	-	199,999	-
<u>2,037,283</u>	<u>419,621</u>	<u>7,781,295</u>	<u>669,854</u>
-	3,060,000	4,148,513	-
-	-	39,256,371	-
-	-	16,644,463	-
469,745	9,995	1,515,177	121,934
-	-	-	1,749,766
-	-	223,211	-
<u>469,745</u>	<u>3,069,995</u>	<u>61,787,735</u>	<u>1,871,700</u>
<u>2,507,028</u>	<u>3,489,616</u>	<u>69,569,030</u>	<u>2,541,554</u>
2,897,017	10,716,045	164,710,447	11,401,256
-	-	-	1,019,299
-	-	609,640	-
-	-	2,681,000	-
<u>(394,079)</u>	<u>(2,770,376)</u>	<u>17,678,749</u>	<u>13,770,670</u>
<u>\$ 2,502,938</u>	<u>\$ 7,945,669</u>	185,679,836	<u>\$ 26,191,225</u>
		<u>(108,716)</u>	
		<u>\$ 185,571,120</u>	

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS
 For the Year Ended December 31, 2014

	Business-type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Storm Water Utility
OPERATING REVENUES			
Charges for services	\$ 9,443,359	\$ 9,380,247	\$ 4,247,032
Rental of equipment	-	-	-
Other	2,251	80,712	-
Total Operating Revenues	<u>9,445,610</u>	<u>9,460,959</u>	<u>4,247,032</u>
OPERATING EXPENSES			
Personal services	2,188,674	2,508,380	540,127
Contractual services	810,203	1,100,808	550,252
Supplies and materials	464,984	829,746	39,503
Utilities	567,070	772,054	76,439
Depreciation	1,847,705	1,649,314	855,173
Administrative	470,310	522,697	381,898
Claims	-	-	-
Total Operating Expenses	<u>6,348,946</u>	<u>7,382,999</u>	<u>2,443,392</u>
Operating income (loss)	<u>3,096,664</u>	<u>2,077,960</u>	<u>1,803,640</u>
NONOPERATING REVENUES (EXPENSES)			
Operating grants	(67,960)	-	-
Grants to other organizations	-	-	-
Investment income	36,412	60,107	16,359
Net gain (loss) on disposal of capital assets	83	(35,523)	(74,173)
Interest and fiscal charges	(378,712)	(724,587)	(671,237)
IRS Build America Bond interest subsidy	-	-	42,797
Interest charged to construction	30,039	662,181	25,023
Total Nonoperating Revenues (Expenses)	<u>(380,138)</u>	<u>(37,822)</u>	<u>(661,231)</u>
Income (loss) before transfers and contributions	<u>2,716,526</u>	<u>2,040,138</u>	<u>1,142,409</u>
Transfers from other funds	-	-	-
Transfers to other funds	(1,584,516)	-	-
Total Transfers	<u>(1,584,516)</u>	<u>-</u>	<u>-</u>
Income (loss) before contributions	1,132,010	2,040,138	1,142,409
Capital contributions	<u>682,033</u>	<u>483,456</u>	<u>292,510</u>
Change in net position	1,814,043	2,523,594	1,434,919
NET POSITION - Beginning of Year	<u>59,222,984</u>	<u>68,827,043</u>	<u>41,408,646</u>
NET POSITION - END OF YEAR	<u>\$ 61,037,027</u>	<u>\$ 71,350,637</u>	<u>\$ 42,843,565</u>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds

CHANGE IN NET POSITION OF BUSINESS-TYPE ACTIVITIES

See accompanying notes to financial statements.

<u>Business-type Activities - Enterprise Funds</u>			
<u>Public Transit</u>	<u>Nonmajor Enterprise Funds</u>	<u>Totals</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 739,331	\$ 1,127,813	\$ 24,937,782	\$ 3,292,516
-	-	-	3,011,485
<u>263,398</u>	<u>66,178</u>	<u>412,539</u>	<u>314,105</u>
<u>1,002,729</u>	<u>1,193,991</u>	<u>25,350,321</u>	<u>6,618,106</u>
2,902,088	481,194	8,620,463	1,037,570
1,733,597	239,729	4,434,589	468,981
754,913	131,821	2,220,967	1,704,897
8,796	402,039	1,826,398	206,099
358,596	679,011	5,389,799	1,333,272
149,564	25,512	1,549,981	520,228
-	-	-	1,690,885
<u>5,907,554</u>	<u>1,959,306</u>	<u>24,042,197</u>	<u>6,961,932</u>
<u>(4,904,825)</u>	<u>(765,315)</u>	<u>1,308,124</u>	<u>(343,826)</u>
3,757,723	-	3,689,763	950
(21,710)	-	(21,710)	-
-	-	112,878	35,355
-	-	(109,613)	(32,901)
-	(136,668)	(1,911,204)	-
-	-	42,797	-
-	-	<u>717,243</u>	-
<u>3,736,013</u>	<u>(136,668)</u>	<u>2,520,154</u>	<u>3,404</u>
<u>(1,168,812)</u>	<u>(901,983)</u>	<u>3,828,278</u>	<u>(340,422)</u>
725,754	614,376	1,340,130	-
-	-	(1,584,516)	(200,000)
<u>725,754</u>	<u>614,376</u>	<u>(244,386)</u>	<u>(200,000)</u>
(443,058)	(287,607)	3,583,892	(540,422)
-	-	<u>1,457,999</u>	-
(443,058)	(287,607)	5,041,891	(540,422)
<u>2,945,996</u>	<u>8,233,276</u>		<u>26,731,647</u>
<u>\$ 2,502,938</u>	<u>\$ 7,945,669</u>		<u>\$ 26,191,225</u>
		<u>(125,431)</u>	
		<u>\$ 4,916,460</u>	

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 For the Year Ended December 31, 2014

	Business-type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Storm Water Utility
CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES			
Cash received from customers	\$ 9,640,202	\$ 9,943,374	\$ 4,232,989
Cash paid to suppliers for goods and services	(1,957,534)	(2,833,560)	(670,585)
Cash paid to employees for services	(2,035,456)	(2,395,468)	(532,821)
Claims paid	-	-	-
Repayment of insurance claims	-	-	-
Administrative charges	(390,518)	(445,620)	(377,040)
Net Cash Flows From (Used By) Operating Activities	<u>5,256,694</u>	<u>4,268,726</u>	<u>2,652,543</u>
CASH FLOWS FROM (USED BY) NONCAPITAL FINANCING ACTIVITIES			
Operating grants received	-	-	-
Payments to subrecipients	-	-	-
Negative cash implicitly financed	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	(1,584,516)	-	-
Net Cash Flows From (Used By) Noncapital Financing Activities	<u>(1,584,516)</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income	<u>36,412</u>	<u>60,107</u>	<u>16,359</u>
CASH FLOWS FROM (USED BY) CAPITAL AND RELATED FINANCING ACTIVITIES			
Debt issued	-	19,798,923	1,945,000
Premium on debt issued	-	-	96,884
Debt issuance costs	-	-	(23,793)
Debt retired	(2,370,000)	-	(2,394,886)
Principal paid on advances from other funds	(411,793)	(60,741)	-
Interest paid on advances from other funds	(102,203)	(38,402)	-
Special assessments received	96,642	98,264	6,337
Interest paid	(314,736)	(598,151)	(650,997)
Interest subsidy received	-	-	43,010
Capital contributions	-	-	-
Acquisition and construction of capital assets	(2,309,314)	(21,594,548)	(2,702,853)
Principal paid on capital advances from other funds	-	-	-
Interest paid on capital advances from other funds	-	-	-
Proceeds from sale of capital assets	-	-	-
Net Cash Flows From (Used By) Capital and Related Financing Activities	<u>(5,411,404)</u>	<u>(2,394,655)</u>	<u>(3,681,298)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(1,702,814)</u>	<u>1,934,178</u>	<u>(1,012,396)</u>
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>7,263,189</u>	<u>11,506,831</u>	<u>4,806,668</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 5,560,375</u>	<u>\$ 13,441,009</u>	<u>\$ 3,794,272</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Cash and Cash Equivalents per Statement of Net Position	\$ 4,484,100	\$ 11,026,645	\$ 3,794,272
Restricted Cash and Investments			
Current	104,135	148,364	-
Noncurrent	<u>972,140</u>	<u>2,266,000</u>	<u>-</u>
CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS	<u>\$ 5,560,375</u>	<u>\$ 13,441,009</u>	<u>\$ 3,794,272</u>

<u>Business-type Activities - Enterprise Funds</u>			
<u>Public Transit</u>	<u>Nonmajor Enterprise Funds</u>	<u>Totals</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 1,006,137	\$ 1,190,821	\$ 26,013,523	\$ 6,638,538
(2,636,633)	(794,190)	(8,892,502)	(3,282,146)
(2,780,488)	(477,125)	(8,221,358)	(1,009,039)
-	-	-	(1,430,222)
-	-	-	43,040
(53,832)	-	(1,267,010)	-
<u>(4,464,816)</u>	<u>(80,494)</u>	<u>7,632,653</u>	<u>960,171</u>
3,412,475	-	3,412,475	950
(21,710)	-	(21,710)	-
364,505	-	364,505	-
725,754	614,376	1,340,130	-
-	-	(1,584,516)	(200,000)
<u>4,481,024</u>	<u>614,376</u>	<u>3,510,884</u>	<u>(199,050)</u>
-	-	<u>112,878</u>	<u>35,355</u>
-	-	21,743,923	-
-	-	96,884	-
-	-	(23,793)	-
-	-	(4,764,886)	-
-	-	(472,534)	-
-	-	(140,605)	-
-	-	201,243	-
-	-	(1,563,884)	-
-	-	43,010	-
5,238	-	5,238	-
(87,279)	(199,655)	(26,893,649)	(1,881,807)
-	(200,000)	(200,000)	-
-	(109,896)	(109,896)	-
-	-	-	<u>25,233</u>
<u>(82,041)</u>	<u>(509,551)</u>	<u>(12,078,949)</u>	<u>(1,856,574)</u>
(65,833)	24,331	(822,534)	(1,060,098)
<u>111,524</u>	<u>578,248</u>	<u>24,266,460</u>	<u>14,904,787</u>
<u>\$ 45,691</u>	<u>\$ 602,579</u>	<u>\$ 23,443,926</u>	<u>\$ 13,844,689</u>
\$ 45,691	\$ 602,579	\$ 19,953,287	\$ 13,591,886
-	-	252,499	-
-	-	<u>3,238,140</u>	<u>252,803</u>
<u>\$ 45,691</u>	<u>\$ 602,579</u>	<u>\$ 23,443,926</u>	<u>\$ 13,844,689</u>

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF CASH FLOWS (cont.)
 PROPRIETARY FUNDS
 For the Year Ended December 31, 2014

	Business-type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Storm Water Utility
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ 3,096,664	\$ 2,077,960	\$ 1,803,640
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities			
Noncash items included in income			
Depreciation	1,847,705	1,649,314	855,173
Depreciation charged to other accounts	142,824	1,705	-
Change in assets and liabilities			
Taxes receivable	(29,160)	(17,056)	(10,101)
Accounts receivable	80,928	497,766	(3,942)
Inventories	(41,789)	-	-
Prepaid items	(269)	-	-
Accounts payable	6,585	(53,875)	(1,017)
Due to other funds	-	-	-
Accrued liabilities	23,270	26,427	8,790
Other post-employment benefits	129,936	86,485	-
Unpaid claims	-	-	-
Customer deposits	-	-	-
	<u>\$ 5,256,694</u>	<u>\$ 4,268,726</u>	<u>\$ 2,652,543</u>
NET CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES			

NONCASH CAPITAL, INVESTING AND FINANCING ACTIVITIES

Developers, customers and other funds contributed capital assets of \$682,033 to the Water Utility, \$483,456 to the Sewer Utility, and \$292,510 to the Storm Water Utility; The following funds had accrued accounts payable for capital assets acquired prior to December 31, 2014:

Water Utility	\$ 387,129
Sewer Utility	1,061,959
Storm Water Utility	174,827
Nonmajor Enterprise Funds	57,546
Internal Service Funds	153,209

<u>Business-type Activities - Enterprise Funds</u>			
<u>Public Transit</u>	<u>Nonmajor Enterprise Funds</u>	<u>Totals</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ (4,904,825)	\$ (765,315)	\$ 1,308,124	\$ (343,826)
358,596	679,011	5,389,799	1,333,272
-	-	144,529	-
-	-	(56,317)	-
1,781	7,709	584,242	67,139
2,393	-	(39,396)	(118,641)
5,229	-	4,960	(103,157)
(51,216)	889	(98,634)	(160,142)
-	3,911	3,911	-
23,415	2,090	83,992	3,044
98,184	2,090	316,695	25,486
-	-	-	260,663
<u>1,627</u>	<u>(10,879)</u>	<u>(9,252)</u>	<u>(3,667)</u>
<u>\$ (4,464,816)</u>	<u>\$ (80,494)</u>	<u>\$ 7,632,653</u>	<u>\$ 960,171</u>

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUND
As of December 31, 2014

	Tax Collection Agency Fund
ASSETS	
Cash and investments	\$ 23,324,302
Taxes receivable	<u>40,953,358</u>
TOTAL ASSETS	<u>\$ 64,277,660</u>
LIABILITIES	
Due to other taxing units	<u>\$ 64,277,660</u>
TOTAL LIABILITIES	<u>\$ 64,277,660</u>

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF NET POSITION
 COMPONENT UNITS
 As of December 31, 2014

	Redevelopment Authority	South Barstow Business Improvement District	North Barstow/ Medical Business Improvement District	Nonmajor Component Units	Totals
ASSETS					
CURRENT ASSETS					
Cash and investments	\$ 777,082	\$ 21,399	\$ 201,285	\$ 19,259	\$ 1,019,025
Receivables					
Special assessments	-	80,000	44,000	26,000	150,000
Notes	60,000	-	-	5,972	65,972
Accounts, net	6,243	-	-	-	6,243
Total Current Assets	<u>843,325</u>	<u>101,399</u>	<u>245,285</u>	<u>51,231</u>	<u>1,241,240</u>
NONCURRENT ASSETS					
Notes receivable	272,484	-	-	-	272,484
Property held for resale	1,867,925	-	-	-	1,867,925
Total Noncurrent Assets	<u>2,140,409</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,140,409</u>
Total Assets	<u>2,983,734</u>	<u>101,399</u>	<u>245,285</u>	<u>51,231</u>	<u>3,381,649</u>
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable	118,140	3,050	-	2,106	123,296
Deposits	497	-	-	-	497
Due to other governments	1,182	-	-	-	1,182
Total Current Liabilities	<u>119,819</u>	<u>3,050</u>	<u>-</u>	<u>2,106</u>	<u>124,975</u>
Total Liabilities	<u>119,819</u>	<u>3,050</u>	<u>-</u>	<u>2,106</u>	<u>124,975</u>
DEFERRED INFLOWS OF RESOURCES					
Unearned revenues	-	80,000	44,000	26,000	150,000
Total Deferred Inflows of Resources	<u>-</u>	<u>80,000</u>	<u>44,000</u>	<u>26,000</u>	<u>150,000</u>
NET POSITION					
Restricted for:					
Business improvement	-	18,349	201,285	23,125	242,759
Unrestricted	<u>2,863,915</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,863,915</u>
TOTAL NET POSITION	<u>\$ 2,863,915</u>	<u>\$ 18,349</u>	<u>\$ 201,285</u>	<u>\$ 23,125</u>	<u>\$ 3,106,674</u>

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the Year Ended December 31, 2014

	Net (Expenses) Revenues and Changes in Net Position								
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Redevelopment Authority	South Barstow Business Improvement District	North Barstow/ Medical Business Improvement District	Nonmajor Component Units	Totals
Redevelopment Authority									
Contractual services	\$ 20,781	\$ 61,085	\$ -	\$ -	\$ 40,304	\$ -	\$ -	\$ -	\$ 40,304
Developer incentives	60,000	-	-	-	(60,000)	-	-	-	(60,000)
Loss on sale of property held for resale	32,300	-	-	-	(32,300)	-	-	-	(32,300)
Write-down of property held for resale	<u>451,682</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(451,682)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(451,682)</u>
Total Redevelopment Authority	564,763	61,085	-	-	-	-	-	-	-
South Barstow Business Improvement District									
Contractual services	69,281	-	-	-	-	(69,281)	-	-	(69,281)
Supplies and materials	<u>12,632</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,632)</u>	<u>-</u>	<u>-</u>	<u>(12,632)</u>
Total South Barstow Business Improvement District	81,913	-	-	-	-	-	-	-	-
North Barstow/Medical Business Improvement District									
Contractual services	<u>29,710</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(29,710)</u>	<u>-</u>	<u>(29,710)</u>
Total North Barstow/Medical Business Improvement District	29,710	-	-	-	-	-	-	-	-
Nonmajor Component Units	<u>57,795</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(57,795)</u>	<u>(57,795)</u>
Total Component Units	<u>\$ 734,181</u>	<u>\$ 61,085</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(503,678)</u>	<u>(81,913)</u>	<u>(29,710)</u>	<u>(57,795)</u>	<u>(673,096)</u>
General revenues:									
Special assessments					-	80,000	44,000	26,000	150,000
Investment income					4,800	210	870	250	6,130
Contributions from City					<u>400,088</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>400,088</u>
Total General Revenues					<u>404,888</u>	<u>80,210</u>	<u>44,870</u>	<u>26,250</u>	<u>556,218</u>
Change in net position					(98,790)	(1,703)	15,160	(31,545)	(116,878)
NET POSITION - Beginning of Year					<u>2,962,705</u>	<u>20,052</u>	<u>186,125</u>	<u>54,670</u>	<u>3,223,552</u>
NET POSITION - END OF YEAR	<u>\$ 2,863,915</u>	<u>\$ 18,349</u>	<u>\$ 201,285</u>	<u>\$ 23,125</u>	<u>\$ 3,106,674</u>				

See accompanying notes to financial statements.

Notes to Financial Statements

The notes to the basic financial statements contain a summary of significant accounting policies and other notes considered necessary for a clear understanding of the financial statements.

CITY OF EAU CLAIRE

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CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Eau Claire, Wisconsin (City) conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

A. REPORTING ENTITY

This report includes all of the funds of the City. The reporting entity for the City consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or 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. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of two methods, discrete presentation or blending. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens, or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

A. REPORTING ENTITY (cont.)

Discretely Presented Component Units

Redevelopment Authority of the City of Eau Claire

The government-wide financial statements include the Redevelopment Authority of the City of Eau Claire (RDA) as a component unit. The RDA is a legally separate organization. The board of the RDA is appointed by the Eau Claire City Council. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the RDA, and also create a potential financial benefit to or burden on the City. See Note III.H. As a major component unit, the RDA's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended December 31, 2014. Separately issued financial statements of the RDA of the City of Eau Claire may be obtained from the Finance Director's office, which is located at 203 South Farwell Street, P.O. Box 5148, Eau Claire, WI 54702-5148.

Business Improvement Districts (BIDs)

The government-wide financial statements include the South Barstow Business Improvement District, North Barstow/Medical Business Improvement District, West Grand Business Improvement District, and the Water Street Business Improvement District as component units. The BIDs are legally separate organizations. The BID boards are appointed by the Eau Claire City Council. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the BIDs, and also create a potential financial benefit to or burden on the City. See Note III.H. As major component units, the financial statements of the South Barstow Business Improvement District and the North Barstow/Medical Business Improvement District have been presented as discrete columns in the financial statements. As nonmajor component units, the remaining BIDs financial statements have been combined and presented as a separate column in the financial statements. The information presented is for the fiscal year ended December 31, 2014. Separate financial statements are not issued by the BIDs.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include 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 non-exchange 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 certain legally separate component units for which the primary government is financially accountable.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Government-Wide Financial Statements (cont.)

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. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

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

Funds are organized as major funds or nonmajor 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/deferred outflows of resources, liabilities/deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% 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% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the City believes is particularly important to financial statement users may be reported as a major fund.

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.

The City reports the following major governmental funds:

- General Fund – accounts for the City's primary operating activities. It is used to account for and report all financial resources except those required to be accounted for in another fund.
- General Debt Service Fund – accounts for and reports resources that are restricted, committed, or assigned to expenditures for the payment of general long-term debt principal, interest, and related costs, other than TIF or enterprise debt.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

The City reports the following major enterprise funds:

Water Utility – accounts for the construction, operations, and maintenance of the municipal water pumping, treatment, and distribution systems.

Sewer Utility – accounts for the construction, operations, and maintenance of the municipal sewage collection and treatment system.

Storm Water Utility – accounts for the construction and operation of the City's storm sewer system. It also accounts for the acquisition and maintenance of storm water detention areas.

Public Transit – accounts for the operations and maintenance of the municipal mass transit facility and fleet equipment.

The City reports the following nonmajor governmental and enterprise funds:

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

- Cemetery Maintenance
- Hazardous Materials Response
- Community Development
- Home Grant
- Police Department K9
- Economic Development
- Community Enhancement
- Public Library
- City-County Health Department
- Downtown Partners
- Former Landfill Escrow

Debt Service Funds – used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the payment of general long-term debt principal, interest, and related costs.

- Debt Service – TIF No. 6
- Debt Service – TIF No. 7

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

Capital Projects Funds – used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

- TIF No. 5 Gateway Northwest Business Park
- TIF No. 8 Downtown Development
- TIF No. 9 Gateway Northwest Business Park Overlay
- Bridge Projects
- Street Projects
- Buildings and Equipment
- Parks and Recreation Projects
- Environmental Improvements – Landfill
- Library Buildings and Equipment

Enterprise Funds – may be used to report any activity for which a fee is charged to external users for goods or services, and must be used for activities which meet certain debt or cost recovery criteria.

- Parking Utility
- Hobbs Ice Center
- Outdoor Pool

In addition, the City reports the following fund types:

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis.

- Risk Management
- Central Equipment

Agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units.

- Tax Collection Fund

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

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 Sewer 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.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

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

Intergovernmental aids and grants are recognized as revenues in the period the City is entitled the resources and the amounts are available. Amounts owed to the City which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues.

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

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

Fund Financial Statements (cont.)

Proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Agency funds follow the accrual basis of accounting and do not have a measurement focus.

The 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 Utility, Sewer Utility, Storm Water Utility, and Public Transit are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary 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.

All Financial Statements

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

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

1. Deposits and Investments

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.

Investment of City funds is restricted by state statutes. Available investments are limited to:

1. Time deposits in any credit union, bank, savings bank or trust company maturing in three years or less.
2. Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority, or the Wisconsin Aerospace Authority.
3. Bonds or securities issued or guaranteed by the federal government.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

1. Deposits and Investments (cont.)

4. The local government investment pool.
5. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
6. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
7. Repurchase agreements with public depositories, with certain conditions.

Investment of most trust funds including cemetery perpetual care funds, is regulated by Chapter 881 of the Wisconsin Statutes. Investment of library trust funds is regulated by Chapter 112. Those sections give broad authority to use such funds to acquire various kinds of investments including stocks, bonds and debentures.

The City has adopted an investment policy. That policy contains the following guidelines for allowable investments:

Custodial Credit Risk

Collateralization shall be required on all demand deposit accounts, non-negotiable certificates of deposit, and repurchase agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be a minimum of 106% of the market value of principal and accrued interest. The level of collateralization is negotiated and a part of the City's Bank Services contract. Collateral shall be pledged in the name of the City of Eau Claire, subject to release by the City's Finance Director.

Credit Risk

The City will only invest in the type of investments allowable by state statutes as listed above. In addition, any securities the City invests in must have a rating which is the highest or second highest rating category assigned by Standard & Poor's Corporation, Moody's Investors' Service or other similar nationally recognized ranking agency, or if that security is senior to, or on a parity with, a security of the same issuer which has such a rating.

Concentration of Credit Risk

The City will diversify investments by security type, institution and terms of maturity to reduce portfolio risk. With the exception of U.S. Treasury securities and authorized pools, no more than 50% of the City's total investment portfolio will be invested in a single security type or with a single financial institution. Investments shall be diversified by:

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

1. Deposits and Investments (cont.)

Concentration of Credit Risk (cont.)

1. Limiting investments to avoid concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities and authorized pools).
2. Limiting investment in securities that have higher credit risks.
3. Investing in securities with varying maturities.
4. Continuously investing a portion of the portfolio in readily available funds such as local government investment pools or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

Interest Rate Risk

To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five years from the date of purchase. However, the City may collateralize its investments using longer-dated securities. The City will maintain at least 10% of its total investment portfolio in instruments maturing in 30 days or less.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2014, the fair value of the City's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note III.A. for further information.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

2. Receivables

Property taxes are levied in December on the assessed value as of the prior January 1. In addition to property taxes for the City, taxes are collected for and remitted to the state and county governments as well as local school districts and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as receivables and due to other taxing units on the accompanying statement of assets and liabilities – agency fund.

Property tax calendar – 2014 tax roll:

Lien date and levy date	December 2014
Tax bills mailed	December 2014
Payment in full, or	January 31, 2015
First installment due	January 31, 2015
Second installment due	July 31, 2015
Personal property taxes in full	January 31, 2015
Tax sale – 2014 delinquent real estate taxes	October 2017

Accounts receivable have been shown net of an allowance for uncollectible accounts. Delinquent real estate taxes as of July 31 are paid in full by the County, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made for the Water and Sewer Utilities because they have the right by law to place delinquent bills on the tax roll, and other delinquent bills are generally not significant. The General Fund, Community Enhancement Fund, Public Library Fund, and City-County Health Department Fund have recorded allowances of \$2,488,500, \$21,147, \$109,378, and \$7,474, respectively.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as “due to and from other funds.” Long-term interfund loans (noncurrent portion) are reported as “advances from and to other funds.” Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

In the governmental fund financial statements, advances to other funds are offset equally by a nonspendable fund balance account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation or by restricted fund balance account, if the funds will ultimately be restricted when the advance is repaid.

The City has received federal and state grant funds for economic development and housing rehabilitation loan programs to various businesses and individuals. The City records a loan receivable when the loan has been made and funds have been disbursed. The amount recorded as economic development loans receivable has been reduced by an allowance for uncollectible accounts of \$66,000.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

2. Receivables (cont.)

It is the City's policy to record unavailable revenue for the net amount of the receivable balance. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year end are presented as restricted fund balance in the fund financial statements.

3. Inventories and Prepaid Items

Proprietary fund inventories, if material, are recorded at cost based on the first-in, first-out (FIFO) method using the consumption method of accounting. Proprietary fund inventories are generally used for construction and for operation and maintenance work. They are not for resale. They are valued at cost based on weighted average, and charged to construction or operation and maintenance expense when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements using the consumption method.

4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

Funds on deposit with Wisconsin Municipal Insurance Company for payment of insurance claims are combined with twelve other participating governments. The City's deposit at year end was \$252,803. This amount is recorded as Restricted Assets in the Internal Service funds. See Note III.C. for additional information on restricted assets.

5. Capital Assets

Government-Wide Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general capital assets and for infrastructure assets, and an estimated useful life in excess of one year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

5. Capital Assets (cont.)

Government-Wide Statements (cont.)

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. During the current year, \$717,243 of net interest was capitalized. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

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

Buildings	40-50 Years
Land Improvements	30-55 Years
Machinery and Equipment	3-25 Years
Utility System	40-100 Years
Intangibles	3-40 Years
Infrastructure	10-30 Years

Fund Financial Statements

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. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

6. Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position/fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

A deferred charge on refunding arises from advance refunding of debt. The difference between the cost of the securities placed in trust for future payment of refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide and proprietary fund statements.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

7. Compensated Absences

Under terms of employment, employees accumulate vacation, compensatory time, sick leave and other benefits at various rates depending on bargaining group and length of service. Only benefits considered to be vested are disclosed in these statements.

All vested vacation 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 resignations and retirements, and are payable with expendable resources.

Payments for vacation, compensatory time, and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and compensatory time liabilities at December 31, 2014 are determined on the basis of current salary rates and include salary related payments.

8. Long-Term Obligations/Conduit Debt

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable, other post-employment benefits and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debt (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the straight-line method. The balance at year end is shown as an increase or decrease in the liability section of the statement of net position.

The City has approved the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the City. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of IRB's outstanding at the end of the year is \$1,821,514, made up of one issue.

9. Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position/fund balance that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

10. Equity Classifications

Government–Wide Statements

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

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

The net position section includes an adjustment for capital assets owned by the business-type activities column, but financed by debt of the governmental activities column.

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

Fund Statements

Governmental fund equity is classified as fund balance and displayed as follows:

- a. Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the City Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City Council that originally created the commitment.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

10. Equity Classifications (cont.)

Fund Statements (cont.)

- d. Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned through the following; 1) The City has adopted a financial policy authorizing the City Manager and Finance Director to assign amounts for a specific purpose. 2) All remaining positive spendable amounts in governmental funds, other than the General Fund, that are neither restricted nor committed. Assignments may take place after the end of the reporting period.
- e. Unassigned - Includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

Generally, the City spends down fund balance by using unassigned fund balance for any purpose for which fund balance was not otherwise restricted, committed, or assigned.

11. Prior Period Information

The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended December 31, 2013, from which the summarized information was derived.

In addition, certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

12. Basis for Existing Rates

Water Utility

Current rates in the Water Utility were approved by the Public Service Commission of Wisconsin and effective on April 1, 2014.

Sewer Utility

Current rates in the Sewer Utility were approved by the City Council on November 7, 2013 and effective January 1, 2014.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

12. *Basis for Existing Rates (cont.)*

Storm Water Utility

Current rates in the Storm Water Utility were approved by the City Council on November 7, 2013 and effective January 1, 2014.

NOTE II – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. EXCESS EXPENDITURES OVER APPROPRIATIONS

<u>Funds</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures over Budget</u>
Downtown Partners	\$ 107,200	\$ 111,350	\$ 4,150

The City controls expenditures at the department level. Some individual departments experienced expenditures which exceeded appropriations. The detail of those items can be found in the City's year end budget to actual report.

B. LIMITATIONS ON THE CITY TAX LEVY

Wisconsin law limits the City's future tax levies. Generally, the City is limited to its prior tax levy dollar amount (excluding TIF districts), increased by the greater of the percentage change in the City's equalized value due to new construction, or zero percent. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions. The City is required to reduce its allowable levy by the estimated amount of fee revenue it collects for certain services, if those services were funded in 2013 by the property tax levy. Levies can be increased above the allowable limits if the amount is approved by referendum.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE II – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

C. DEFICIT BALANCES

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

As of December 31, 2014, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
TIF No. 8 Downtown Development	\$ 3,251,270	Expenditures in excess of revenues
Debt Service – TIF No. 7	356,357	Expenditures in excess of revenues
Home Grant	18,469	Expenditures in excess of revenues

TIF district deficits are anticipated to be funded with future incremental taxes levied over the life of the district, which is 27 years for the districts created before October 1, 1995, and 23 years for districts created thereafter through September 30, 2004. Beginning October 1, 2004, the life of new districts varies by type of district (20-27 years) and may be extended in some cases. The Home Grant fund deficit is anticipated to be funded with future grant revenues.

NOTE III – DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool for all funds and component units which is recorded on the statement of net position as follows:

Per statement of net position	
Cash and investments	\$ 82,597,342
Restricted cash and investments	4,461,591
Per statement of assets and liabilities – agency fund	<u>23,324,302</u>
Total	<u>\$ 110,383,235</u>

Total cash and investments consist of the following:

Petty cash and cash on hand	\$ 5,405
Deposits with financial institutions	18,571,735
Investments	<u>91,806,095</u>
Total Cash and Investments	<u>\$ 110,383,235</u>

See Note III.H. for component unit information.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Deposits

The City's deposits at year end were comprised of the following:

	Carrying Value	Bank Balance	Associated Risks
Demand deposits	\$ 18,571,735	\$ 19,290,410	Custodial credit risk

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit amounts (interest-bearing and noninterest bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposits.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the nature of this fund, recovery of material principal losses may not be significant to individual municipalities. This coverage has been considered in determining custodial credit risk.

The City maintains collateral agreements with its bank. At December 31, 2014, the bank had obtained a letter of credit in the amount of \$60,000,000 to secure the City's deposits.

Investments

The City's investments at year end were comprised of the following:

	Carrying Value	Associated Risks
U.S. agencies implicitly guaranteed	\$ 24,923,455	Custodial credit risk, concentration of credit risk, credit risk, interest rate risk
U.S. agencies explicitly guaranteed	24,424,250	Custodial credit risk, interest rate risk
LGIP	42,458,390	Credit risk
Total Cash and Investments	\$ 91,806,095	

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned to the City.

The City does not have any deposits exposed to custodial credit risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

As of December 31, 2014, the City's investments were rated as follows:

<u>Investment Type</u>	<u>Standard & Poor's</u>	<u>Moody's Investor Service</u>
U.S. agencies – implicitly guaranteed	AAA	Aaa

The City also had investments in the external Wisconsin Local Government Investment Pool which is not rated.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

At December 31, 2014, the investment portfolio was concentrated as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Percentage of Portfolio</u>
FHLB	U.S. agencies – implicitly guaranteed	19%

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

As of December 31, 2014, the City's investments were as follows:

Investment	Maturity Date	Call Date	Fair Value
FNMA Callable	08/15/16	02/15/15	\$ 2,990,610
FNMA One-time Call	08/25/16	02/25/15	1,988,180
FHLMC Callable	09/27/16	03/27/15	1,997,480
FFCB Callable	05/09/17	01/12/15	1,981,820
FFCB Callable	05/09/17	01/12/15	1,976,600
FNMA Callable	08/28/17	02/28/15	1,994,360
FNMA Callable	11/08/17	02/08/15	1,988,400
FNMA Callable	11/13/17	02/13/15	1,997,360
FHLMC Callable	12/26/17	03/26/15	1,993,220
FHLB Callable	01/30/18	01/30/15	2,000,440
FHLB Callable	01/30/18	01/30/15	1,000,250
FNMA Callable	01/30/18	01/30/15	1,990,780
FNMA Callable	01/30/18	01/30/15	3,998,440
FNMA Callable	02/21/18	02/21/15	1,994,820
FHLB Callable	05/22/18	02/22/15	2,493,275
FHLMC Bullet	06/27/18	N/A	2,978,490
FHLMC Callable	06/27/18	03/27/15	2,503,950
FHLB Callable	03/18/19	03/18/15	1,992,300
FHLB Callable	09/26/19	03/26/15	1,999,100
FHLB Callable	09/30/19	03/30/15	2,005,300
FHLB One-time Call	10/28/19	10/28/16	1,993,080
FHLB Callable	12/16/19	06/16/15	1,989,360
FHLB Callable	12/30/19	06/30/15	1,500,090
Total			<u>\$ 49,347,705</u>

See Note I.D.1. for further information on deposit and investment policies.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

B. RECEIVABLES

Receivables (including due from other governments) as of year end for the government’s individual major funds and nonmajor funds, internal service, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

Governmental Activities

Fund	Gross Receivables	Allowance For Uncollectibles	Net Receivables	Amounts Not Expected to Be Collected Within One Year
General	\$ 45,654,352	\$ 2,488,500	\$ 43,165,852	\$ 4,102,932
Debt Service - General	1,381,084	-	1,381,084	970,574
Nonmajor Funds	1,342,036	203,999	11,138,037	2,957,007
Internal Service Funds	208,833	-	208,833	67,813

Business-type Activities

Fund	Gross Receivables	Allowance For Uncollectibles	Net Receivables	Amounts Not Expected to Be Collected Within One Year
Water Utility	\$ 2,827,546	-	\$ 2,827,546	\$ 577,235
Sewer Utility	2,772,025	-	2,772,025	537,532
Storm Water Utility	1,165,943	-	1,165,943	3,383
Public Transit	2,020,033	-	2,020,033	3,393
Nonmajor Funds	116,661	-	116,661	210

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

B. RECEIVABLES (cont.)

Governmental funds report *unavailable or unearned revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used 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 *unavailable revenue* and *unearned revenue* reported in the governmental funds were as follows:

	Unearned	Unavailable
Property taxes receivable	\$ 40,194,507	\$ -
Delinquent property taxes receivable	-	106,993
Accounts receivable	-	2,361,139
Loans receivable	-	3,006,843
Interest receivable	-	92,201
Special assessments not yet due	-	6,995,842
Grants receivable	231,156	527,661
Total Unearned/Unavailable Revenue for Governmental Funds	\$ 40,425,663	\$ 13,090,679

Notes Receivable

At December 31, 2014, the General Fund has one note receivable for \$25,000. The note will be paid by the Chippewa Valley Innovation Center which used the proceeds to partially fund a loan pool that is designed to provide beginning businesses with loans to purchase machinery and equipment.

The Community Development Special Revenue Fund has notes receivable of \$1,890,156 at December 31, 2014, with maturities to the year 2034. The balance includes 192 loans which are all required to be secured by a lien on the property. Some loans can be deferred until the property is sold. Interest on these loans is either lower than market or zero. The City discontinued the small industry loan program in 1989.

The Economic Development Special Revenue Fund has notes receivable of \$1,116,687 at December 31, 2014. This balance is comprised of 16 different loans to a variety of businesses and not-for-profits.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

C. RESTRICTED ASSETS

The following represent the balances of the restricted assets:

Long-Term Debt Accounts

- Redemption – Used to segregate resources accumulated for debt service payments over the next twelve months.
- Reserve – Used to report resources set aside to fund plant renewals and replacement or make up potential future deficiencies in the redemption account.
- Depreciation – Used to report resources set aside to fund plant renewals and replacement or make up potential future deficiencies in the redemption account.
- Construction – Used to report proceeds of bond issuances that are restricted for use in construction.

Equipment Replacement Account

The Sewer Utility established an equipment replacement account to be used for significant mechanical equipment replacement as required by the Wisconsin Department of Natural Resources.

Following is a list of restricted assets at December 31, 2014:

	Governmental Activities	Business-type Activities
Restricted Assets		
Redemption account	\$ -	\$ 252,499
Reserve account	-	557,140
Depreciation account	-	1,081,000
Equipment replacement account	-	1,600,000
Revolving loan sequestered funds	453,951	-
Construction account	264,198	-
Insurance claims account	252,803	-
Total Restricted Assets	\$ 970,952	\$ 3,490,639

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS

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

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital Assets Not Being Depreciated/ Amortized				
Construction in progress	\$ 14,867,791	\$ 7,196,995	\$ 7,073,310	\$ 14,991,476
Land	16,419,810	550,637	46,325	16,924,122
Total Capital Assets Not Being Depreciated/Amortized	\$ 31,287,601	\$ 7,747,632	\$ 7,119,635	\$ 31,915,598
Capital Assets Being Depreciated/ Amortized				
Land improvements	\$ 10,911,775	\$ 23,802	\$ -	\$ 10,935,577
Buildings	23,094,365	383,766	428,922	23,049,209
Machinery and equipment	32,914,109	2,116,886	1,327,397	33,703,598
Intangibles	632,765	7,113,090	-	7,745,855
Infrastructure	176,668,891	6,595,208	1,580,625	181,683,474
Total Capital Assets Being Depreciated/Amortized	244,221,905	16,232,752	3,336,944	257,117,713
Less: Accumulated Depreciation/ Amortization for				
Land improvements	(4,259,510)	(519,504)	-	(4,779,014)
Buildings	(12,851,650)	(515,272)	411,360	(12,955,562)
Machinery and equipment	(18,819,517)	(2,346,834)	984,812	(20,181,539)
Intangibles	(179,545)	(156,826)	-	(336,371)
Infrastructure	(73,771,751)	(5,315,065)	1,169,621	(77,917,195)
Total Accumulated Depreciation/Amortization	(109,881,973)	(8,853,501)	2,565,793	(116,169,681)
Capital Assets, Being Depreciated/Amortized, Net	\$ 134,339,932	\$ 7,379,251	\$ 771,151	\$ 140,948,032

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

Depreciation/amortization expense was charged to functions as follows:

Governmental Activities

General government	\$ 223,158
Public safety	837,727
Public works, which includes the depreciation of infrastructure	6,218,702
Health services	18,949
Culture and recreation	1,541,376
Development	<u>13,589</u>
 Total Governmental Activities Depreciation/Amortization Expense	 <u><u>\$ 8,853,501</u></u>

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities				
Capital Assets Not Being Depreciated/Amortized				
Construction in progress	\$ 23,451,748	\$ 18,131,990	\$ 3,670,947	\$ 37,912,791
Land	<u>16,815,061</u>	<u>318,834</u>	<u>-</u>	<u>17,133,895</u>
 Total Capital Assets Not Being Depreciated/Amortized	 <u><u>\$ 40,266,809</u></u>	 <u><u>\$ 18,450,824</u></u>	 <u><u>\$ 3,670,947</u></u>	 <u><u>\$ 55,046,686</u></u>
 Other Capital Assets				
Improvements	\$ 3,824,237	\$ 125,458	\$ -	\$ 3,949,695
Buildings	41,825,569	241,027	151	42,066,445
Distribution and collection systems	182,731,388	7,154,041	425,076	189,460,353
Source of supply system	893,255	10,357	-	903,612
Machinery and equipment	17,051,087	4,343,845	563,309	20,831,623
Intangibles	<u>-</u>	<u>45,080</u>	<u>-</u>	<u>45,080</u>
Total Capital Assets Being Depreciated/Amortized	 <u><u>246,325,536</u></u>	 <u><u>11,919,808</u></u>	 <u><u>988,536</u></u>	 <u><u>257,256,808</u></u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

Less: Accumulated Depreciation/
Amortization for

Improvements	\$ (2,323,116)	\$ (134,287)	\$ -	\$ (2,457,403)
Buildings	(20,717,082)	(1,194,476)	151	(21,911,407)
Distribution and collection systems	(49,342,248)	(3,307,165)	315,832	(52,333,581)
Source of supply system	(774,306)	(16,971)	-	(791,277)
Machinery and equipment	(12,032,893)	(885,651)	562,579	(12,355,965)
Intangibles	-	(2,549)	-	(2,549)
Total Accumulated Depreciation/Amortization	<u>(85,189,645)</u>	<u>(5,541,099)</u>	<u>878,562</u>	<u>(89,852,182)</u>
Total Capital Assets, Being Depreciated/Amortized, Net	<u>\$ 161,135,891</u>	<u>\$ 6,378,709</u>	<u>\$ 109,974</u>	<u>\$ 167,404,626</u>

Depreciation/amortization expense was charged to functions as follows:

Business-type Activities

Water	\$ 1,847,705
Sewer	1,649,314
Storm Water	855,173
Public Transit	358,596
Parking Utility	227,323
Hobbs Ice Center	385,869
Outdoor Pool	65,819
Total Business-type Activities Depreciation/Amortization Expense	<u>\$ 5,389,799</u>

Depreciation expense may be different from business-type activity accumulated depreciation/amortization additions because of joint metering, salvage, cost of removal, internal allocations, or costs associated with the disposal of assets.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS

Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue – HOME Grant	\$ 70,064
General Fund	Enterprise – Public Transit	1,482,442
General Fund	Enterprise – Hobbs Ice Center	<u>64,259</u>
Sub-total – Fund Financial Statements		1,616,765
Less: Fund eliminations		<u>(70,064)</u>
Total interfunds		1,546,701
Government-wide net interfund advances		4,702,321
Adjustment to reflect internal service fund activities related to enterprise funds		<u>108,716</u>
Total Internal Balances – Government-Wide Statement of Net Position		<u>\$ 6,357,738</u>

The principal purpose of these interfunds is to cover an overdraft of pooled cash. Remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All amounts are expected to be repaid within one year.

For the statement of net position, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated.

Advances

The General Fund is advancing funds to the Water Utility, Sewer Utility, Hobbs Ice Center and TIF No. 7. The General Fund is charging the other funds interest on the advances based on the balance outstanding before the principal payment for the current year. The interest rate on the Water Utility advance is 5.80-7.70%. The rate being charged on the Sewer Utility advance is 7.25%. The rate being charged on the Hobbs advances is 1.60-5.10%. The rate being charged on the TIF No. 7 advances is 1.00-2.50%.

The General Debt Service Fund is advancing funds to TIF No. 7. The General Debt Service Fund is charging TIF No.7 interest on the advances based on the balance outstanding before the principal payment for the current year. The rate being charged on the advances is 2.00-4.00%.

Principal and interest payments on these advances have not yet started.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (cont.)

Advances (cont.)

The Economic Development, Streets Capital Projects and Risk Management Funds are advancing funds to TIF No. 8. Principal and interest payments on these advances have not yet started. These funds will be charging TIF No. 8 interest on the advances based on the balance outstanding before the principal payment, retroactive to the year 2004. The rate to be charged is 1.85-6.15%.

The following is a schedule of interfund advances:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Amount Not Due Within One Year</u>
General Fund	Water Utility	\$ 968,374	\$ 684,711
General Fund	Sewer Utility	468,947	403,802
General Fund	Enterprise – Hobbs Ice Center	3,265,000	3,060,000
General Fund	Debt Service – TIF No. 7	111,145	111,145
General Debt Service	Debt Service – TIF No. 7	250,000	250,000
Special Revenue – Economic Development	Capital Projects – TIF No. 8	400,000	400,000
Capital Projects – Streets Projects	Capital Projects – TIF No. 8	1,000,000	1,000,000
Internal Service – Risk Management	Capital Projects – TIF No. 8	<u>1,838,700</u>	1,838,700
Sub-total – Fund Financial Statements		8,302,166	
Less: Fund eliminations		<u>(3,599,845)</u>	
Total Net Government-Wide Advances		<u><u>\$ 4,702,321</u></u>	

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (cont.)

Advances (cont.)

The principal purpose of the advances is to advance funds for capital construction projects, collateral on a letter of credit and repayment of transfers from prior years.

No repayment schedule has been established for the advances to TIF No. 7 and TIF No. 8. Annual repayment of principal and interest on the other advances are made according to the following schedule:

<u>Years</u>	<u>Advances</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2015	\$ 553,808	\$ 210,044	\$ 763,852
2016	584,497	178,008	762,505
2017	473,105	143,617	616,722
2018	492,276	117,365	609,641
2019	2,506,193	53,063	2,559,256
2020	<u>92,442</u>	<u>6,702</u>	<u>99,144</u>
Totals	<u>\$ 4,702,321</u>	<u>\$ 708,799</u>	<u>\$ 5,411,120</u>

Transfers

Following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
General Fund	Community Enhancement	\$ 115,000	To fund general fund special events
	Water Utility	1,584,516	Payment in lieu of tax
Special Revenue			
Cemetery Maintenance	General Fund	441,668	Operating subsidy
Economic Development	General Fund	100,000	General support
City-County Health Department	Community Development	76,774	Fund code enforcement project
Downtown Partners	Economic Development	80,000	Operating subsidy
Debt Service			
Debt Service – General	General Fund	7,433,244	Debt service payments
Debt Service – General	Public Library	39,750	Debt service payments
Debt Service – General	City-County Health Dept.	31,763	Debt service payments

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (cont.)

Transfers (cont.)

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
Capital Projects			
Streets Projects	General Fund	\$ 1,019,400	Fund various projects
Buildings and Equipment	General Fund	1,276,500	Fund various projects
Buildings and Equipment	Cemetery Maintenance	2,905	Cemetery projects in CIP
Buildings and Equipment	Community Development	16,300	Fund comprehensive plan
Bridges	General Fund	180,000	Fund bridge renovations
Parks and Recreation	General Fund	150,000	Fund park development projects
Parks and Recreation	Community Enhancement	200,000	Fund park development projects
Environmental Improvement	Risk Management	200,000	Fund environmental projects
Library Buildings & Equipment	Public Library	186,000	Fund facility improvements
Enterprise			
Public Transit	General Fund	725,754	Operating subsidy
Parking Utility	General Fund	95,000	Ramp renovation/maintenance and meter replacement
Parking Utility	General Fund	30,977	Operating subsidy
Hobbs Ice Center	General Fund	163,035	Operating subsidy
Hobbs Ice Center	Community Enhancement	70,000	Facility improvements
Hobbs Ice Center	Community Enhancement	65,000	Subsidize facility improvements
Outdoor Pool	General Fund	60,364	Operating subsidy
Outdoor Pool	General Fund	40,000	Subsidize facility improvements
Outdoor Pool	Parks and Recreation	40,000	Play equipment
Outdoor Pool	Community Enhancement	<u>50,000</u>	Subsidize facilities improvements
Sub-total – Fund Financial Statements		14,473,950	
Less: Fund eliminations		<u>(14,229,564)</u>	
Total – Government-Wide Statement of Activities		<u>\$ 244,386</u>	

Generally, transfers are 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 the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2014 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
GOVERNMENTAL ACTIVITIES					
Bonds and Notes Payable					
General obligation bonds	\$ 81,918,889	\$ 6,875,000	\$ 8,200,114	\$ 80,593,775	\$ 7,468,238
Add/(Subtract):					
Premiums/(discounts)	640,435	346,575	132,537	854,473	-
Sub-totals	82,559,324	7,221,575	8,332,651	81,448,248	7,468,238
Other Liabilities					
Vested compensated absences	2,377,429	2,430,129	2,544,340	2,263,218	2,112,742
Police and fire pensions	189,654	-	18,340	171,314	35,024
Permanent disability	275,890	-	9,064	266,826	27,980
Other post-employment benefits	14,547,809	3,844,188	-	18,391,997	-
Unpaid self-insurance claims	1,709,103	1,395,615	1,134,952	1,969,766	220,000
Total Other Liabilities	19,099,885	7,669,932	3,706,696	23,063,121	2,395,746
Total Governmental Activities Long-Term Liabilities	\$ 101,659,209	\$ 14,891,507	\$ 12,039,347	\$ 104,511,369	\$ 9,863,984
	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
BUSINESS-TYPE ACTIVITIES					
Bonds and Notes Payable					
General obligation bonds	\$ 18,616,111	\$ 1,945,000	\$ 2,394,886	\$ 18,166,225	\$ 1,521,762
State trust fund notes	-	-	-	-	-
Revenue bonds	22,037,448	19,798,923	2,370,000	39,466,371	210,000
Add/(Subtract):					
Premiums/(discounts)	150,599	96,884	24,272	223,211	-
Sub-totals	40,804,158	21,840,807	4,789,158	57,855,807	1,731,762
Other Liabilities					
Vested compensated absences	426,236	563,315	539,107	450,444	450,444
Other post-employment benefits	1,198,482	316,695	-	1,515,177	-
Total Other Liabilities	1,624,718	880,010	539,107	1,965,621	450,444
Total Business-type Activities Long-Term Liabilities	\$ 42,428,876	\$ 22,720,817	\$ 5,328,265	\$ 59,821,428	\$ 2,182,206

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the City. Tax incremental bonds are paid by segregated property taxes, but are ultimately backed by the full faith and credit of the City if incremental taxes are inadequate to meet payments. Business-type activities debt is payable by revenues from user fees of those funds, or, if the revenues are not sufficient, by future tax levies.

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed 5% of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2014, was \$223,079,960. Total general obligation debt outstanding at year end was \$98,760,000 and resources on hand for payment of debt were \$5,879,521.

	Date of Issue	Final Maturity	Interest Rates	Original Indebted- ness	Balance 12-31-14
Governmental Activities					
General Obligation Bonds					
Corporate purpose	06/01/05	04/01/25	3.5-4.25%	\$ 5,850,000	\$ 2,970,000
Tax incremental bonds	06/01/05	04/01/22	3.7-4.1%	200,000	200,000
Tax incremental bonds	12/01/05	04/01/19	3.7-4.125%	3,000,000	2,525,000
Corporate purpose	08/01/06	04/01/26	4.125-5.0%	5,125,000	2,780,000
Corporate purpose	05/01/07	04/01/27	4.0-5.0%	9,500,000	5,290,000
Tax incremental bonds	05/01/07	04/01/25	4.0-5.0%	1,440,000	1,040,000
Corporate purpose	05/01/07	04/01/20	4.0-4.125%	12,210,000	6,175,000
Corporate purpose	07/01/08	04/01/28	3.5-4.2%	6,240,000	4,255,000
Corporate purpose	07/01/08	04/01/18	3.625-3.875%	2,015,000	855,000
Corporate purpose	07/01/08	04/01/28	5.0-6.125%	8,145,000	6,655,000
Corporate purpose	07/15/09	04/01/29	1.85-6.15%	8,560,000	7,145,000
Corporate purpose	07/15/09	04/01/19	1.6-5.1%	4,350,000	3,395,000
Corporate purpose	08/17/10	04/01/30	4.25-5.5%	3,210,000	3,210,000
Corporate purpose	08/17/10	04/01/20	1.0-2.85%	3,975,000	2,450,000
Corporate purpose	08/17/10	04/01/21	1.5-3.0%	4,585,000	3,290,000
Corporate purpose	08/01/11	04/01/31	2.0-4.0%	6,350,000	5,515,000
Corporate purpose	08/01/11	04/01/21	2.0-2.75%	2,160,000	1,515,000
Corporate purpose	08/28/12	04/01/32	2.0-2.625%	5,640,000	5,190,000
Corporate purpose	08/28/12	04/01/22	0.35-1.65%	4,335,000	3,300,000
Corporate purpose	08/15/13	04/01/33	2.0-4.25%	14,145,000	13,645,000
Corporate purpose	08/15/13	04/01/23	2.0-3.0%	9,380,000	8,540,000
Corporate purpose	09/03/14	04/01/34	3.0-4.0%	4,720,000	4,720,000
Corporate purpose	09/03/14	04/01/24	2.0-3.0%	4,100,000	4,100,000
Total General Obligation Debt					<u>98,760,000</u>
Less: Enterprise portion of G.O. Bonds					<u>(18,166,225)</u>
Total – Governmental Activities – G.O. Bonds					<u>\$ 80,593,775</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt		Business-type Activities General Obligation Debt	
	Principal	Interest	Principal	Interest
2015	\$ 7,468,238	\$ 2,888,477	\$ 1,521,762	\$ 625,147
2016	7,330,792	2,634,106	1,514,208	575,183
2017	7,243,573	2,394,470	1,561,427	527,286
2018	6,448,919	2,166,288	1,486,081	478,171
2019	8,236,710	1,902,109	1,423,290	430,478
2020 - 2024	22,500,543	6,634,707	5,659,457	1,509,426
2025 - 2029	15,200,000	2,816,465	3,720,000	604,599
2030 - 2034	6,165,000	456,395	1,280,000	75,304
Totals	<u>\$ 80,593,775</u>	<u>\$ 21,893,017</u>	<u>\$ 18,166,225</u>	<u>\$ 4,825,594</u>

Revenue Debt

Business-type activities revenue bonds are payable only from revenues derived from the operation of the Water Utility.

The Water Utility has pledged future water revenues, net of specified operating expenses to repay \$5,825,000 in water revenue bonds issued from 2007 to 2009. Proceeds from the bonds provided financing for utility system improvements and for refinancing previous revenue bonds. The bonds are payable solely from water revenues and are payable through 2028. The bonds require net revenues of 1.25 times annual principal and interest payments on outstanding bonds. The total principal and interest remaining to be paid on the bonds are \$6,388,943. Principal and interest paid for the current year and total customer net revenues were \$2,684,736 and \$4,980,781, respectively. Annual principal and interest payments are expected to require 5% of Water Utility revenues through 2028.

The Sewer Utility has pledged future sewer revenues, net of specified operating expenses to repay \$34,716,371 in sewer revenue bonds issued in 2013. Proceeds from the bonds provided financing for treatment plant upgrades. The bonds are payable solely from sewer revenues and are payable through 2033. The bonds require net revenues of 1.10 times annual principal and interest payments on outstanding bonds. The total principal and interest remaining to be paid on the bonds are \$44,426,836. Principal and interest paid for the current year and total customer net revenues were \$598,151 and \$3,787,381, respectively. Annual principal and interest payments are expected to require 25% of Sewer Utility revenues through 2033.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

Revenue Debt (cont.)

Revenue debt payable at December 31, 2014 consists of the following:

Business-type Activities Revenue Debt

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebted- ness</u>	<u>Balance 12-31-14</u>
<u>Water Utility</u>					
Revenue bonds	05/01/07	10/01/23	4.0-4.5%	\$ 2,000,000	\$ 1,325,000
Revenue bonds	07/15/09	10/01/28	3.0-4.8%	3,825,000	<u>3,425,000</u>
Total Water Utility					4,750,000
<u>Sewer Utility</u>					
Revenue bonds*	06/12/13	05/01/33	2.617%	\$34,716,371	<u>34,716,371</u>
Total – Business-type Activities – Revenue Debt					<u>\$39,466,371</u>

* During 2013 the Sewer Utility was authorized to issue \$41,395,988 of sewer system Clean Water Fund revenue bonds. The original amount reported above has been issued as of December 31, 2014. The repayment schedule is for the amount issued.

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Business-type Activities Revenue Debt</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2015	\$ 210,000	\$ 1,110,785	\$ 1,320,785
2016	1,749,631	1,086,587	2,836,218
2017	1,884,792	1,037,300	2,922,092
2018	1,996,005	983,148	2,979,153
2019	2,048,296	924,354	2,972,650
2020 - 2024	10,905,606	3,681,555	14,587,161
2025 - 2029	11,506,787	2,038,226	13,545,013
2030 - 2033	<u>9,165,254</u>	<u>487,453</u>	<u>9,652,707</u>
Totals	<u>\$ 39,466,371</u>	<u>\$ 11,349,408</u>	<u>\$ 50,815,779</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

Other Debt Information

Estimated payments of compensated absences and other post-employment benefits are not included in the debt service requirement schedules. The compensated absences and post-employment benefits liabilities attributable to governmental activities will be liquidated primarily by the General Fund.

A statutory mortgage lien upon the City's water system and any additions, improvements and extensions thereto is created by Section 66.0621 of the Wisconsin Statutes as provided for in the ordinances creating the revenue bond issues. The City's water system and the earnings of the system remain subject to the lien until payment in full of the principal and interest on the bonds.

The City issues debt to fund its capital projects. In 2008, a portion of the debt issued was used to retire the City's state retirement unfunded liability. The City has never defaulted on any of its prior outstanding indebtedness. Short-term debt is not issued for operational purposes.

Current Refunding

On September 3, 2014, the City issued \$1,775,000 in general obligation bonds with an interest rate of 2.0-3.0% to current refund \$1,925,000 of outstanding general obligation bonds and notes with an interest rate of 3.5-4.5%. The net proceeds along with existing funds of the City were used to prepay the outstanding debt.

The cash flow requirements on the refunded bonds and notes prior to the current refunding was \$2,352,005 from 2015 through 2024. The cash flow requirements on the refunding bonds are \$2,108,220 from 2015 through 2024. The current refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$220,463.

G. NET POSITION/FUND BALANCES

Net position reported on the government wide statement of net position at December 31, 2014 includes the following:

Governmental Activities

Net Investment in Capital Assets	
Construction in progress	\$ 14,991,476
Land	16,924,122
Other capital assets, net of accumulated depreciation/amortization	140,948,032
Less: related long-term debt outstanding (excluding unspent capital related debt proceeds)	<u>(71,924,841)</u>
Total Net Investment in Capital Assets	<u>\$ 100,938,789</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

G. NET POSITION/FUND BALANCES (cont.)

Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2014 include the following:

	General Fund	Debt Service - General	Nonmajor Funds	Totals
Fund Balances				
Nonspendable:				
Long-term notes receivable	\$ 25,000	\$ -	\$ -	\$ 25,000
Long-term advances to other funds	4,259,658	-	-	4,259,658
Prepaid items and inventories	949,733	-	114,298	1,064,031
Restricted for:				
Debt service	-	5,651,562	584,316	6,235,878
Capital contracts	-	-	2,846,403	2,846,403
Cemetery maintenance	-	-	157,918	157,918
Hazardous materials	-	-	86,064	86,064
Community development	-	-	113,255	113,255
Police department K9	-	-	570,461	570,461
Economic development	-	-	3,284,430	3,284,430
Community enhancement	-	-	113,048	113,048
Public library	-	-	743,962	743,962
City-county health	-	-	1,030,892	1,030,892
Downtown partners	-	-	94,525	94,525
TIF #5 projects	-	-	1,213,892	1,213,892
TIF #9 projects	-	-	287,804	287,804
Bond construction	-	-	264,198	264,198
RCU agreement	-	-	87,897	87,897
Library capital projects	-	-	479,889	479,889
Assigned for:				
Capital projects	2,564,900	-	11,395,947	13,960,847
Carryover – 2014 budget	108,900	-	-	108,900
Highway 53 maintenance	2,218,312	-	-	2,218,312
YMCA land sale	429,341	-	-	429,341
Unassigned (deficit):	14,230,236		(3,626,096)	10,604,140
Total Fund Balances	\$ 24,786,080	\$ 5,651,562	\$ 19,843,103	\$ 50,280,745

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

G. NET POSITION/FUND BALANCES (cont.)

Business-type Activities

Net Investment in Capital Assets	
Construction in progress	\$ 37,912,791
Land	17,133,895
Other capital assets, net of accumulated depreciation	167,404,626
Less: related long-term debt outstanding (excluding unspent capital related debt proceeds)	<u>(57,740,865)</u>
Total Net Investment in Capital Assets	<u>\$ 164,710,447</u>

H. COMPONENT UNITS

Redevelopment Authority

This report contains the Redevelopment Authority of the City of Eau Claire (RDA), which is included as a component unit. Financial information is combined with the City's other component units and presented as a separate column in the statement of net position and statement of activities.

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

a. Basis of Accounting

The RDA prepares its financial statements in accordance with the accrual basis of accounting and the flow of economic resources measurement focus.

b. Deposits and Investments

The RDA is part of the City of Eau Claire's cash and investment pool. The custodial credit risk pertaining specifically to the RDA's resources at these institutions cannot be determined individually for those accounts. At year end, the RDA's deposits were \$777,082. The City's investment policy is applied to the custody of the RDA's deposits (see Note III.A.).

Interest income is not allocated to the RDA because the City provides services to the RDA at no cost.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

H. COMPONENT UNITS (cont.)

Redevelopment Authority (cont.)

c. Notes Receivable

The RDA sold property in exchange for a note receivable of \$600,000 in 2007. On December 31, 2014, the remaining balance on the note was \$180,000. The note is subject to an annual land credit calculation.

In 2011, the RDA sold property in exchange for a note receivable of \$161,700. Principal and interest on the note are due in one lump sum payment in 2016; interest is added annually. On December 31, 2014 the outstanding balance including accrued interest was \$152,484.

No allowance for uncollectible notes is considered necessary. The amount of notes receivable not expected to be collected within one year was \$272,484 as of December 31, 2014.

d. Property Held for Resale

To further its objectives, the RDA purchases and holds property for resale. As such, this property is presented as an asset at the lower of cost or market.

d. Property Held for Resale

Property held for resale activity for the year ended December 31, 2014 was as follows:

	Beginning Balance	Additions	Deletions	Adjustments	Ending Balance
Property held for resale	\$ 2,039,070	\$ 312,837	\$ (32,300)	\$ (451,682)	\$ 1,867,925

Adjustments were due to the write-down of property held for resale to lower of cost or market.

e. Risk Management

The RDA participates in the same risk pools as the reporting entity. Information related specifically to the RDA is unavailable. See note IV.B. for further details.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

H. COMPONENT UNITS (cont.)

Redevelopment Authority (cont.)

f. Commitments and Contingencies

The RDA has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

g. Related Parties

The City of Eau Claire, Wisconsin provides various administrative services and facilities to the RDA. No estimate of cost for these services is included in the financial statements. The salaries and fringe benefits of the City's staff that work on RDA projects are paid for by the City. The RDA does not reimburse the City for any of these costs.

h. Development and Purchase Agreement

The RDA has entered into a development and purchase agreement with Phoenix Parkside, LLC (PPL). The agreement sets the purchase price for Phase I property at \$600,000, payable by PPL to the RDA in ten equal annual payments of \$60,000 beginning in 2009. The RDA shall grant PPL a Redevelopment Land Credit of up to \$600,000 towards the purchase price of the land subject to an increase in the assessed valuation of the property. As of January 1, 2010, PPL had met the property valuation required for the full annual land credit on the note receivable. No further payments are expected to be collected. The credit awarded in 2014 was \$60,000.

In addition, PPL shall receive from the City an annual payment equal to 50% of the property taxes received by the City each year on the incremental increased assessed value of the Phase I property and improvements up to \$1.5 million. In calculating the amount due to PPL, the incremental increased fair market value of the Phase I property excludes the \$600,000 purchase price discussed above. Also, the 50% of the tax increments due to PPL shall be reduced each year by the amount corresponding to the Redevelopment Land Credit discussed above. PPL shall receive 50% of the tax increments on the Phase I property until they have received a maximum \$900,000 payment (paid by TIF #8) or until the termination of the District, whichever occurs first.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

H. COMPONENT UNITS (cont.)

Business Improvement Districts

a. Basis of Accounting and Measurement Focus

The business improvement districts prepare their financial statements in accordance with the modified accrual basis of accounting. The measurement focus of the BIDs is the flow of current financial resources concept. Under this concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as unavailable revenue or nonspendable fund balance.

b. Deposits and Investments

The BIDs are part of the City of Eau Claire's cash and investment pool. The custodial credit risk pertaining specifically to the BIDs' resources at these institutions cannot be determined individually for those accounts. The City's investment policy is applied to the custody of the BIDs' deposits (see Note III.A.).

At year end, the deposit balances for the BIDs were as follows:

South Barstow	<u>\$ 21,399</u>
North Barstow/Medical	<u>\$ 201,285</u>
West Grand	<u>\$ 6,859</u>
Water Street	<u>\$ 12,400</u>

I. TAX INCREMENTAL FINANCING DISTRICTS

The City currently maintains separate debt service and capital projects funds which account for five Tax Incremental Financing Districts (TIF) created in prior years in accordance with Section 66.1105 of the Wisconsin Statutes. The purpose of that section is to allow a municipality to recover development and improvements costs in a designated area from the property taxes generated on the increased value of the property after the creation date of the District. The tax on the increased value is called a tax increment. The statutes allow the municipality to collect tax increments until the net project cost has been fully recovered, or until 23 years after the creation date, whichever occurs first. Project costs uncollected at the dissolution date are absorbed by the City of Eau Claire.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

I. TAX INCREMENTAL FINANCING DISTRICTS (cont.)

Debt service and capital project funds are maintained to account for tax increment and other revenues used to finance principal and interest payments on outstanding debt applicable to the districts.

	Effective Date	Amended Date	Expenditure Deadline	Termination Year
TIF No. 5	1997	09/23/2003	10/08/2014	10/08/2019
TIF No. 6	1997	N/A	01/28/2015	01/28/2020
TIF No. 7	1997	02/24/2004	03/11/2019	03/11/2024
TIF No. 8	2003	04/10/2007	09/24/2024	09/24/2029
TIF No. 9	2008	N/A	09/09/2023	09/09/2028

Upon termination, the incremental tax base created by each TIF will become part of the City's regular tax base. Any surplus remaining in the TIF fund at the time of termination will be allocated among all affected taxing jurisdictions.

The following table summarizes the project and expenditures from creation of the districts through December 31, 2014.

Project Costs	TIF No. 5	TIF No. 6	TIF No. 7	TIF No. 8	TIF No. 9
Capital expenditures	\$ 8,221,971	\$ 1,430,256	\$ 1,557,146	\$ 11,326,076	\$ -
Interest and fiscal charges	3,095,106	720,856	1,169,652	3,510,959	750
Development, marketing, bond issuance costs	-	-	-	157,995	1,000
Total Project Costs	11,317,077	2,151,112	2,726,798	14,995,030	1,750
Project Revenues					
Tax increments	7,820,658	1,966,693	1,572,226	4,762,595	286,342
Interest income and misc. revenue	1,135,309	239,683	373,216	1,288,158	3,212
Grants and donations	-	-	-	503,008	-
Special assessments revenue	-	227,679	-	-	-
Total Project Revenues	8,955,967	2,434,055	1,945,442	6,553,761	289,554
Net Recoverable Costs (Refundable)	\$ 2,361,110	\$ (282,943)	\$ 781,356	\$ 8,441,269	\$ (287,804)

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE IV – OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

All eligible City employees participate in the Wisconsin Retirement System (WRS), a cost-sharing, multiple-employer, defined benefit, public employee retirement system (PERS). All employees initially employed by a participating WRS employer prior to July 1, 2011, expected to work over 600 hours a year, and expected to be employed for at least one year from the 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, 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 employees in the General Employment category and Executives and Elected Officials. Required contributions for protective contributions are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement. Contribution rates for 2014 were:

	Employee	Employer
General	7.00%	7.00%
Executives and Elected Officials	7.75%	7.75%
Protective with Social Security	7.00%	10.10%
Protective without Social Security	7.00%	13.70%

The payroll for City employees covered by WRS for the year ended December 31, 2014 was \$34,381,449; the employer's total payroll was \$36,356,118. The total required contribution for the year ended December 31, 2014 was \$5,554,973 or 16.16 percent of covered payroll. Of this amount, 100 percent was contributed for the current year. Total contributions for the years ended December 31, 2013 and 2012 were \$5,919,942 and \$5,209,202, respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 (62 for elected officials and 54 for protective occupation employees with less than 25 years of service, 53 for protective occupation employees with more than 25 years of service) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor. A final average earnings is the average of the employee's three highest years' earnings. Employees terminating covered employment and submitting an 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.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE IV – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

WRS also provides death and disability benefits for employees. Eligibility and the amount of all benefits are determined under Chapter 40 of Wisconsin Statutes.

WRS issues an annual financial report which may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931.

In addition to the above mentioned retirement system, the State of Wisconsin administers an agent multiple-employer plan which covers seven retired employees of the City police and fire departments. These individuals were covered by a private pension plan prior to the City joining the system. No new employees are added to the plan. The City's policy is to fund retirement contributions to meet current benefit payments of these retired employees (i.e. "pay as you go"). Contributions are not actuarially determined. The total cost for 2014 was approximately \$35,724. Total estimated unfunded pension-related debt of this plan is approximately \$171,314 as of December 31, 2014, all of which relates to retirees and beneficiaries currently receiving benefits. Total cost for the year ended December 31, 2013 and 2012 was \$37,971 and \$43,434, respectively, equal to required contributions for each year. The rate of investment return is presently assumed to be 4%. The estimated remaining period of amortization is 13 years. This information is included in the above pension plan. The report can be obtained from the same address above.

Under an earlier provision of the law, employers were directly responsible for the administration of permanent disability payments. During 2014, three former employees were paid a total of \$27,980. The estimated present value of future costs of these benefits is \$266,826.

B. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; including damage, theft or destruction of assets, errors and omissions; worker's compensation, health care of its employees and natural disasters. The City purchases commercial insurance to provide coverage for employee health, auto and general liability, property damage and boiler and machinery loss. Excess insurance for worker's compensation is also purchased; however, worker's compensation risks are accounted for and financed by an internal service fund – the Risk Management Fund.

Self Insurance

For workers' compensation claims, the uninsured risk of loss is \$500,000 per incident. The City has purchased excess insurance from Safety National Insurance Company for claims in excess of those amounts. Settled claims have not exceeded the excess coverage in any of the past three years.

All funds of the City participate in the insurance program and make payments to the Risk Management Fund. Amounts payable to the Risk Management Fund are based on historical cost estimates of the amounts necessary to pay prior and current year claims.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE IV – OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

Self-Insurance (cont.)

The unpaid claims liability of \$1,969,766 at December 31, 2014 is based on GASB Statement No. 10 which requires that a liability for claims be established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. The liability is based on actuarial estimates of the present value of unpaid losses and includes both current claims payable and an amount for claims that have been incurred but not reported. The City does not allocate overhead costs or other nonincremental costs to the claims liability. The liability at year end includes \$1,419,218 of potential workers compensation claims and \$550,548 for potential liability claims. Changes in unpaid claims liabilities in the current and prior year were:

Claims Liability

	Prior Year	Current Year
Unpaid claims – Beginning of Year	\$ 1,828,291	\$ 1,709,103
Current year claims and changes in estimates	1,448,756	1,395,615
Claim payments	(1,567,944)	(1,134,952)
Unpaid Claims – End of Year	\$ 1,709,103	\$ 1,969,766

Public Entity Risk Pool

Transit Mutual Insurance Corporation of Wisconsin (TMI)

Transit Mutual Insurance Corporation of Wisconsin (TMI) is a municipal mutual insurance corporation, which insures auto liability and vehicle physical damage for municipally-owned transit systems in Wisconsin. Each insured property is an owner of the mutual insurance corporation. The City insures its transit systems' auto liability and physical damage with TMI and is an owner of the corporation.

In 2014, TMI issued to the City an auto liability insurance policy with a \$250,000 per person policy limit and a \$7,000,000 per accident policy limit. Of the per accident policy limit, TMI insures \$2,000,000. In addition, the City's policy provides \$25,000 per person and \$50,000 per accident in uninsured motorist insurance.

The physical damage policy issued by TMI to the City provides collision and comprehensive coverage for the lesser of the agreed value or the cost of repairs minus a \$500 per accident deductible for private passenger and service units and a \$1,000 per accident deductible for bus units.

Management of TMI consists of a board of directors comprised of one representative for each member. The City does not exercise any control over the activities of the corporation beyond its representation on the board of directors.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE IV – OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

Public Entity Risk Pool (cont.)

Transit Mutual Insurance Corporation of Wisconsin (TMI) (cont.)

Premiums are determined in advance of each premium year, which begins on January 1. TMI is an assessable mutual; accordingly, the board of directors may require that supplemental contributions be made by members to ensure adequate funds are available to meet the obligations applicable to the premium year. Members are required by Wisconsin statute and TMI bylaws to fund any deficit attributable to a premium year during which they were a member. TMI was incorporated in 1985 and began issuing insurance policies in 1986; there has never been a member assessment beyond the annual premiums.

The City's share of this corporation is 2.65% for auto liability and 3.45% of physical damage liability. A list of the other members and their share of participation is available in the TMI report which is available from TMI, 400 N. Richmond Street, Suite J, Appleton, WI 54915-1483 or by email from tmi@new.rr.com.

Wisconsin Municipal Mutual Insurance Company (WMMIC)

The Wisconsin Municipal Mutual Insurance Company (WMMIC) is an intergovernmental cooperation commission created by contract under Section 66.30 of the Wisconsin Statutes, which has provided risk management and liability insurance services since January 1, 1988. Each member municipality appoints one policy holder to serve as a representative. The policy holders elect a seven member board of directors who are responsible for financing and budget control. The City does not exercise any control over the activities of the agencies beyond the election of officers and board. The City's initial capitalization of \$766,496 is recorded as an asset in the Risk Management internal service fund.

Insurance coverage provided through WMMIC includes auto and public liability for claims over \$100,000 per occurrence or \$300,000 aggregate for years 1988-94 and \$200,000 per occurrence or \$500,000 aggregate for years 1995-97, and \$200,000 per occurrence or \$400,000 aggregate in 1999 through 2014, with an annual cap of \$10,000,000. The policy is nonassessable, thereby limiting the City's commitment to a proportional share of a \$13,935,000 revenue bond issue sold by WMMIC to provide for the initial capitalization. The share of participation is determined on a basis of prior claim history and can be affected by acceptance of new members. The City's current share of participation is 3.20%.

C. COMMITMENTS AND CONTINGENCIES

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditures for claims and judgments are only reported in governmental fund types if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

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

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE IV – OTHER INFORMATION (cont.)

C. COMMITMENTS AND CONTINGENCIES (cont.)

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

The City has active construction projects as of December 31, 2014. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

At December 31, 2014, the City had contracts for construction projects on which work had not been completed or billed. These commitments are normal ongoing construction including maintenance of streets, storm sewers, and utility mains. They also include major equipment ordered but not delivered. No restrictions of net position have been made for the proprietary fund amounts.

<u>Capital Projects</u>	
Street Projects	\$ 1,467,819
Bridge Projects	1,129,140
Buildings and Equipment	197,458
Parks and Recreation Projects	35,097
Environmental Improvements – Landfill	10,055
Library Buildings & Equipment	<u>6,835</u>
Total Committed Construction	<u>\$ 2,846,404</u>
 <u>Proprietary Funds</u>	
Water Utility	\$ 40,587
Sewer Utility	5,207,031
Storm Water Utility	247,672
Outdoor Pool	43,675
Central Equipment	<u>273,792</u>
Total Committed Construction and Equipment	<u>\$ 5,812,757</u>

During 2014, the City entered into a 20 year lease commencing January 1, 2014 and continuing through December 31, 2033 to operate a Joint Law Enforcement Center within the Eau Claire County Courthouse. The lease may be extended for up to two additional ten-year terms at the option of the City. The monthly rental rate is adjusted annually based on actual operational costs. The total rental payments made in 2014 were \$273,798.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE IV – OTHER INFORMATION (cont.)

D. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

The City administers a single-employer defined benefit healthcare plan. The plan provides medical benefits for eligible retirees and their spouses through the City's health insurance plan which covers both active and retired members. Benefit provisions are established through collective bargaining agreements; generally, the City will pay 100% of the lowest-priced single health policy between the age established by the Wisconsin Retirement System as normal retirement age and age 65. The plan does not issue a publicly available financial report.

Contribution requirements for represented employees are established through collective bargaining agreements with the Police, Fire and Transit unions and may be amended only through negotiations between the City and the union. Non-represented employees hired through December 31, 2013 also receive retiree health insurance benefits as established in the employee handbook. Under these agreements and handbook, the City and its plan members are required to contribute to the plan at a variety of different rates. For fiscal year 2014, the actuarial contribution by the City, including the implicit rate subsidy, was estimated as \$3,069,000. Of that amount, \$1,738,887 was for payments of retiree health insurance premiums. Retiree contributions were \$452,247.

The City's annual other post-employment 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:

Annual required contribution	\$ 7,555,852
Interest on net OPEB obligation	474,334
Adjustment to annual required contribution	<u>(783,174)</u>
Annual OPEB cost	7,247,012
Contributions made	<u>(3,069,000)</u>
Increase in Net OPEB Obligation	4,178,012
Net OPEB Obligation – Beginning of Year	<u>15,811,117</u>
Net OPEB Obligation – End of Year	<u>\$ 19,989,129</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE IV – OTHER INFORMATION (cont.)

D. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (cont.)

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014 and the two preceding years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/12	\$ 5,137,418	40.95%	\$ 11,487,005
12/31/13	7,063,112	38.78%	15,811,117
12/31/14	7,247,012	42.35%	19,989,129

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

Actuarial accrued liability (AAL)	\$ 72,289,461
Actuarial value of plan assets	<u>-</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 72,289,461</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 34,381,449
UAAL as a percentage of covered payroll	210.26%

Actuarial valuations of an ongoing plan involve estimates for the value of reported amounts and assumptions about the probability of occurrence of events far into 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 multiyear 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.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE IV – OTHER INFORMATION (cont.)

D. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (cont.)

In the actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 3% investment rate of return, a 2.5% inflation rate and an annual healthcare cost trend rate of 6.6% initially for pre-65 members and 6.2% initially for post-65 members, reduced by decrements to an ultimate rate of 4.4% after 76 years. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period is 30 years.

E. CONTINGENT RECEIVABLES

The City has unrecorded loans which are not recorded as receivables because collection is subject to certain events occurring in the future. Each loan is fully forgivable if none of these triggering events have occurred by the end of the loan's term. At December 31, 2014, the Community Development Special Revenue Fund has \$739,300 and the Home Grant Special Revenue Fund has \$2,319,227 of unrecorded contingent loans receivable.

F. CONTINGENT LIABILITIES

The City owned and operated a landfill in the Town of Union which closed in 1978. A treatment system operation began in 1997. This system is designed to contain VOCs (volatile organic compounds) from migration from the landfill to the Blue Valley subdivision. The City currently works with Potentially Responsible Parties (PRPs) and the Wisconsin Department of Natural Resources on a long term monitoring plan for groundwater containment and treatment system. Ultimate final cleanup costs are unknown.

G. RELATED PARTIES

Gateway Industrial Park Corporation (Gateway), a Wisconsin nonstock, nonprofit corporation was organized in 1984 for the purpose of acquiring, owning, and developing industrial and commercial property in Eau Claire County. The Board of Directors of Gateway is comprised of three members who serve indefinite terms and exercise equal control over the management of the company. The City, Xcel Energy, and the Eau Claire Area Industrial Development Corporation each appoint one director.

In April 1991, the City, Xcel Energy, the Industrial Development Corporation, and Gateway signed an agreement to provide Gateway with loans up to \$960,000 (increased to \$3,000,000 in 1995) for the acquisition and development of industrial property. As of December 31, 2014, the outstanding loans under the agreement were \$1,100,000, of which \$500,000 was due the City. Total interest earned by the City was \$17,875 for the year ended December 31, 2014.

Downtown Eau Claire, Incorporated (DECI), a Wisconsin nonstock, nonprofit corporation was organized in 2002 for the purpose of promoting the development of business, housing and cultural resources and activities with downtown Eau Claire. The Board of Directors of the corporation consists of eighteen individuals, of which ten are elected directors and eight are perpetual directors. Four of the elected directors represent downtown and the adjacent neighborhoods and six of the elected directors reflect the diverse balance of downtown's major employers, financial institutions, property owners, business, and nonbusiness activities.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

NOTE IV – OTHER INFORMATION (cont.)

G. RELATED PARTIES (cont.)

The eight perpetual directors consist of representatives or appointees of the following: Eau Claire City Manager, Eau Claire City Council President, Redevelopment Authority, Eau Claire County Board, South Barstow Business Improvement District, West Grand Business Improvement District, Regional Arts Council and Eau Claire City Council. Downtown Eau Claire, Incorporated is funded primarily by memberships and festival revenue.

H. RELATED ORGANIZATIONS

Housing Authority

The City's officials are responsible for appointing the board members of the Housing Authority of the City of Eau Claire, but the City's accountability for this organization does not extend beyond making the appointments.

I. SUBSEQUENT EVENTS

In 2015, the City has made additional draws of \$2,334,865 on its 2014 sewerage system Clean Water Fund revenue bonds.

The City Council has approved various bonds for issuance in 2015. As of the date of these financial statements, none of these have been issued; however, the City has the following bonds in process and scheduled to close on July 28, 2015:

- > \$765,000 of General Obligation Corporate Purpose Non-Taxable Promissory Notes for street and street improvements (TIF No. 8)
- > \$3,790,000 of General Obligation Corporate Purpose Promissory Notes for refunding of 2005A and 2005B bond issues
- > \$8,970,000 of General Obligation Corporate Purpose Taxable Promissory Notes for parking structure (TIF No. 8)
- > \$2,990,000 of General Obligation Corporate Purpose Taxable Promissory Notes for Developer Incentive (TIF No. 10)

J. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved the following:

- > Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*
- > Statement No. 71, *Pension – Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB No. 68*

When they become effective, application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2014

	2014			
	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 32,915,600	\$ 32,915,600	\$ 32,864,059	\$ (51,541)
Special assessments	1,378,400	1,378,400	1,995,623	617,223
Intergovernmental	11,392,200	11,448,200	11,651,497	203,297
Licenses and permits	1,621,500	1,621,500	1,579,841	(41,659)
Fines, forfeitures and penalties	704,000	704,000	651,373	(52,627)
Charges for services - public	3,465,400	3,465,400	3,689,600	224,200
Charges for services - intergovernmental	3,203,600	3,203,600	3,169,641	(33,959)
Investment income	840,300	840,300	1,077,680	237,380
Miscellaneous	275,400	305,900	342,870	36,970
Total Revenues	<u>55,796,400</u>	<u>55,882,900</u>	<u>57,022,184</u>	<u>1,139,284</u>
EXPENDITURES				
Current				
City council	120,700	120,700	95,714	24,986
Administrative services	1,818,600	1,833,600	1,751,166	82,434
Legal	486,700	486,700	484,644	2,056
Finance	2,336,100	2,336,100	2,180,987	155,113
Human resources	953,400	930,500	879,259	51,241
Planning and development	1,230,200	1,231,200	1,189,341	41,859
Police	15,795,700	15,851,000	15,467,952	383,048
Fire	10,677,100	10,692,800	10,663,438	29,362
Public works	9,279,700	9,306,300	9,048,185	258,115
Culture and recreation	4,468,900	4,483,900	4,137,661	346,239
Miscellaneous	795,200	795,200	540,975	254,225
Capital outlay	-	-	36,345	(36,345)
Total Expenditures	<u>47,962,300</u>	<u>48,068,000</u>	<u>46,475,667</u>	<u>1,592,333</u>
Excess of revenues over expenditures	<u>7,834,100</u>	<u>7,814,900</u>	<u>10,546,517</u>	<u>2,731,617</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	1,676,000	1,676,000	1,699,516	23,516
Transfers to other funds	(11,974,700)	(11,974,700)	(11,715,942)	258,758
Sale of capital assets	10,000	10,000	65,485	55,485
Total Other Financing Sources (Uses)	<u>(10,288,700)</u>	<u>(10,288,700)</u>	<u>(9,950,941)</u>	<u>337,759</u>
Net change in fund balances	(2,454,600)	(2,473,800)	595,576	3,069,376
FUND BALANCE - Beginning of Year	<u>24,190,504</u>	<u>24,190,504</u>	<u>24,190,504</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 21,735,904</u>	<u>\$ 21,716,704</u>	<u>\$ 24,786,080</u>	<u>\$ 3,069,376</u>

See independent auditors' report and accompanying notes to required supplementary information.

CITY OF EAU CLAIRE

OTHER POST-EMPLOYMENT BENEFITS PLAN
SCHEDULE OF FUNDING PROGRESS
For the Year Ended December 31, 2014

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Liability (AAL) Entry Age Normal Cost	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/2010	\$ -	\$ 43,935,923	\$ 43,935,923	0%	\$ 32,584,361	150.2%
1/1/2012	-	48,826,648	48,826,648	0%	32,920,027	148.3%
1/1/2014	-	72,289,461	72,289,461	0%	34,381,449	210.3%

The City of Eau Claire provides some staffing for the Housing Authority operations, therefore, the Housing Authority amounts are included above. The Housing Authority's approximate share of the AAL and UAAL is as follows:

Actuarial Valuation Date	Share of AAL and UAAL
1/1/2010	\$ 116,000
1/1/2012	34,000
1/1/2014	287,000

Data in the schedule of funding progress was taken from the reports issued by the actuary.

See independent auditors' report.

CITY OF EAU CLAIRE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION For the Year Ended December 31, 2014

BUDGETARY INFORMATION

Formal budgets are prepared for governmental and proprietary funds. Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note I.C. The City adopts the budget at the department level.

An annual budget has been adopted for the General Fund, Debt Service, and all Special Revenue funds, except for the Community Development Block Grant and Home Grant funds, which have nonlapsing budgets. Flexible, annual budgets are approved for proprietary funds to provide for financial management. Project length budgets are adopted for capital project funds. Although these appropriations are specific for each project, they are reviewed and may be adjusted annually by the City Council. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds. All annual appropriations lapse at year end.

Purchase orders which are not completed by year end are recorded in the following year.

The following procedures, which comply with legal requirements, are used in establishing the budgetary data reflected in the financial statements:

1. Before October 25, the City Manager must submit to the City Council budget proposals for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the resources to finance them.
2. City Council work sessions are held to review the submitted budget.
3. Public hearings are conducted to obtain taxpayer comments.
4. The budget is adopted through passage of a resolution in November; public notification is given, showing adopted budgets and the resulting tax levy.
5. During the fiscal year, the director of finance may authorize transfers of budgeted amounts within departments; however, transfers between departments must be approved by City Council resolutions.
6. Formal budgetary integration is employed as a management control device during the year for the general, special revenue and debt service funds. Budgetary control for capital project funds is accomplished through the use of project controls.

The City Council approved proposed 2014 budgets for governmental and proprietary funds on November 7, 2013.

See independent auditors' report.

CITY OF EAU CLAIRE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION For the Year Ended December 31, 2014

BUDGETARY INFORMATION (cont.)

During 2013 and 2014, additional appropriations were approved in several funds. A summary of these council actions follows:

<u>Fund</u>	<u>Original Appropriation</u>	<u>Carryover of Appropriations</u>	<u>Grants and Donations</u>	<u>Other</u>	<u>Final Appropriation</u>
General Fund	\$ 59,937,000	\$ 13,300	\$ 92,400	\$ -	\$ 60,042,700
Debt Service Fund	8,543,500	-	-	930,400	9,473,900
Debt Service Fund – TID 7	229,900	-	-	95,000	324,900
Economic Development	788,300	1,225,400	-	200,000	2,213,700
Downtown Partners	103,900	3,300	-	-	107,200
Cemetery Maintenance	623,400	-	-	90,900	714,300
Hazardous Materials Response	123,300	-	74,100	-	197,400
Public Library	4,010,700	41,600	29,300	-	4,081,600
City-County Health	4,781,100	(61,600)	371,500	-	5,091,000
Community Enhancement	1,576,500	-	-	109,500	1,686,000

See independent auditors' report.

SUPPLEMENTARY INFORMATION

Major Funds - Governmental

The **General Fund** is the general operating fund of the City used to account for all transactions except those required to be accounted for in other funds.

The **Debt Service – General** fund accounts for all general obligation debt service except the debt paid primarily from taxes generated by tax increment districts. This debt is backed by the full faith and credit of the City.

CITY OF EAU CLAIRE

GENERAL FUND COMPARATIVE BALANCE SHEET As of December 31, 2014 and 2013

	2014	2013
ASSETS		
Cash and investments	\$ 19,205,956	\$ 19,584,491
Receivables		
Taxes		
Current	34,872,478	33,783,371
Delinquent personal property	11,708	14,247
Total Taxes	34,884,186	33,797,618
Accounts receivable	2,159,970	2,125,660
Notes receivable	25,000	25,000
Special assessments:		
Installment	4,273,185	3,959,275
Interest	77,775	87,925
Total Receivables	41,420,116	39,995,478
Due from other funds	1,616,765	1,202,110
Due from other governments	1,745,736	889,299
Inventories and prepaid items	949,733	20,583
Advance to other funds	4,813,466	5,486,000
 TOTAL ASSETS	 \$ 69,751,772	 \$ 67,177,961

	<u>2014</u>	<u>2013</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 703,576	\$ 323,901
Accrued liabilities	2,547,979	2,316,346
Deposits	144,681	188,372
Due to other governments	6,348	15,228
Total Liabilities	<u>3,402,584</u>	<u>2,843,847</u>
Deferred Inflows of Resources		
Unearned revenues	33,627,002	32,502,526
Unavailable revenues	7,936,106	7,641,084
Total Deferred Inflows of Resources	<u>41,563,108</u>	<u>40,143,610</u>
Fund Balance		
Nonspendable	5,234,391	4,859,049
Assigned	5,321,453	5,596,353
Unassigned	14,230,236	13,735,102
Total Fund Balance	<u>24,786,080</u>	<u>24,190,504</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 69,751,772</u>	<u>\$ 67,177,961</u>

CITY OF EAU CLAIRE

DETAILED SCHEDULE OF REVENUES AND OTHER FINANCING
SOURCES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2014

With Comparative Actual Totals for the Year Ended December 31, 2013

	2014			2013	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
	Original	Final			
REVENUES					
TAXES					
Real and personal property	\$ 32,391,500	\$ 32,391,500	\$ 32,339,853	\$ (51,647)	\$ 30,715,859
Mobile home fees	80,100	80,100	74,607	(5,493)	79,117
Payment in lieu of taxes:					
Other	342,000	342,000	346,359	4,359	330,969
Omitted and corrected taxes	99,000	99,000	99,000	-	-
Interest on delinquent taxes	3,000	3,000	4,240	1,240	2,594
Total Taxes	<u>32,915,600</u>	<u>32,915,600</u>	<u>32,864,059</u>	<u>(51,541)</u>	<u>31,128,539</u>
SPECIAL ASSESSMENTS					
Current	1,248,400	1,248,400	1,538,671	290,271	1,289,234
Installment	130,000	130,000	456,952	326,952	338,856
Total Special Assessments	<u>1,378,400</u>	<u>1,378,400</u>	<u>1,995,623</u>	<u>617,223</u>	<u>1,628,090</u>
INTERGOVERNMENTAL					
Federal aid	162,900	203,200	361,362	158,162	93,880
State aid					
Shared taxes	6,081,100	6,081,100	6,081,136	36	6,081,136
Municipal services	500,000	500,000	479,572	(20,428)	509,246
Utility tax	445,600	445,600	456,923	11,323	445,610
Local streets	2,590,000	2,590,000	2,652,625	62,625	2,651,249
Expenditure restraint program	1,140,600	1,140,600	1,086,846	(53,754)	1,140,605
Fire insurance	150,000	150,000	173,927	23,927	152,233
Underground tank inspections	7,000	7,000	6,474	(526)	6,666
Police training	15,000	15,000	15,680	680	15,200
Other	300,000	315,700	336,952	21,252	312,649
Total Intergovernmental	<u>11,392,200</u>	<u>11,448,200</u>	<u>11,651,497</u>	<u>203,297</u>	<u>11,408,474</u>
LICENSES AND PERMITS					
Television franchise	660,000	660,000	722,247	62,247	678,940
Licenses	339,500	339,500	346,196	6,696	342,691
Permits	622,000	622,000	511,398	(110,602)	541,012
Total Licenses and Permits	<u>1,621,500</u>	<u>1,621,500</u>	<u>1,579,841</u>	<u>(41,659)</u>	<u>1,562,643</u>
FINES, FORFEITURES AND PENALTIES					
Parking violation fines	400,000	400,000	401,118	1,118	370,907
County court fines	300,000	300,000	248,932	(51,068)	270,880
Other fines or forfeitures	4,000	4,000	1,323	(2,677)	898
Total Fines, Forfeitures and Penalties	<u>704,000</u>	<u>704,000</u>	<u>651,373</u>	<u>(52,627)</u>	<u>642,685</u>

CITY OF EAU CLAIRE

DETAILED SCHEDULE OF REVENUES AND OTHER FINANCING
SOURCES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2014

With Comparative Actual Totals for the Year Ended December 31, 2013

	2014			2013	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
	Original	Final			
PUBLIC CHARGES FOR SERVICES					
General government	\$ 60,200	\$ 60,200	\$ 68,161	\$ 7,961	\$ 63,419
Public safety	2,555,100	2,555,100	2,849,100	294,000	2,674,283
Public works	163,000	163,000	147,618	(15,382)	149,335
Parks and recreation	685,100	685,100	619,940	(65,160)	618,240
Development	2,000	2,000	1,750	(250)	1,809
Other	-	-	3,031	3,031	1,697
Total Charges for Services	<u>3,465,400</u>	<u>3,465,400</u>	<u>3,689,600</u>	<u>224,200</u>	<u>3,508,783</u>
CHARGES FOR SERVICES - INTERGOVERNMENTAL					
Communication center reimbursement	1,328,200	1,328,200	1,328,196	(4)	922,286
Police liaison	197,100	197,100	184,235	(12,865)	198,004
Departmental unfunded pension charge	145,200	145,200	145,200	-	145,000
Storm water management charge	377,000	377,000	377,040	40	368,892
Sewer utility charge	445,600	445,600	445,620	20	437,520
Water utility service charge	584,600	584,600	584,498	(102)	575,268
Other service charges	125,900	125,900	104,852	(21,048)	155,141
Total Charges for Services - Intergovernmental	<u>3,203,600</u>	<u>3,203,600</u>	<u>3,169,641</u>	<u>(33,959)</u>	<u>2,802,111</u>
INVESTMENT INCOME					
Investment interest and gains (losses)	300,000	300,000	532,994	232,994	(251,685)
Interest on advance to other funds	250,500	250,500	250,501	1	287,962
Interest on special assessments	289,800	289,800	294,185	4,385	305,035
Total Investment Income	<u>840,300</u>	<u>840,300</u>	<u>1,077,680</u>	<u>237,380</u>	<u>341,312</u>
MISCELLANEOUS					
Rental					
Rental of land and buildings	55,600	55,600	57,509	1,909	59,007
Total Rental	<u>55,600</u>	<u>55,600</u>	<u>57,509</u>	<u>1,909</u>	<u>59,007</u>
Other					
Donations	-	30,000	40,183	10,183	28,921
Other miscellaneous	219,800	220,300	245,178	24,878	249,228
Total Other	<u>219,800</u>	<u>250,300</u>	<u>285,361</u>	<u>35,061</u>	<u>278,149</u>
Total Miscellaneous	<u>275,400</u>	<u>305,900</u>	<u>342,870</u>	<u>36,970</u>	<u>337,156</u>
Total Revenues	<u>55,796,400</u>	<u>55,882,900</u>	<u>57,022,184</u>	<u>1,139,284</u>	<u>53,359,793</u>

CITY OF EAU CLAIRE

DETAILED SCHEDULE OF REVENUES AND OTHER FINANCING
SOURCES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2014

With Comparative Actual Totals for the Year Ended December 31, 2013

	2014			2013	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
	Original	Final			
OTHER FINANCING SOURCES					
Transfers from other funds	\$ 115,000	\$ 115,000	\$ 115,000	\$ -	\$ 122,613
Transfer from water utility - PILOT	1,561,000	1,561,000	1,584,516	23,516	1,592,561
Sale of capital assets	10,000	10,000	65,485	55,485	18,242
Total Other Financing Sources	<u>1,686,000</u>	<u>1,686,000</u>	<u>1,765,001</u>	<u>79,001</u>	<u>1,733,416</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 57,482,400</u>	<u>\$ 57,568,900</u>	<u>\$ 58,787,185</u>	<u>\$ 1,218,285</u>	<u>\$ 55,093,209</u>

CITY OF EAU CLAIRE

DETAILED SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL GENERAL FUND

For the Year Ended December 31, 2014

With Comparative Actual Totals for the Year Ended December 31, 2013

EXPENDITURES	2014			2013	
	Budgeted Amounts		Actual	Variance with	
	Original	Final		Final Budget	Actual
GENERAL GOVERNMENT					
City council	\$ 120,700	\$ 120,700	\$ 95,714	\$ 24,986	\$ 98,422
Administrative services					
City manager	424,800	439,800	409,361	30,439	410,632
City clerk/elections	484,300	484,300	436,965	47,335	331,429
Information services	909,500	909,500	904,840	4,660	830,303
Total Administrative Services	<u>1,818,600</u>	<u>1,833,600</u>	<u>1,751,166</u>	<u>82,434</u>	<u>1,572,364</u>
Legal	486,700	486,700	484,644	2,056	448,808
Finance					
Administration	363,200	363,200	384,995	(21,795)	330,209
Accounting	685,600	685,600	604,690	80,910	580,722
Assessing	520,400	520,400	443,811	76,589	502,235
Customer services	766,900	766,900	747,491	19,409	691,634
Total Finance	<u>2,336,100</u>	<u>2,336,100</u>	<u>2,180,987</u>	<u>155,113</u>	<u>2,104,800</u>
Human resources					
Purchasing	255,900	255,900	220,980	34,920	234,284
Personnel administration	697,500	674,600	658,279	16,321	588,032
Total Human Resources	<u>953,400</u>	<u>930,500</u>	<u>879,259</u>	<u>51,241</u>	<u>822,316</u>
Planning and development					
Community planning	588,500	589,500	571,573	17,927	578,526
Inspection and zoning	641,700	641,700	617,768	23,932	609,499
Total Planning and Development	<u>1,230,200</u>	<u>1,231,200</u>	<u>1,189,341</u>	<u>41,859</u>	<u>1,188,025</u>
Total General Government	<u>6,945,700</u>	<u>6,938,800</u>	<u>6,581,111</u>	<u>357,689</u>	<u>6,234,735</u>
PUBLIC SAFETY					
Police					
Administration	1,191,900	1,188,700	1,159,576	29,124	1,129,731
Administrative services	1,503,900	1,515,400	1,441,658	73,742	1,415,732
Patrol services	8,749,300	8,781,800	8,417,584	364,216	8,798,557
Investigative services	2,461,100	2,461,100	2,600,936	(139,836)	2,521,797
Central communications	1,889,500	1,904,000	1,848,198	55,802	1,813,194
Total Police	<u>15,795,700</u>	<u>15,851,000</u>	<u>15,467,952</u>	<u>383,048</u>	<u>15,679,011</u>
Fire					
Administration	751,600	751,600	705,343	46,257	695,522
Suppression and rescue	9,439,200	9,454,900	9,449,271	5,629	9,442,152
Prevention and inspection	486,300	486,300	508,824	(22,524)	495,623
Total Fire	<u>10,677,100</u>	<u>10,692,800</u>	<u>10,663,438</u>	<u>29,362</u>	<u>10,633,297</u>
Total Public Safety	<u>26,472,800</u>	<u>26,543,800</u>	<u>26,131,390</u>	<u>412,410</u>	<u>26,312,308</u>

CITY OF EAU CLAIRE

DETAILED SCHEDULE OF EXPENDITURES AND OTHER
FINANCING USES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2014

With Comparative Actual Totals for the Year Ended December 31, 2013

	2014			2013	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
	Original	Final			
PUBLIC WORKS					
Administration	\$ 735,500	\$ 735,500	\$ 705,520	\$ 29,980	\$ 312,867
Operations	6,885,500	6,924,400	6,729,366	195,034	6,870,744
Engineering	1,658,700	1,646,400	1,613,299	33,101	1,431,414
Total Public Works	<u>9,279,700</u>	<u>9,306,300</u>	<u>9,048,185</u>	<u>258,115</u>	<u>8,615,025</u>
CULTURE AND RECREATION					
Administration	-	800	-	800	489,627
Park maintenance	2,947,000	2,952,600	2,887,040	65,560	2,876,801
Forestry	594,800	594,800	464,771	130,029	524,310
Recreation and playgrounds	927,100	935,700	785,850	149,850	773,880
Total Culture and Recreation	<u>4,468,900</u>	<u>4,483,900</u>	<u>4,137,661</u>	<u>346,239</u>	<u>4,664,618</u>
MISCELLANEOUS					
Payments to other organizations	127,500	127,500	124,722	2,778	126,574
Contractual services	127,900	108,000	93,509	14,491	30,145
Insurance and retirement	167,000	167,000	234,202	(67,202)	88,432
Special assessments	125,000	125,000	54,586	70,414	49,384
Illegal taxes and refunds	-	9,900	9,958	(58)	122,848
Annexation rebates	17,800	17,800	17,712	88	17,271
Wellness program	-	10,000	6,286	3,714	-
Contingency	230,000	230,000	-	230,000	-
Total Miscellaneous	<u>795,200</u>	<u>795,200</u>	<u>540,975</u>	<u>254,225</u>	<u>434,654</u>
CAPITAL OUTLAY	<u>-</u>	<u>-</u>	<u>36,345</u>	<u>(36,345)</u>	<u>-</u>
Total Expenditures	<u>47,962,300</u>	<u>48,068,000</u>	<u>46,475,667</u>	<u>1,592,333</u>	<u>46,261,340</u>
OTHER FINANCING USES					
Transfers to other funds:					
Special revenue fund	514,200	514,200	541,668	(27,468)	291,271
Debt service fund	7,441,800	7,441,800	7,433,244	8,556	6,186,500
Capital project funds	2,625,900	2,625,900	2,625,900	-	2,535,900
Proprietary funds	1,392,800	1,392,800	1,115,130	277,670	1,294,771
Total Other Financing Uses	<u>11,974,700</u>	<u>11,974,700</u>	<u>11,715,942</u>	<u>258,758</u>	<u>10,308,442</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 59,937,000</u>	<u>\$ 60,042,700</u>	<u>\$ 58,191,609</u>	<u>\$ 1,851,091</u>	<u>\$ 56,569,782</u>

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL
DEBT SERVICE - GENERAL
For the Year Ended December 31, 2014
With Comparative Actual Totals for the Year Ended December 31, 2013

	2014			2013	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
	Original	Final			
REVENUES					
Special assessments	\$ 513,300	\$ 513,300	\$ 503,724	\$ (9,576)	\$ 685,363
Charges for services - public	30,600	30,600	12,500	(18,100)	42,500
Investment income	9,000	9,000	4,923	(4,077)	7,250
Total Revenues	<u>552,900</u>	<u>552,900</u>	<u>521,147</u>	<u>(31,753)</u>	<u>735,113</u>
EXPENDITURES					
Current					
General government	3,700	3,700	3,571	129	3,591
Debt Service					
Principal retirement	5,717,900	6,583,300	6,630,114	(46,814)	6,836,791
Interest and fiscal charges	2,726,900	2,726,900	2,680,136	46,764	2,341,592
Total Expenditures	<u>8,448,500</u>	<u>9,313,900</u>	<u>9,313,821</u>	<u>79</u>	<u>9,181,974</u>
Deficiency of revenues over expenditures	<u>(7,895,600)</u>	<u>(8,761,000)</u>	<u>(8,792,674)</u>	<u>(31,674)</u>	<u>(8,446,861)</u>
OTHER FINANCING SOURCES					
Refunding long-term debt issued	-	830,000	830,000	-	1,715,000
Premium on long-term debt issued	-	25,000	37,400	12,400	29,708
Transfers from other funds	7,513,300	7,513,300	7,504,757	(8,543)	6,258,693
Transfers to other funds	(95,000)	(160,000)	-	160,000	-
Total Other Financing Sources	<u>7,418,300</u>	<u>8,208,300</u>	<u>8,372,157</u>	<u>163,857</u>	<u>8,003,401</u>
Net change in fund balances	(477,300)	(552,700)	(420,517)	132,183	(443,460)
FUND BALANCE - Beginning of Year	<u>6,072,079</u>	<u>6,072,079</u>	<u>6,072,079</u>	<u>-</u>	<u>6,515,539</u>
FUND BALANCE - END OF YEAR	<u>\$ 5,594,779</u>	<u>\$ 5,519,379</u>	<u>\$ 5,651,562</u>	<u>\$ 132,183</u>	<u>\$ 6,072,079</u>

Nonmajor Funds - Governmental

Special Revenue Funds

The **Cemetery Maintenance** fund was created to account for the complete operation of two City-owned cemeteries, Lakeview and Forest Hill.

The **Hazardous Materials Response** fund accounts for a 5-year grant from the State of Wisconsin to provide emergency response for incidents involving hazardous materials to a statewide area – primarily northern and west central Wisconsin.

The **Community Development** fund accounts for activities attributed to the federal Community Development Block Grant program.

The **Home Grant** fund accounts for grants designated for affordable housing development, including weatherization, new construction, rental assistance, and down payment assistance.

The **Police Department K9** fund accounts for funds bequeathed to the Eau Claire Police Department.

The **Economic Development** fund accounts for the financial activities of a loan pool established to provide low interest loans for business expansion. It also accounts for promotional activity to encourage area economic growth.

The **Community Enhancement** fund accounts for collection and disbursement of hotel/motel room taxes, which are used for projects to encourage tourism and increase convention business.

The **Public Library** fund accounts for the collection of revenues, primarily a general tax levy set by the city council and the library board, and the operations of the L.E. Phillips Public Library.

The **City-County Health Department** fund accounts for the collection of revenues, primarily a general tax levy set by the city council and the county board, and for the operations of the City-County Health Department for county-wide health services.

The **Downtown Partners** Fund was created in 2002 as the day-to-day operating fund for Downtown Eau Claire, Inc. (DECI). DECI is the lead organization for issues relating to downtown and is governed by an eighteen member board.

The **Former Landfill Escrow** fund accounts for funds contributed by potential responsible parties (PRP) for an investigation, feasibility study, and possible cleanup operation of the former Blue Valley Landfill site and surrounding area.

Nonmajor Funds – Governmental (cont.)

Debt Service Funds

The **Debt Service – TIF #6** fund accounts for debt funded by taxes resulting from the incremental property values in a defined area on the City's northeast side. This district was created in 1997.

The **Debt Service – TIF #7** fund accounts for debt funded by taxes resulting from the incremental property values in the downtown area on the site of the former Soo Line depot, as well as City-owned property on Railroad Street, part of Doty Street, and the L.E. Phillips Memorial Public Library. This district was created in 1997.

Capital Projects Funds

The **TIF #5 Gateway Northwest Business Park** fund accounts for improvements to the industrial development area north and west of the Gateway West Business Park.

The **TIF #8 Downtown Development** fund accounts for acquisition and infrastructure improvements in the North Barstow Redevelopment District.

The **TIF #9 Gateway Northwest Business Park Overlay** fund accounts for improvements to the industrial development area on the city's west side, including undeveloped sections of TIF #5.

The **Bridge Projects** fund accounts for construction and major upgrades of City-owned bridges.

The **Streets Projects** fund accounts for construction and rebuilding of city streets and purchase of land for future street right-of-way.

The **Buildings and Equipment** fund accounts for acquisition of land for public projects, construction or renovation of City-owned buildings, and major equipment purchases.

The **Parks and Recreation Projects** fund accounts for improvements to parks, stadiums, recreational fields, playgrounds, waterways, and trails.

The **Environmental Improvements – Landfill** fund accounts for development and implementation of a plan to limit environmental damage from two former landfill sites.

The **Library Buildings and Equipment** fund accounts for library building improvements and equipment purchases.

CITY OF EAU CLAIRE

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS As of December 31, 2014

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Funds</u>	<u>Nonmajor Capital Projects Funds</u>	<u>Totals</u>
ASSETS				
Cash and investments	\$ 5,973,589	\$ 669,104	\$ 16,782,933	\$ 23,425,626
Receivables				
Taxes	4,656,450	120,219	1,966,893	6,743,562
Accounts, net	358,372	-	4	358,376
Notes, net	3,006,843	-	-	3,006,843
Due from other governments	572,263	-	456,993	1,029,256
Prepaid items and inventories	114,298	-	-	114,298
Advances to other funds	400,000	-	1,000,000	1,400,000
Restricted Assets				
Revolving loan sequestered funds	453,951	-	-	453,951
Construction account	-	-	264,198	264,198
TOTAL ASSETS	<u>\$ 15,535,766</u>	<u>\$ 789,323</u>	<u>\$ 20,471,021</u>	<u>\$ 36,796,110</u>
LIABILITIES				
Accounts payable	\$ 466,961	\$ 80,000	\$ 1,526,031	\$ 2,072,992
Accrued liabilities	288,562	-	-	288,562
Deposits	11,683	-	-	11,683
Due to other governments	334,298	-	3,413	337,711
Due to other funds	70,064	-	-	70,064
Advances from other funds	-	361,145	3,238,700	3,599,845
Total Liabilities	<u>1,171,568</u>	<u>441,145</u>	<u>4,768,144</u>	<u>6,380,857</u>
DEFERRED INFLOWS OF RESOURCES				
Unearned revenues	4,711,549	120,219	1,966,893	6,798,661
Unavailable revenues	<u>3,362,265</u>	<u>-</u>	<u>411,224</u>	<u>3,773,489</u>
Total Deferred Inflows of Resources	<u>8,073,814</u>	<u>120,219</u>	<u>2,378,117</u>	<u>10,572,150</u>
FUND BALANCES				
Nonspendable	114,298	-	-	114,298
Restricted	6,194,555	584,316	5,180,083	11,958,954
Assigned	-	-	11,395,947	11,395,947
Unassigned (deficit)	<u>(18,469)</u>	<u>(356,357)</u>	<u>(3,251,270)</u>	<u>(3,626,096)</u>
Total Fund Balances	<u>6,290,384</u>	<u>227,959</u>	<u>13,324,760</u>	<u>19,843,103</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 15,535,766</u>	<u>\$ 789,323</u>	<u>\$ 20,471,021</u>	<u>\$ 36,796,110</u>

CITY OF EAU CLAIRE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Totals
REVENUES				
Taxes	\$ 6,326,641	\$ 141,514	\$ 1,976,073	\$ 8,444,228
Intergovernmental	2,014,877	1,574	291,684	2,308,135
Licenses and permits	512,980	-	-	512,980
Fines, forfeitures and penalties	101,780	-	-	101,780
Charges for services - public	430,551	-	-	430,551
Charges for services - intergovernmental	1,989,923	-	120	1,990,043
Investment income	37,048	537	71,725	109,310
Miscellaneous				
Loan repayments	380,913	-	-	380,913
Building rental	47,747	-	-	47,747
Gifts and donations	661,153	-	319,315	980,468
Other	320,128	-	116,572	436,700
Total Revenues	<u>12,823,741</u>	<u>143,625</u>	<u>2,775,489</u>	<u>15,742,855</u>
EXPENDITURES				
Current				
General government	-	97	-	97
Public safety	97,367	-	5,181	102,548
Public works	50,944	-	46,060	97,004
Health services	5,456,892	-	-	5,456,892
Culture and recreation	3,683,793	-	-	3,683,793
Development	3,279,871	150	386,604	3,666,625
Capital Outlay	145,056	300,000	13,751,581	14,196,637
Debt Service				
Principal retirement	-	415,000	1,155,000	1,570,000
Interest and fiscal charges	-	38,669	398,769	437,438
Total Expenditures	<u>12,713,923</u>	<u>753,916</u>	<u>15,743,195</u>	<u>29,211,034</u>

CITY OF EAU CLAIRE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Totals
Excess (deficiency) of revenues over expenditures	\$ 109,818	\$ (610,291)	\$ (12,967,706)	\$ (13,468,179)
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	-	-	6,354,176	6,354,176
Transfers from other funds	698,442	-	3,231,105	3,929,547
Transfers to other funds	(933,492)	-	(40,000)	(973,492)
Sale of capital assets	385,175	-	-	385,175
Total Other Financing Sources (Uses)	<u>150,125</u>	<u>-</u>	<u>9,545,281</u>	<u>9,695,406</u>
Net changes in fund balances	259,943	(610,291)	(3,422,425)	(3,772,773)
FUND BALANCES - Beginning of Year	<u>6,030,441</u>	<u>838,250</u>	<u>16,747,185</u>	<u>23,615,876</u>
FUND BALANCES - END OF YEAR	<u>\$ 6,290,384</u>	<u>\$ 227,959</u>	<u>\$ 13,324,760</u>	<u>\$ 19,843,103</u>

CITY OF EAU CLAIRE

COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS
As of December 31, 2014

	Cemetery Maintenance	Hazardous Materials Response	Community Development	Home Grant	Police Department K9
ASSETS					
Cash and investments	\$ 389,092	\$ 100,061	\$ 26,751	\$ 125	\$ 570,461
Receivables					
Taxes	-	-	-	-	-
Accounts, net	27,642	-	6,300	-	-
Notes, net	-	-	1,890,156	-	-
Due from other governments	-	-	111,993	84,901	-
Prepaid items and inventories	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Restricted Assets					
Revolving loan sequestered funds	-	-	-	-	-
TOTAL ASSETS	\$ 416,734	\$ 100,061	\$ 2,035,200	\$ 85,026	\$ 570,461
LIABILITIES					
Accounts payable	\$ 247,165	\$ 9,926	\$ 12,492	\$ 2,720	\$ -
Accrued liabilities	11,651	-	1,531	346	-
Deposits	-	-	-	-	-
Due to other governments	-	-	17,766	3,694	-
Due to other funds	-	-	-	70,064	-
Total Liabilities	<u>258,816</u>	<u>9,926</u>	<u>31,789</u>	<u>76,824</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unearned revenues	-	4,071	-	-	-
Unavailable revenues	-	-	1,890,156	26,671	-
Total Deferred Inflows of Resources	<u>-</u>	<u>4,071</u>	<u>1,890,156</u>	<u>26,671</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	157,918	86,064	113,255	-	570,461
Unassigned	-	-	-	(18,469)	-
Total Fund Balances	<u>157,918</u>	<u>86,064</u>	<u>113,255</u>	<u>(18,469)</u>	<u>570,461</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 416,734</u>	<u>\$ 100,061</u>	<u>\$ 2,035,200</u>	<u>\$ 85,026</u>	<u>\$ 570,461</u>

<u>Economic Development</u>	<u>Community Enhancement</u>	<u>Public Library</u>	<u>City-County Health Department</u>	<u>Downtown Partners</u>	<u>Former Landfill Escrow</u>	<u>Totals</u>
\$ 2,440,617	\$ 94,086	\$ 904,161	\$ 1,334,457	\$ 99,509	\$ 14,269	\$ 5,973,589
-	-	2,929,300	1,727,150	-	-	4,656,450
40	128,398	140,196	55,796	-	-	358,372
1,116,687	-	-	-	-	-	3,006,843
-	-	-	375,369	-	-	572,263
-	-	46,345	67,953	-	-	114,298
400,000	-	-	-	-	-	400,000
<u>453,951</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>453,951</u>
<u>\$ 4,411,295</u>	<u>\$ 222,484</u>	<u>\$ 4,020,002</u>	<u>\$ 3,560,725</u>	<u>\$ 99,509</u>	<u>\$ 14,269</u>	<u>\$ 15,535,766</u>
\$ -	\$ 109,436	\$ 70,908	\$ 11,728	\$ -	\$ 2,586	\$ 466,961
10,138	-	104,160	155,752	4,984	-	288,562
-	-	-	-	-	11,683	11,683
-	-	23	312,815	-	-	334,298
-	-	-	-	-	-	70,064
<u>10,138</u>	<u>109,436</u>	<u>175,091</u>	<u>480,295</u>	<u>4,984</u>	<u>14,269</u>	<u>1,171,568</u>
-	-	2,929,300	1,778,178	-	-	4,711,549
<u>1,116,727</u>	<u>-</u>	<u>125,304</u>	<u>203,407</u>	<u>-</u>	<u>-</u>	<u>3,362,265</u>
<u>1,116,727</u>	<u>-</u>	<u>3,054,604</u>	<u>1,981,585</u>	<u>-</u>	<u>-</u>	<u>8,073,814</u>
-	-	46,345	67,953	-	-	114,298
3,284,430	113,048	743,962	1,030,892	94,525	-	6,194,555
-	-	-	-	-	-	(18,469)
<u>3,284,430</u>	<u>113,048</u>	<u>790,307</u>	<u>1,098,845</u>	<u>94,525</u>	<u>-</u>	<u>6,290,384</u>
<u>\$ 4,411,295</u>	<u>\$ 222,484</u>	<u>\$ 4,020,002</u>	<u>\$ 3,560,725</u>	<u>\$ 99,509</u>	<u>\$ 14,269</u>	<u>\$ 15,535,766</u>

CITY OF EAU CLAIRE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2014

	Cemetery Maintenance	Hazardous Materials Response	Community Development	Home Grant	Police Department K9
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	183,944	397,919	304,217	-
Licenses and permits	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-
Charges for services - public	157,354	2,647	-	-	-
Charges for services - intergovernmental	-	-	-	-	-
Investment income	-	360	-	-	-
Miscellaneous					
Loan repayments	-	-	218,720	3,174	-
Building rental	-	-	-	-	-
Gifts and donations	-	-	-	-	570,461
Other	15,522	-	-	-	-
Total Revenues	<u>172,876</u>	<u>186,951</u>	<u>616,639</u>	<u>307,391</u>	<u>570,461</u>
EXPENDITURES					
Current					
Public safety	-	97,367	-	-	-
Public works	-	-	-	-	-
Health services	669,500	-	-	-	-
Culture and recreation	-	-	-	-	-
Development	-	-	538,604	334,062	-
Capital Outlay	35,944	74,066	-	-	-
Total Expenditures	<u>705,444</u>	<u>171,433</u>	<u>538,604</u>	<u>334,062</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(532,568)</u>	<u>15,518</u>	<u>78,035</u>	<u>(26,671)</u>	<u>570,461</u>
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	441,668	-	-	-	-
Transfers to other funds	(2,905)	-	(93,074)	-	-
Sale of capital assets	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>438,763</u>	<u>-</u>	<u>(93,074)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(93,805)	15,518	(15,039)	(26,671)	570,461
FUND BALANCES - Beginning of Year	<u>251,723</u>	<u>70,546</u>	<u>128,294</u>	<u>8,202</u>	<u>-</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 157,918</u>	<u>\$ 86,064</u>	<u>\$ 113,255</u>	<u>\$ (18,469)</u>	<u>\$ 570,461</u>

<u>Economic Development</u>	<u>Community Enhancement</u>	<u>Public Library</u>	<u>City-County Health Department</u>	<u>Downtown Partners</u>	<u>Former Landfill Escrow</u>	<u>Totals</u>
\$ -	\$ 1,719,141	\$ 2,900,700	\$ 1,706,800	\$ -	\$ -	\$ 6,326,641
-	-	-	1,128,797	-	-	2,014,877
-	-	-	512,980	-	-	512,980
-	-	101,780	-	-	-	101,780
-	-	6,874	212,732	-	50,944	430,551
-	-	557,153	1,432,770	-	-	1,989,923
35,458	740	490	-	-	-	37,048
159,019	-	-	-	-	-	380,913
47,747	-	-	-	-	-	47,747
-	-	47,495	30,197	13,000	-	661,153
4,015	-	263,593	36,998	-	-	320,128
<u>246,239</u>	<u>1,719,881</u>	<u>3,878,085</u>	<u>5,061,274</u>	<u>13,000</u>	<u>50,944</u>	<u>12,823,741</u>
-	-	-	-	-	-	97,367
-	-	-	-	-	50,944	50,944
-	-	-	4,787,392	-	-	5,456,892
-	-	3,683,793	-	-	-	3,683,793
1,109,941	1,185,914	-	-	111,350	-	3,279,871
-	-	9,879	25,167	-	-	145,056
<u>1,109,941</u>	<u>1,185,914</u>	<u>3,693,672</u>	<u>4,812,559</u>	<u>111,350</u>	<u>50,944</u>	<u>12,713,923</u>
<u>(863,702)</u>	<u>533,967</u>	<u>184,413</u>	<u>248,715</u>	<u>(98,350)</u>	<u>-</u>	<u>109,818</u>
100,000	-	-	76,774	80,000	-	698,442
(80,000)	(500,000)	(225,750)	(31,763)	-	-	(933,492)
385,000	-	175	-	-	-	385,175
<u>405,000</u>	<u>(500,000)</u>	<u>(225,575)</u>	<u>45,011</u>	<u>80,000</u>	<u>-</u>	<u>150,125</u>
(458,702)	33,967	(41,162)	293,726	(18,350)	-	259,943
<u>3,743,132</u>	<u>79,081</u>	<u>831,469</u>	<u>805,119</u>	<u>112,875</u>	<u>-</u>	<u>6,030,441</u>
<u>\$ 3,284,430</u>	<u>\$ 113,048</u>	<u>\$ 790,307</u>	<u>\$ 1,098,845</u>	<u>\$ 94,525</u>	<u>\$ -</u>	<u>\$ 6,290,384</u>

CITY OF EAU CLAIRE

COMBINING BALANCE SHEET -
NONMAJOR DEBT SERVICE FUNDS
As of December 31, 2014

	Debt Service - TIF No. 6	Debt Service - TIF No. 7	Totals
ASSETS			
Cash and investments	\$ 664,316	\$ 4,788	\$ 669,104
Receivables			
Taxes	-	120,219	120,219
 TOTAL ASSETS	 <u>\$ 664,316</u>	 <u>\$ 125,007</u>	 <u>\$ 789,323</u>
LIABILITIES			
Accounts payable	\$ 80,000	\$ -	\$ 80,000
Advances from other funds	-	361,145	361,145
Total Liabilities	<u>80,000</u>	<u>361,145</u>	<u>441,145</u>
DEFERRED INFLOWS OF RESOURCES			
Unearned revenues	-	120,219	120,219
Total Deferred Inflows of Resources	<u>-</u>	<u>120,219</u>	<u>120,219</u>
FUND BALANCES (DEFICIT)			
Restricted	584,316	-	584,316
Unassigned (deficit)	-	(356,357)	(356,357)
Total Fund Balances (Deficit)	<u>584,316</u>	<u>(356,357)</u>	<u>227,959</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	 <u>\$ 664,316</u>	 <u>\$ 125,007</u>	 <u>\$ 789,323</u>

CITY OF EAU CLAIRE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR DEBT SERVICE FUNDS For the Year Ended December 31, 2014

	<u>Debt Service - TIF No. 6</u>	<u>Debt Service - TIF No. 7</u>	<u>Totals</u>
REVENUES			
Taxes	\$ -	\$ 141,514	\$ 141,514
Intergovernmental	-	1,574	1,574
Investment income	<u>537</u>	<u>-</u>	<u>537</u>
Total Revenues	<u>537</u>	<u>143,088</u>	<u>143,625</u>
EXPENDITURES			
Current			
General government	-	97	97
Development	-	150	150
Capital Outlay	300,000	-	300,000
Debt Service			
Principal retirement	115,000	300,000	415,000
Interest and fiscal charges	<u>14,100</u>	<u>24,569</u>	<u>38,669</u>
Total Expenditures	<u>429,100</u>	<u>324,816</u>	<u>753,916</u>
Net change in fund balances	(428,563)	(181,728)	(610,291)
FUND BALANCES (DEFICIT) - Beginning of Year	<u>1,012,879</u>	<u>(174,629)</u>	<u>838,250</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 584,316</u>	<u>\$ (356,357)</u>	<u>\$ 227,959</u>

CITY OF EAU CLAIRE

COMBINING BALANCE SHEET -
NONMAJOR CAPITAL PROJECTS FUNDS
As of December 31, 2014

	TIF No. 5 Gateway NW Business Park	TIF No. 8 Downtown Development	TIF No. 9 Gateway NW Business Park Overlay	Bridge Projects
ASSETS				
Cash and investments	\$ 1,477,031	\$ 81,133	\$ 287,804	\$ 1,222,086
Receivables				
Taxes	1,127,416	835,589	3,888	-
Accounts	-	-	-	-
Due from other governments	-	-	-	106,531
Advances to other funds	-	-	-	-
Restricted assets				
Construction account	-	-	-	-
TOTAL ASSETS	<u>\$ 2,604,447</u>	<u>\$ 916,722</u>	<u>\$ 291,692</u>	<u>\$ 1,328,617</u>
LIABILITIES				
Accounts payable	\$ 263,139	\$ 93,703	\$ -	\$ 92,946
Due to other governments	-	-	-	-
Advances from other funds	-	3,238,700	-	-
Total Liabilities	<u>263,139</u>	<u>3,332,403</u>	<u>-</u>	<u>92,946</u>
DEFERRED INFLOWS OF RESOURCES				
Unearned revenues	1,127,416	835,589	3,888	-
Unavailable revenues	-	-	-	106,531
Total Deferred Inflows of Resources	<u>1,127,416</u>	<u>835,589</u>	<u>3,888</u>	<u>106,531</u>
FUND BALANCES (DEFICIT)				
Restricted	1,213,892	-	287,804	1,129,140
Assigned	-	-	-	-
Unassigned (deficit)	-	(3,251,270)	-	-
Total Fund Balances (Deficit)	<u>1,213,892</u>	<u>(3,251,270)</u>	<u>287,804</u>	<u>1,129,140</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 2,604,447</u>	<u>\$ 916,722</u>	<u>\$ 291,692</u>	<u>\$ 1,328,617</u>

<u>Street Projects</u>	<u>Buildings and Equipment</u>	<u>Parks and Recreation Projects</u>	<u>Environmental Improvements- Landfill</u>	<u>Library Buildings & Equipment</u>	<u>Totals</u>
\$ 6,556,539	\$ 3,279,335	\$ 1,203,067	\$ 2,188,834	\$ 487,104	\$ 16,782,933
-	-	-	-	-	1,966,893
-	-	4	-	-	4
111,868	220,157	18,437	-	-	456,993
1,000,000	-	-	-	-	1,000,000
-	264,198	-	-	-	264,198
<u>\$ 7,668,407</u>	<u>\$ 3,763,690</u>	<u>\$ 1,221,508</u>	<u>\$ 2,188,834</u>	<u>\$ 487,104</u>	<u>\$ 20,471,021</u>
\$ 795,012	\$ 268,009	\$ 12,842	\$ -	\$ 380	\$ 1,526,031
-	3,413	-	-	-	3,413
-	-	-	-	-	3,238,700
<u>795,012</u>	<u>271,422</u>	<u>12,842</u>	<u>-</u>	<u>380</u>	<u>4,768,144</u>
-	-	-	-	-	1,966,893
<u>111,868</u>	<u>192,821</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>411,224</u>
<u>111,868</u>	<u>192,821</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>2,378,117</u>
1,467,819	461,655	35,097	97,952	486,724	5,180,083
5,293,708	2,837,792	1,173,565	2,090,882	-	11,395,947
-	-	-	-	-	(3,251,270)
<u>6,761,527</u>	<u>3,299,447</u>	<u>1,208,662</u>	<u>2,188,834</u>	<u>486,724</u>	<u>13,324,760</u>
<u>\$ 7,668,407</u>	<u>\$ 3,763,690</u>	<u>\$ 1,221,508</u>	<u>\$ 2,188,834</u>	<u>\$ 487,104</u>	<u>\$ 20,471,021</u>

CITY OF EAU CLAIRE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
For the Year Ended December 31, 2014

	TIF No. 5 Gateway NW Business Park	TIF No. 8 Downtown Development	TIF No. 9 Gateway NW Business Park Overlay	Bridge Projects
REVENUES				
Taxes	\$ 1,104,953	\$ 862,688	\$ 8,432	\$ -
Intergovernmental	32,192	55,738	93	-
Charges for services - intergovernmental	-	-	-	-
Investment income	11,930	1,590	1,190	4,470
Miscellaneous				
Gifts and donations	-	-	-	-
Other	-	-	-	-
Total Revenues	<u>1,149,075</u>	<u>920,016</u>	<u>9,715</u>	<u>4,470</u>
EXPENDITURES				
Current				
Public safety	-	-	-	-
Public works	-	-	-	-
Development	150	386,304	150	-
Capital Outlay	2,134,555	205,275	-	144,006
Debt Service				
Principal retirement	690,000	465,000	-	-
Interest and fiscal charges	153,025	171,449	-	-
Total Expenditures	<u>2,977,730</u>	<u>1,228,028</u>	<u>150</u>	<u>144,006</u>
Excess (deficiency) of revenues over expenditures	<u>(1,828,655)</u>	<u>(308,012)</u>	<u>9,565</u>	<u>(139,536)</u>
OTHER FINANCING SOURCES				
Long-term debt issued	-	-	-	-
Transfers from other funds	-	-	-	180,000
Transfer to other funds	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>180,000</u>
Net change in fund balances	(1,828,655)	(308,012)	9,565	40,464
FUND BALANCES (DEFICIT) - Beginning of Year	<u>3,042,547</u>	<u>(2,943,258)</u>	<u>278,239</u>	<u>1,088,676</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 1,213,892</u>	<u>\$ (3,251,270)</u>	<u>\$ 287,804</u>	<u>\$ 1,129,140</u>

Street Projects	Buildings and Equipment	Parks and Recreation Projects	Environmental Improvements- Landfill	Library Buildings & Equipment	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,976,073
-	75,963	127,698	-	-	291,684
-	120	-	-	-	120
23,227	14,198	4,680	8,350	2,090	71,725
283,505	-	35,810	-	-	319,315
64,449	37,792	14,331	-	-	116,572
<u>371,181</u>	<u>128,073</u>	<u>182,519</u>	<u>8,350</u>	<u>2,090</u>	<u>2,775,489</u>
-	5,181	-	-	-	5,181
19,060	-	-	27,000	-	46,060
-	-	-	-	-	386,604
6,237,894	4,455,243	520,602	12,465	41,541	13,751,581
-	-	-	-	-	1,155,000
65,636	8,659	-	-	-	398,769
<u>6,322,590</u>	<u>4,469,083</u>	<u>520,602</u>	<u>39,465</u>	<u>41,541</u>	<u>15,743,195</u>
<u>(5,951,409)</u>	<u>(4,341,010)</u>	<u>(338,083)</u>	<u>(31,115)</u>	<u>(39,451)</u>	<u>(12,967,706)</u>
5,597,014	757,162	-	-	-	6,354,176
1,019,400	1,295,705	350,000	200,000	186,000	3,231,105
-	-	(40,000)	-	-	(40,000)
<u>6,616,414</u>	<u>2,052,867</u>	<u>310,000</u>	<u>200,000</u>	<u>186,000</u>	<u>9,545,281</u>
665,005	(2,288,143)	(28,083)	168,885	146,549	(3,422,425)
<u>6,096,522</u>	<u>5,587,590</u>	<u>1,236,745</u>	<u>2,019,949</u>	<u>340,175</u>	<u>16,747,185</u>
<u>\$ 6,761,527</u>	<u>\$ 3,299,447</u>	<u>\$ 1,208,662</u>	<u>\$ 2,188,834</u>	<u>\$ 486,724</u>	<u>\$ 13,324,760</u>

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS)
For the Year Ended December 31, 2014
With Comparative Actual Totals for the Year Ended December 31, 2013

	Cemetery Maintenance				
	2014			2013	
	Budgeted Amounts			Variance with	
Original	Final	Actual	Final Budget	Actual	
REVENUES					
Fines, forfeitures and penalties	\$ -	\$ -	\$ -	\$ -	\$ 36
Charges for services - public	204,200	204,200	157,354	(46,846)	160,365
Miscellaneous					
Other	-	-	15,522	-	5
Total Revenues	<u>204,200</u>	<u>204,200</u>	<u>172,876</u>	<u>(46,846)</u>	<u>160,406</u>
EXPENDITURES					
Current					
Health services	618,400	673,400	669,500	3,900	355,677
Capital outlay	-	35,900	35,944	(44)	-
Total expenses	<u>618,400</u>	<u>709,300</u>	<u>705,444</u>	<u>3,856</u>	<u>355,677</u>
Excess (deficiency) of revenues over expenditures	<u>(414,200)</u>	<u>(505,100)</u>	<u>(532,568)</u>	<u>(27,468)</u>	<u>(195,271)</u>
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	414,200	414,200	441,668	27,468	191,271
Transfers to other funds	(5,000)	(5,000)	(2,905)	2,095	(56,500)
Total Other Financing Sources (Uses)	<u>409,200</u>	<u>409,200</u>	<u>438,763</u>	<u>29,563</u>	<u>134,771</u>
Net change in fund balances	(5,000)	(95,900)	(93,805)	2,095	(60,500)
FUND BALANCES - Beginning of Year	<u>251,723</u>	<u>251,723</u>	<u>251,723</u>	-	<u>312,223</u>
FUND BALANCES - END OF YEAR	<u>\$ 246,723</u>	<u>\$ 155,823</u>	<u>\$ 157,918</u>	<u>\$ 2,095</u>	<u>\$ 251,723</u>

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS)
For the Year Ended December 31, 2014
With Comparative Actual Totals for the Year Ended December 31, 2013

	Hazardous Materials Response				
	2014			2013	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
	Original	Final			
REVENUES					
Intergovernmental	\$ 113,900	\$ 188,000	\$ 183,944	\$ (4,056)	\$ 107,502
Charges for services - public	2,000	2,000	2,647	647	3,648
Investment income	400	400	360	(40)	350
Total Revenues	<u>116,300</u>	<u>190,400</u>	<u>186,951</u>	<u>(3,449)</u>	<u>111,500</u>
EXPENDITURES					
Current					
Public safety	123,300	123,300	97,367	25,933	124,019
Capital outlay	-	74,100	74,066	34	-
Total Expenditures	<u>123,300</u>	<u>197,400</u>	<u>171,433</u>	<u>25,967</u>	<u>124,019</u>
Net change in fund balances	(7,000)	(7,000)	15,518	22,518	(12,519)
FUND BALANCES - Beginning of Year	<u>70,546</u>	<u>70,546</u>	<u>70,546</u>	<u>-</u>	<u>83,065</u>
FUND BALANCES - END OF YEAR	<u>\$ 63,546</u>	<u>\$ 63,546</u>	<u>\$ 86,064</u>	<u>\$ 22,518</u>	<u>\$ 70,546</u>

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS)
For the Year Ended December 31, 2014
With Comparative Actual Totals for the Year Ended December 31, 2013

	Economic Development				
	2014			2013	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
	Original	Final			
REVENUES					
Investment income	\$ 32,900	\$ 32,900	\$ 35,458	\$ 2,558	\$ 32,893
Miscellaneous					
Loan repayments	24,200	24,200	159,019	134,819	382,168
Building rental	44,400	44,400	47,747	3,347	44,400
Other	100	100	4,015	3,915	14
Total Revenues	<u>101,600</u>	<u>101,600</u>	<u>246,239</u>	<u>144,639</u>	<u>459,475</u>
EXPENDITURES					
Current					
Development	<u>708,300</u>	<u>2,133,700</u>	<u>1,109,941</u>	<u>1,023,759</u>	<u>519,137</u>
Total Expenditures	<u>708,300</u>	<u>2,133,700</u>	<u>1,109,941</u>	<u>1,023,759</u>	<u>519,137</u>
Excess (deficiency) of revenues over expenditures	<u>(606,700)</u>	<u>(2,032,100)</u>	<u>(863,702)</u>	<u>1,168,398</u>	<u>(59,662)</u>
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	100,000	100,000	100,000	-	100,000
Transfers to other funds	(80,000)	(80,000)	(80,000)	-	(80,000)
Sale of capital assets	-	-	385,000	385,000	-
Other Financing Sources (Uses)	<u>20,000</u>	<u>20,000</u>	<u>405,000</u>	<u>385,000</u>	<u>20,000</u>
Net change in fund balances	(586,700)	(2,012,100)	(458,702)	1,553,398	(39,662)
FUND BALANCES - Beginning of Year	<u>3,743,132</u>	<u>3,743,132</u>	<u>3,743,132</u>	<u>-</u>	<u>3,782,794</u>
FUND BALANCES - END OF YEAR	<u>\$ 3,156,432</u>	<u>\$ 1,731,032</u>	<u>\$ 3,284,430</u>	<u>\$ 1,553,398</u>	<u>\$ 3,743,132</u>

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS)
For the Year Ended December 31, 2014
With Comparative Actual Totals for the Year Ended December 31, 2013

	Community Enhancement				
	2014			2013	
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
REVENUES					
Taxes	\$ 1,525,000	\$ 1,634,500	\$ 1,719,141	\$ 84,641	\$ 1,555,285
Investment income	500	500	740	240	490
Miscellaneous					
Loan repayments	-	-	-	-	14,583
Total Revenues	<u>1,525,500</u>	<u>1,635,000</u>	<u>1,719,881</u>	<u>84,881</u>	<u>1,570,358</u>
EXPENDITURES					
Current					
Development	<u>1,076,500</u>	<u>1,186,000</u>	<u>1,185,914</u>	<u>86</u>	<u>1,087,645</u>
Excess of revenues over expenditures	449,000	449,000	533,967	84,967	482,713
OTHER FINANCING USES					
Transfers to other funds	<u>(500,000)</u>	<u>(500,000)</u>	<u>(500,000)</u>	<u>-</u>	<u>(495,000)</u>
Net change in fund balances	(51,000)	(51,000)	33,967	84,967	(12,287)
FUND BALANCES - Beginning of Year	<u>79,081</u>	<u>79,081</u>	<u>79,081</u>	<u>-</u>	<u>91,368</u>
FUND BALANCES - END OF YEAR	<u>\$ 28,081</u>	<u>\$ 28,081</u>	<u>\$ 113,048</u>	<u>\$ 84,967</u>	<u>\$ 79,081</u>

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS)
For the Year Ended December 31, 2014
With Comparative Actual Totals for the Year Ended December 31, 2013

	Public Library				
	2014			2013	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
Original	Final				
REVENUES					
Taxes	\$ 2,900,700	\$ 2,900,700	\$ 2,900,700	\$ -	\$ 2,891,000
Fines and forfeitures	110,600	110,600	101,780	(8,820)	106,324
Charges for services - public	6,100	6,100	6,874	774	5,758
Charges for services - intergovernmental	559,700	559,700	557,153	(2,547)	575,331
Investment income	-	-	490	490	350
Miscellaneous					
Gifts and donations	18,000	26,200	47,495	21,295	70,304
Other	253,000	253,000	263,593	10,593	268,126
Total Revenues	<u>3,848,100</u>	<u>3,856,300</u>	<u>3,878,085</u>	<u>21,785</u>	<u>3,917,193</u>
EXPENDITURES					
Current					
Culture and recreation	3,775,000	3,845,900	3,683,793	162,107	3,602,869
Capital Outlay	10,000	10,000	9,879	121	6,180
Total Expenditures	<u>3,785,000</u>	<u>3,855,900</u>	<u>3,693,672</u>	<u>162,228</u>	<u>3,609,049</u>
Excess of revenues over expenditures	<u>63,100</u>	<u>400</u>	<u>184,413</u>	<u>184,013</u>	<u>308,144</u>
OTHER FINANCING SOURCES (USES)					
Transfers to other funds	(225,700)	(225,700)	(225,750)	(50)	(145,682)
Sale of capital assets	100	100	175	75	-
Total Other Financing Sources (Uses)	<u>(225,600)</u>	<u>(225,600)</u>	<u>(225,575)</u>	<u>25</u>	<u>(145,682)</u>
Net change in fund balances	(162,500)	(225,200)	(41,162)	184,038	162,462
FUND BALANCES - Beginning of Year	<u>831,469</u>	<u>831,469</u>	<u>831,469</u>	<u>-</u>	<u>669,007</u>
FUND BALANCES - END OF YEAR	<u>\$ 668,969</u>	<u>\$ 606,269</u>	<u>\$ 790,307</u>	<u>\$ 184,038</u>	<u>\$ 831,469</u>

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS)
For the Year Ended December 31, 2014
With Comparative Actual Totals for the Year Ended December 31, 2013

	City-County Health Department				
	2014			2013	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
	Original	Final			
REVENUES					
Taxes	\$ 1,706,800	\$ 1,706,800	\$ 1,706,800	\$ -	\$ 1,691,400
Intergovernmental	709,300	1,055,400	1,128,797	73,397	901,839
Licenses and permits	397,200	397,200	512,980	115,780	403,178
Charges for services - public	159,000	221,300	212,732	(8,568)	124,006
Charges for services - intergovernmental	1,610,800	1,485,400	1,432,770	(52,630)	1,395,683
Miscellaneous					
Gifts and donations	400	25,600	30,197	4,597	2,149
Other	14,300	35,100	36,998	1,898	35,081
Total Revenues	<u>4,597,800</u>	<u>4,926,800</u>	<u>5,061,274</u>	<u>134,474</u>	<u>4,553,336</u>
EXPENDITURES					
Current					
Health services	4,749,300	5,034,000	4,787,392	246,608	4,557,579
Capital Outlay	-	25,200	25,167	-	-
Total expenditures	<u>4,749,300</u>	<u>5,059,200</u>	<u>4,812,559</u>	<u>246,608</u>	<u>4,557,579</u>
Excess (deficiency) of revenues over expenditures	<u>(151,500)</u>	<u>(132,400)</u>	<u>248,715</u>	<u>381,115</u>	<u>(4,243)</u>
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	62,000	77,000	76,774	(226)	62,101
Transfers to other funds	<u>(31,800)</u>	<u>(31,800)</u>	<u>(31,763)</u>	<u>37</u>	<u>(32,512)</u>
Total Other Financing Sources (Uses)	<u>30,200</u>	<u>45,200</u>	<u>45,011</u>	<u>(189)</u>	<u>29,589</u>
Net change in fund balances	(121,300)	(87,200)	293,726	380,926	25,346
FUND BALANCES - Beginning of Year	<u>805,119</u>	<u>805,119</u>	<u>805,119</u>	<u>-</u>	<u>779,773</u>
FUND BALANCES - END OF YEAR	<u>\$ 683,819</u>	<u>\$ 717,919</u>	<u>\$ 1,098,845</u>	<u>\$ 380,926</u>	<u>\$ 805,119</u>

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS)
For the Year Ended December 31, 2014
With Comparative Actual Totals for the Year Ended December 31, 2013

	Downtown Partners				
	2014			2013	
	Budgeted Amounts		Actual	Variance with	Actual
Original	Final	Final Budget			
REVENUES					
Miscellaneous					
Gifts and donations	\$ 13,000	\$ 13,000	\$ 13,000	\$ -	\$ 55,400
EXPENDITURES					
Current					
Development	103,900	107,200	111,350	(4,150)	121,759
Deficiency of revenues over expenditures	(90,900)	(94,200)	(98,350)	(4,150)	(66,359)
OTHER FINANCING SOURCES					
Transfers from other funds	80,000	80,000	80,000	-	80,000
Net change in fund balances	(10,900)	(14,200)	(18,350)	(4,150)	13,641
FUND BALANCES - Beginning of Year	112,875	112,875	112,875	-	99,234
FUND BALANCES - END OF YEAR	<u>\$ 101,975</u>	<u>\$ 98,675</u>	<u>\$ 94,525</u>	<u>\$ (4,150)</u>	<u>\$ 112,875</u>

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS)
For the Year Ended December 31, 2014
With Comparative Actual Totals for the Year Ended December 31, 2013

	Former Landfill Escrow				
	2014			2013	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
Original	Final				
REVENUES					
Charges for services - public	\$ 150,000	\$ 150,000	\$ 50,944	\$ (99,056)	\$ 59,868
EXPENDITURES					
Current					
Public works	150,000	150,000	50,944	99,056	59,868
Net change in fund balances	-	-	-	-	-
FUND BALANCES - Beginning of Year	-	-	-	-	-
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS)
For the Year Ended December 31, 2014
With Comparative Actual Totals for the Year Ended December 31, 2013

	Debt Service - TIF No. 6				
	2014			2013	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
	Original	Final			
REVENUES					
Investment income	\$ 800	\$ 800	\$ 537	\$ (263)	\$ 757
EXPENDITURES					
Current					
Development	-	300,000	300,000	-	-
Debt Service					
Principal retirement	115,000	115,000	115,000	-	105,000
Interest and fiscal charges	14,100	14,100	14,100	-	18,500
Total Expenditures	129,100	429,100	429,100	-	123,500
Net change in fund balances	(128,300)	(428,300)	(428,563)	(263)	(122,743)
FUND BALANCES - Beginning of Year	1,012,879	1,012,879	1,012,879	-	1,135,622
FUND BALANCES - END OF YEAR	\$ 884,579	\$ 584,579	\$ 584,316	\$ (263)	\$ 1,012,879

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS)
For the Year Ended December 31, 2014
With Comparative Actual Totals for the Year Ended December 31, 2013

	Debt Service - TIF No. 7				
	2014			2013	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
	Original	Final			
REVENUES					
Taxes	\$ 133,400	\$ 133,400	\$ 141,514	\$ 8,114	\$ 132,282
Intergovernmental	1,500	1,500	1,574	74	1,592
Total Revenues	<u>134,900</u>	<u>134,900</u>	<u>143,088</u>	<u>8,188</u>	<u>133,874</u>
EXPENDITURES					
Current					
General government	100	100	97	3	100
Development	200	200	150	50	150
Debt Service					
Principal retirement	205,000	300,000	300,000	-	180,000
Interest and fiscal charges	<u>24,600</u>	<u>24,600</u>	<u>24,569</u>	<u>31</u>	<u>32,016</u>
Total Expenditures	<u>229,900</u>	<u>324,900</u>	<u>324,816</u>	<u>84</u>	<u>212,266</u>
Deficiency of revenues over expenditures	(95,000)	(190,000)	(181,728)	8,272	(78,392)
OTHER FINANCING SOURCES					
Transfers from other funds	<u>95,000</u>	<u>160,000</u>	<u>-</u>	<u>(160,000)</u>	<u>-</u>
Net change in fund balances	-	(30,000)	(181,728)	(151,728)	(78,392)
FUND BALANCES (DEFICIT) - Beginning of Year	<u>(174,629)</u>	<u>(174,629)</u>	<u>(174,629)</u>	<u>-</u>	<u>(96,237)</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ (174,629)</u>	<u>\$ (204,629)</u>	<u>\$ (356,357)</u>	<u>\$ (151,728)</u>	<u>\$ (174,629)</u>

Nonmajor Enterprise Funds

The **Parking Utility** fund accounts for the construction, operations, and maintenance of the municipal parking facilities, including two ramps and various surface lots.

The **Hobbs Ice Center** fund accounts for the construction, operations, and maintenance of the municipal hockey and ice skating facility.

The **Outdoor Pool** fund accounts for the construction, operations, and maintenance of the outdoor swimming pool.

CITY OF EAU CLAIRE

COMBINING STATEMENT OF NET POSITION - NONMAJOR ENTERPRISE FUNDS As of December 31, 2014

	Parking Utility	Hobbs Ice Center	Outdoor Pool	Total Nonmajor Enterprise Funds
ASSETS				
Current Assets				
Cash and investments	\$ 350,928	\$ 52,631	\$ 199,020	\$ 602,579
Accounts receivable, net	605	84,158	300	85,063
Due from other governments	-	31,598	-	31,598
Total Current Assets	351,533	168,387	199,320	719,240
Noncurrent Assets				
Capital assets				
Construction in progress	-	-	18,718	18,718
Land	645,196	5,000	-	650,196
Capital assets	6,707,924	8,584,979	3,131,587	18,424,490
Less accumulated depreciation	(4,637,954)	(2,746,921)	(992,484)	(8,377,359)
Total Capital Assets (Net of Accumulated depreciation)	2,715,166	5,843,058	2,157,821	10,716,045
Total Noncurrent Assets	2,715,166	5,843,058	2,157,821	10,716,045
Total Assets	3,066,699	6,011,445	2,357,141	11,435,285
LIABILITIES				
Current Liabilities				
Accounts payable	43,475	47,797	185	91,457
Accrued payroll and payroll taxes	2,511	13,804	1,071	17,386
Accrued compensated absences	3,840	2,345	503	6,688
Accrued interest	-	26,772	-	26,772
Deposits	122	2,578	2,463	5,163
Due to other governments	1,428	1,341	127	2,896
Due to other funds	-	64,259	-	64,259
Current portion of advances	-	205,000	-	205,000
Total Current Liabilities	51,376	363,896	4,349	419,621
Noncurrent Liabilities				
Advances from other funds	-	3,060,000	-	3,060,000
Other post-employment benefits	3,998	5,997	-	9,995
Total Noncurrent Liabilities	3,998	3,065,997	-	3,069,995
Total Liabilities	55,374	3,429,893	4,349	3,489,616
NET POSITION				
Net investment in capital assets	2,715,166	5,843,058	2,157,821	10,716,045
Unrestricted (deficit)	296,159	(3,261,506)	194,971	(2,770,376)
TOTAL NET POSITION	\$ 3,011,325	\$ 2,581,552	\$ 2,352,792	\$ 7,945,669

CITY OF EAU CLAIRE

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION NONMAJOR ENTERPRISE FUNDS For the Year Ended December 31, 2014

	Parking Utility	Hobbs Ice Center	Outdoor Pool	Total Nonmajor Enterprise Funds
OPERATING REVENUES				
Charges for services	\$ 166,299	\$ 721,323	\$ 240,191	\$ 1,127,813
Other	36	45,533	20,609	66,178
Total Operating Revenues	<u>166,335</u>	<u>766,856</u>	<u>260,800</u>	<u>1,193,991</u>
OPERATING EXPENSES				
Personal services	66,727	229,154	185,313	481,194
Contractual services	137,419	74,426	27,884	239,729
Supplies and materials	21,660	57,120	53,041	131,821
Utilities	62,525	286,210	53,304	402,039
Depreciation	227,323	385,869	65,819	679,011
Administrative	9,220	9,336	6,956	25,512
Total Operating Expenses	<u>524,874</u>	<u>1,042,115</u>	<u>392,317</u>	<u>1,959,306</u>
Operating income (loss)	<u>(358,539)</u>	<u>(275,259)</u>	<u>(131,517)</u>	<u>(765,315)</u>
NONOPERATING REVENUES (EXPENSES)				
Interest and fiscal charges	-	(136,668)	-	(136,668)
Total Nonoperating Revenues (Expenses)	<u>-</u>	<u>(136,668)</u>	<u>-</u>	<u>(136,668)</u>
Loss before transfers	(358,539)	(411,927)	(131,517)	(901,983)
TRANSFERS				
Transfers from other funds	125,977	298,035	190,364	614,376
Total Transfers	<u>125,977</u>	<u>298,035</u>	<u>190,364</u>	<u>614,376</u>
Change in net position	(232,562)	(113,892)	58,847	(287,607)
NET POSITION - Beginning of Year	<u>3,243,887</u>	<u>2,695,444</u>	<u>2,293,945</u>	<u>8,233,276</u>
NET POSITION - END OF YEAR	<u>\$ 3,011,325</u>	<u>\$ 2,581,552</u>	<u>\$ 2,352,792</u>	<u>\$ 7,945,669</u>

CITY OF EAU CLAIRE

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Year Ended December 31, 2014

	Parking Utility	Hobbs Ice Center	Outdoor Pool	Total Nonmajor Enterprise Funds
CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES				
Cash received from customers	\$ 166,752	\$ 758,477	\$ 265,592	\$ 1,190,821
Cash paid to suppliers for goods and services	(205,182)	(447,247)	(141,761)	(794,190)
Cash paid to employees for services	(65,690)	(226,063)	(185,372)	(477,125)
Net Cash Flows From (Used By) Operating Activities	<u>(104,120)</u>	<u>85,167</u>	<u>(61,541)</u>	<u>(80,494)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	<u>125,977</u>	<u>298,035</u>	<u>190,364</u>	<u>614,376</u>
CASH FLOWS FROM (USED BY) CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(96,579)	(51,762)	(51,314)	(199,655)
Principal paid on capital advances from other funds	-	(200,000)	-	(200,000)
Interest paid on capital advances from other funds	-	(109,896)	-	(109,896)
Net Cash Flows From (Used By) Capital and Related Financing Activities	<u>(96,579)</u>	<u>(361,658)</u>	<u>(51,314)</u>	<u>(509,551)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(74,722)	21,544	77,509	24,331
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>425,650</u>	<u>31,087</u>	<u>121,511</u>	<u>578,248</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 350,928</u>	<u>\$ 52,631</u>	<u>\$ 199,020</u>	<u>\$ 602,579</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ (358,539)	\$ (275,259)	\$ (131,517)	\$ (765,315)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities				
Noncash items included in income				
Depreciation	227,323	385,869	65,819	679,011
Change in assets and liabilities				
Accounts receivable	303	4,921	2,485	7,709
Accounts payable	25,643	(24,118)	(636)	889
Due to other funds	-	3,911	-	3,911
Other liabilities	200	1,889	1	2,090
Other post-employment benefits	836	1,254	-	2,090
Customer deposits	114	(13,300)	2,307	(10,879)
NET CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES	<u>\$ (104,120)</u>	<u>\$ 85,167</u>	<u>\$ (61,541)</u>	<u>\$ (80,494)</u>

NONCASH CAPITAL, INVESTING AND FINANCING ACTIVITIES

The following funds had accrued accounts payable for capital assets acquired prior to December 31, 2014:

Parking Utility	\$ 15,656
Hobbs Ice Center	41,890

Internal Service Funds

The **Risk Management** fund accounts for operations of a self-insurance program, including liability, property, and workers compensation insurance coverage for all City funds, payment of claims, cost of reinsurance, and safety and citizen awareness programs.

The **Central Equipment** fund accounts for construction, operations, and maintenance of the central garage facility including the funding for and replacement of all fleet and radio equipment.

CITY OF EAU CLAIRE

COMBINING STATEMENT OF NET POSITION - INTERNAL SERVICE FUNDS As of December 31, 2014

	Risk Management	Central Equipment	Totals
ASSETS			
Current Assets			
Cash and investments	\$ 7,142,435	\$ 6,449,451	\$ 13,591,886
Accounts receivable, net	178,049	160	178,209
Due from other governments	16,577	14,047	30,624
Inventories	-	564,188	564,188
Prepaid items	99,263	9,354	108,617
Total Current Assets	7,436,324	7,037,200	14,473,524
Noncurrent Assets			
Escrow account	252,803	-	252,803
Deposit in insurance pools	766,496	-	766,496
Advances to other funds	1,838,700	-	1,838,700
Capital assets			
Construction in progress	-	872,517	872,517
Land	-	247,199	247,199
Land improvements	-	32,009	32,009
Intangible assets	-	217,528	217,528
Buildings	-	5,808,859	5,808,859
Equipment	-	372,053	372,053
Rental equipment	-	17,068,021	17,068,021
Less: Accumulated depreciation	-	(13,216,930)	(13,216,930)
Total Capital Assets (Net of Accumulated Depreciation)	-	11,401,256	11,401,256
Total Noncurrent Assets	2,857,999	11,401,256	14,259,255
Total Assets	10,294,323	18,438,456	28,732,779
LIABILITIES			
Current Liabilities			
Accounts payable	91,752	256,847	348,599
Accrued payroll and payroll taxes	8,295	53,661	61,956
Accrued compensated absences	6,821	32,478	39,299
Current portion of unpaid claims	220,000	-	220,000
Total Current Liabilities	326,868	342,986	669,854
Noncurrent Liabilities			
Other post-employment benefits	33,982	87,952	121,934
Unpaid claims	1,749,766	-	1,749,766
Total Noncurrent Liabilities	1,783,748	87,952	1,871,700
Total Liabilities	2,110,616	430,938	2,541,554
NET POSITION			
Net investment in capital assets	-	11,401,256	11,401,256
Restricted for deposits	1,019,299	-	1,019,299
Unrestricted	7,164,408	6,606,262	13,770,670
TOTAL NET POSITION	\$ 8,183,707	\$ 18,007,518	\$ 26,191,225

CITY OF EAU CLAIRE

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION INTERNAL SERVICE FUNDS For the Year Ended December 31, 2014

	Risk Management	Central Equipment	Totals
OPERATING REVENUES			
Charges for services	\$ 1,837,343	\$ 1,455,173	\$ 3,292,516
Rental of equipment	-	3,011,485	3,011,485
Total Charges for Services	1,837,343	4,466,658	6,304,001
Other			
Repayment of insurance claims	43,040	-	43,040
Building rental	-	268,964	268,964
Miscellaneous	-	2,101	2,101
Total Operating Revenues	1,880,383	4,737,723	6,618,106
OPERATING EXPENSES			
Personal services	172,935	864,635	1,037,570
Contractual services	71,087	397,894	468,981
Supplies and materials	2,233	1,702,664	1,704,897
Utilities	209	205,890	206,099
Depreciation	-	1,333,272	1,333,272
Administrative	373,115	147,113	520,228
Claims	1,690,885	-	1,690,885
Total Operating Expenses	2,310,464	4,651,468	6,961,932
Operating income (loss)	(430,081)	86,255	(343,826)
NONOPERATING REVENUES (EXPENSES)			
Operating grants	-	950	950
Investment income	35,355	-	35,355
Net loss on disposal of capital assets	-	(32,901)	(32,901)
Total Nonoperating Revenues (Expenses)	35,355	(31,951)	3,404
Income (loss) before transfers	(394,726)	54,304	(340,422)
TRANSFERS			
Transfers to other funds	(200,000)	-	(200,000)
Total Transfers	(200,000)	-	(200,000)
Change in net position	(594,726)	54,304	(540,422)
NET POSITION - Beginning of Year	8,778,433	17,953,214	26,731,647
NET POSITION - END OF YEAR	\$ 8,183,707	\$ 18,007,518	\$ 26,191,225

CITY OF EAU CLAIRE

COMBINING STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS For the Year Ended December 31, 2014

	<u>Risk Management</u>	<u>Central Equipment</u>	<u>Totals</u>
CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES			
Cash received from customers	\$ 1,874,908	\$ 4,763,630	\$ 6,638,538
Cash payments to suppliers for goods and services	(643,091)	(2,639,055)	(3,282,146)
Cash payments to employees for services	(166,001)	(843,038)	(1,009,039)
Claims paid	(1,430,222)	-	(1,430,222)
Repayment of insurance claims	43,040	-	43,040
Net Cash Flows from (Used By) Operating Activities	<u>(321,366)</u>	<u>1,281,537</u>	<u>960,171</u>
CASH FLOWS FROM (USED BY) NONCAPITAL FINANCING ACTIVITIES			
Operating grants received	-	950	950
Transfers to other funds	(200,000)	-	(200,000)
Net Cash Flows from (Used By) Noncapital Financing Activities	<u>(200,000)</u>	<u>950</u>	<u>(199,050)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income	35,355	-	35,355
CASH FLOWS FROM (USED BY) CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	-	(1,881,807)	(1,881,807)
Proceeds from sale of capital assets	-	25,233	25,233
Net Cash Flows from (Used By) Capital and Related Financing Activities	<u>-</u>	<u>(1,856,574)</u>	<u>(1,856,574)</u>
Net increase (decrease) in cash and cash equivalents	(486,011)	(574,087)	(1,060,098)
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>7,881,249</u>	<u>7,023,538</u>	<u>14,904,787</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 7,395,238</u>	<u>\$ 6,449,451</u>	<u>\$ 13,844,689</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Cash and Cash Equivalents per Statement of Net Position	\$ 7,142,435	\$ 6,449,451	\$ 13,591,886
Restricted Cash and Investments	<u>252,803</u>	<u>-</u>	<u>252,803</u>
CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS	<u>\$ 7,395,238</u>	<u>\$ 6,449,451</u>	<u>\$ 13,844,689</u>

CITY OF EAU CLAIRE

COMBINING STATEMENT OF CASH FLOWS (cont.)
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2014

	<u>Risk Management</u>	<u>Central Equipment</u>	<u>Totals</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ (430,081)	\$ 86,255	\$ (343,826)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:			
Depreciation	-	1,333,272	1,333,272
Change in assets and liabilities:			
Accounts receivable	41,232	25,907	67,139
Inventories	-	(118,641)	(118,641)
Prepays	(99,263)	(3,894)	(103,157)
Accounts payable	(97,183)	(62,959)	(160,142)
Accrued liabilities	(170)	3,214	3,044
Other post-employment benefits	7,103	18,383	25,486
Unpaid claims	260,663	-	260,663
Deposits	<u>(3,667)</u>	<u>-</u>	<u>(3,667)</u>
 NET CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES	 <u>\$ (321,366)</u>	 <u>\$ 1,281,537</u>	 <u>\$ 960,171</u>

NON-CASH CAPITAL, INVESTING AND FINANCING ACTIVITIES:

Central Equipment had accrued \$153,209 of accounts payable for capital assets acquired prior to December 31, 2014.

Agency Funds

The **Tax Collection** fund accounts for collection of the general tax levy and distribution to appropriate taxing units and funds.

CITY OF EAU CLAIRE

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES AGENCY FUND

For the Year Ended December 31, 2014

<u>Tax Collection Fund</u>	<u>Balance Jan. 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Dec. 31, 2014</u>
ASSETS				
Cash and investments	\$ 15,141,401	\$ 101,879,809	\$ 93,696,908	\$ 23,324,302
Taxes receivable	<u>49,076,367</u>	<u>79,419,061</u>	<u>87,542,070</u>	<u>40,953,358</u>
TOTAL ASSETS	<u>\$ 64,217,768</u>	<u>\$ 181,298,870</u>	<u>\$ 181,238,978</u>	<u>\$ 64,277,660</u>
LIABILITIES				
Due to other taxing units	<u>\$ 64,217,768</u>	<u>\$ 64,277,660</u>	<u>\$ 64,217,768</u>	<u>\$ 64,277,660</u>

Major Governmental Component Units

The **South Barstow Business Improvement District** fund accounts for funds collected and disbursed on behalf of the South Barstow Business Improvement District. This district, which includes all commercial properties in a defined area, collects special assessments from its members for promotion within the district.

The **North Barstow/Medical Business Improvement District** fund accounts for funds collected and disbursed on behalf of the North Barstow/Medical Business Improvement District. This district, which includes all commercial and medical properties in a defined area, collects special assessments from its members for promotion of the district.

CITY OF EAU CLAIRE

BALANCE SHEET
 MAJOR GOVERNMENTAL COMPONENT UNITS
 As of December 31, 2014

	South Barstow Business Improvement District	North Barstow/ Medical Business Improvement District	Totals
ASSETS			
Cash and investments	\$ 21,399	\$ 201,285	\$ 222,684
Receivables			
Special assessments	80,000	44,000	124,000
Notes receivable	-	-	-
	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 101,399</u>	<u>\$ 245,285</u>	<u>\$ 346,684</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 3,050	\$ -	\$ 3,050
Total Liabilities	<u>3,050</u>	<u>-</u>	<u>3,050</u>
Deferred Inflows of Resources			
Unearned revenue	<u>80,000</u>	<u>44,000</u>	<u>124,000</u>
Total Deferred Inflows of Resources	<u>80,000</u>	<u>44,000</u>	<u>124,000</u>
Fund Balances			
Restricted	<u>18,349</u>	<u>201,285</u>	<u>219,634</u>
Total Fund Balances	<u>18,349</u>	<u>201,285</u>	<u>219,634</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 101,399</u>	<u>\$ 245,285</u>	<u>\$ 346,684</u>

CITY OF EAU CLAIRE

STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
MAJOR GOVERNMENTAL COMPONENT UNITS
For the Year Ended December 31, 2014

	South Barstow Business Improvement District	North Barstow/ Medical Business Improvement District	Totals
REVENUES			
Special assessments	\$ 80,000	\$ 44,000	\$ 124,000
Investment income	210	870	1,080
Total Revenues	<u>80,210</u>	<u>44,870</u>	<u>125,080</u>
EXPENDITURES			
Current			
Contractual services	69,281	29,710	98,991
Supplies and materials	<u>12,632</u>	-	<u>12,632</u>
Total Expenditures	<u>81,913</u>	<u>29,710</u>	<u>111,623</u>
Net change in fund balances	(1,703)	15,160	13,457
FUND BALANCES - Beginning of Year	<u>20,052</u>	<u>186,125</u>	<u>206,177</u>
FUND BALANCES - END OF YEAR	<u>\$ 18,349</u>	<u>\$ 201,285</u>	<u>\$ 219,634</u>

Nonmajor Component Units

The **West Grand Business Improvement District** fund accounts for funds collected and disbursed on behalf of the West Grand Business Improvement District. This district, which includes all commercial properties in a defined area, collects special assessments from its members for promotion within the district.

The **Water Street Business Improvement District** fund accounts for funds collected and disbursed on behalf of the Water Street Business Improvement District. This district, which includes all commercial properties in a defined area, collects special assessments from its members for economic promotion of the district.

CITY OF EAU CLAIRE

COMBINING STATEMENT OF NET POSITION
NONMAJOR COMPONENT UNITS
As of December 31, 2014

	West Grand Business Improvement District	Water Street Business Improvement District	Totals
ASSETS			
Cash and investments	\$ 6,859	\$ 12,400	\$ 19,259
Receivables			
Special assessments	15,000	11,000	26,000
Notes	<u>5,972</u>	<u>-</u>	<u>5,972</u>
Total Assets	<u>27,831</u>	<u>23,400</u>	<u>51,231</u>
LIABILITIES			
Accounts payable	<u>-</u>	<u>2,106</u>	<u>2,106</u>
Total Liabilities	<u>-</u>	<u>2,106</u>	<u>2,106</u>
DEFERRED INFLOWS OF RESOURCES			
Unearned revenues	<u>15,000</u>	<u>11,000</u>	<u>26,000</u>
Total Deferred Inflows of Resources	<u>15,000</u>	<u>11,000</u>	<u>26,000</u>
NET POSITION			
Net investment in capital assets			
Restricted	<u>12,831</u>	<u>10,294</u>	<u>23,125</u>
TOTAL NET POSITION	<u>\$ 12,831</u>	<u>\$ 10,294</u>	<u>\$ 23,125</u>

CITY OF EAU CLAIRE

COMBINING STATEMENT OF ACTIVITIES
NONMAJOR COMPONENT UNITS
For the Year Ended December 31, 2014

				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Program Revenues		West Grand Business Improvement District	Water Street Business Improvement District	Totals
		Charges for Services	Operating Grants and Contributions			
West Grand Business Improvement District						
Contractual services	\$ 12,119	\$ -	\$ -	\$ -	\$ -	\$ (12,119)
Water Street Business Improvement District						
Contractual services	45,676	-	-	-	(45,676)	(45,676)
Supplies and materials	-	-	-	-	-	-
Total Water Street Business Improvement District	<u>45,676</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Nonmajor Component Units	<u>\$ 57,795</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(12,119)</u>	<u>(45,676)</u>	<u>(57,795)</u>
			General Revenues			
			Special assessments	15,000	11,000	26,000
			Investment income	60	190	250
			Miscellaneous	-	-	-
			Total General Revenues	<u>15,060</u>	<u>11,190</u>	<u>26,250</u>
			Change in net position	2,941	(34,486)	(31,545)
			NET POSITION - Beginning of Year	<u>9,890</u>	<u>44,780</u>	<u>54,670</u>
			NET POSITION - END OF YEAR	<u>\$ 12,831</u>	<u>\$ 10,294</u>	<u>\$ 23,125</u>

CITY OF EAU CLAIRE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL COMPONENT UNITS
As of December 31, 2014

	West Grand Business Improvement District	Water Street Business Improvement District	Totals
ASSETS			
Cash and investments	\$ 6,859	\$ 12,400	\$ 19,259
Receivables			
Special assessments	15,000	11,000	26,000
Notes	<u>5,972</u>	<u>-</u>	<u>5,972</u>
 TOTAL ASSETS	 <u>\$ 27,831</u>	 <u>\$ 23,400</u>	 <u>\$ 51,231</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ -	\$ 2,106	\$ 2,106
Total Liabilities	<u>-</u>	<u>2,106</u>	<u>2,106</u>
Deferred Inflows of Resources			
Unearned revenues	15,000	11,000	26,000
Unavailable revenues	<u>5,972</u>	<u>-</u>	<u>5,972</u>
Total Deferred Inflows of Resources	<u>20,972</u>	<u>11,000</u>	<u>31,972</u>
Fund Balances			
Restricted	<u>6,859</u>	<u>10,294</u>	<u>17,153</u>
Total Fund Balances	<u>6,859</u>	<u>10,294</u>	<u>17,153</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	 <u>\$ 27,831</u>	 <u>\$ 23,400</u>	 <u>\$ 51,231</u>
AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION ARE DIFFERENT BECAUSE			
Fund balance at year end	\$ 6,859	\$ 10,294	\$ 17,153
Notes receivable are long-term assets that are not available to pay for current-period expenditures and, therefore, are unavailable revenue in the funds.	<u>5,972</u>	<u>-</u>	<u>5,972</u>
 NET POSITION AT YEAR END	 <u>\$ 12,831</u>	 <u>\$ 10,294</u>	 <u>\$ 23,125</u>

CITY OF EAU CLAIRE

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL COMPONENT UNITS For the Year Ended December 31, 2014

	West Grand Business Improvement District	Water Street Business Improvement District	Totals
REVENUES			
Special assessments	\$ 15,000	\$ 11,000	\$ 26,000
Investment income	60	190	250
Miscellaneous			
Gifts and donations	-	-	-
Other	<u>2,222</u>	<u>-</u>	<u>2,222</u>
Total Revenues	<u>17,282</u>	<u>11,190</u>	<u>28,472</u>
EXPENDITURES			
Current			
Contractual services	17,119	45,676	62,795
Supplies and materials	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>17,119</u>	<u>45,676</u>	<u>62,795</u>
Net change in fund balances	163	(34,486)	(34,323)
FUND BALANCES - Beginning of Year	<u>6,696</u>	<u>44,780</u>	<u>51,476</u>
FUND BALANCES - END OF YEAR	<u>\$ 6,859</u>	<u>\$ 10,294</u>	<u>\$ 17,153</u>
RECONCILIATION OF NET CHANGE IN FUND BALANCES TO CHANGE IN NET POSITION			
Net change in fund balances	\$ 163	\$ (34,486)	\$ (34,323)
Governmental funds report repayments of loans receivable as revenue and issuing of new loans as expenditures. However, in the statement of activities, these amounts are not reported as revenues and expenses.			
New loans recognized as expenditures on fund statements	5,000	-	5,000
Repayment of principal on loans recognized as revenue on fund statements	<u>(2,222)</u>	<u>-</u>	<u>(2,222)</u>
CHANGE IN NET POSITION	<u>\$ 2,941</u>	<u>\$ (34,486)</u>	<u>\$ (31,545)</u>

STATISTICAL SECTION (Unaudited)

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

FINANCIAL TRENDS - TABLES 1-4

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

REVENUE CAPACITY - TABLES 5-21

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax, as well as other significant revenue sources which include the Water and Sewer Utility charges for services.

DEBT CAPACITY - TABLES 22-28

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

DEMOGRAPHIC AND ECONOMIC INFORMATION - TABLES 29-30

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

OPERATING INFORMATION - TABLES 31-37

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

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

CITY OF EAU CLAIRE

TABLE 1
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities										
Net investment in capital assets	\$ 84,287,120	\$ 92,019,758	\$ 91,774,543	\$ 94,701,258	\$ 88,485,022	\$ 90,572,719	\$ 98,427,662	\$ 97,125,034	\$ 95,534,363	\$ 100,938,789
Restricted	18,133,306	19,613,325	19,993,642	18,725,047	17,257,799	14,905,845	26,402,223	24,967,847	24,351,108	22,366,545
Unrestricted	<u>30,056,232</u>	<u>32,529,957</u>	<u>33,619,637</u>	<u>41,631,592</u>	<u>51,074,170</u>	<u>50,715,707</u>	<u>34,201,343</u>	<u>32,209,137</u>	<u>27,680,816</u>	<u>24,765,242</u>
Total governmental activities net position	<u>132,476,658</u>	<u>144,163,040</u>	<u>145,387,822</u>	<u>155,057,897</u>	<u>156,816,991</u>	<u>156,194,271</u>	<u>159,031,228</u>	<u>154,302,018</u>	<u>147,566,287</u>	<u>148,070,576</u>
Business-type activities										
Net investment in capital assets	123,247,987	127,757,415	131,320,732	136,900,275	142,147,587	144,754,595	149,683,001	154,554,974	161,838,061	164,710,447
Restricted	2,366,744	2,379,744	2,683,138	2,337,580	1,720,280	1,756,280	1,738,780	1,734,280	3,457,280	3,290,640
Unrestricted	<u>14,878,421</u>	<u>14,066,385</u>	<u>18,485,636</u>	<u>16,261,525</u>	<u>14,752,404</u>	<u>14,596,965</u>	<u>16,269,324</u>	<u>17,163,338</u>	<u>15,359,319</u>	<u>17,570,033</u>
Total business-type activities net position	<u>140,493,152</u>	<u>144,203,544</u>	<u>152,489,506</u>	<u>155,499,380</u>	<u>158,620,271</u>	<u>161,107,840</u>	<u>167,691,105</u>	<u>173,452,592</u>	<u>180,654,660</u>	<u>185,571,120</u>
Primary government										
Net investment in capital assets (1)	206,184,638	218,562,857	218,170,512	227,571,273	226,794,574	231,714,628	244,774,021	248,657,334	254,463,127	263,199,244
Restricted	20,500,050	21,993,069	22,676,780	21,062,627	18,978,079	16,662,125	28,141,003	26,702,127	27,808,388	25,657,185
Unrestricted (1)	<u>46,285,122</u>	<u>47,810,658</u>	<u>57,030,036</u>	<u>61,923,377</u>	<u>69,664,609</u>	<u>68,925,358</u>	<u>53,807,309</u>	<u>52,395,149</u>	<u>45,949,432</u>	<u>44,785,267</u>
Total primary government net position	<u>\$272,969,810</u>	<u>\$288,366,584</u>	<u>\$297,877,328</u>	<u>\$310,557,277</u>	<u>\$315,437,262</u>	<u>\$317,302,111</u>	<u>\$326,722,333</u>	<u>\$ 327,754,610</u>	<u>\$328,220,947</u>	<u>\$ 333,641,696</u>

(1) Primary government totals may not match the combined totals for governmental and business-type activities due to a reclassification of debt.

Source: City of Eau Claire Comprehensive Annual Financial Reports

CITY OF EAU CLAIRE

TABLE 2
CHANGES IN NET POSITION
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Expenses	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Governmental activities:										
General government	\$ 7,857,938	\$ 6,493,902	\$ 6,464,010	\$ 8,357,900	\$ 6,914,248	\$ 7,413,879	\$ 7,688,891	\$ 7,784,358	\$ 7,304,201	\$ 8,057,579
Public safety	21,546,332	23,034,101	23,743,952	25,983,790	25,574,799	27,320,440	28,078,889	28,215,577	28,084,089	29,094,423
Public works	12,411,408	11,533,035	12,080,012	13,574,402	14,203,614	14,006,148	12,092,862	14,777,016	16,208,836	15,025,070
Health services	4,409,322	4,436,211	4,677,429	4,836,338	5,079,081	5,128,740	5,296,571	5,177,080	8,376,282	6,555,268
Culture and recreation	7,406,964	8,105,219	8,646,899	8,701,253	8,745,604	8,993,462	9,990,949	10,957,742	9,277,789	9,393,095
Development	3,653,040	2,359,672	3,281,340	3,426,710	3,111,437	3,329,286	5,347,354	3,598,455	3,082,492	3,756,001
Interest and fiscal charges	2,053,323	2,106,598	2,046,007	2,664,817	2,814,770	2,985,972	3,070,331	2,984,386	3,096,357	2,919,561
Total governmental activities expenses	<u>59,338,327</u>	<u>58,068,738</u>	<u>60,939,649</u>	<u>67,545,210</u>	<u>66,443,553</u>	<u>69,177,927</u>	<u>71,565,847</u>	<u>73,494,614</u>	<u>75,430,046</u>	<u>74,800,997</u>
Business-type activities										
Water Utility	5,424,169	5,439,753	5,787,761	6,313,831	6,403,962	6,561,935	6,336,311	6,231,089	6,148,766	6,733,490
Sewer Utility	5,349,773	5,558,045	5,476,435	6,018,079	5,987,480	6,451,288	6,328,716	6,832,166	6,994,271	7,512,146
Storm Water Utility	1,823,011	2,064,283	2,066,896	2,289,679	2,117,002	2,153,306	2,944,824	2,888,377	3,752,368	3,163,028
Public Transit	4,427,330	4,770,055	4,864,830	5,130,887	4,795,731	5,194,260	5,745,719	5,531,514	5,545,632	5,980,184
Parking Utility	419,801	445,732	454,931	473,048	484,008	496,319	408,272	429,501	483,670	528,347
Hobbs Ice Center	564,079	621,290	589,633	622,235	703,386	991,013	1,116,011	1,128,084	1,193,577	1,181,985
Outdoor Pool	343,552	354,369	373,385	402,603	369,257	350,890	346,058	344,940	350,115	393,815
Total business-type activities expenses	<u>18,351,715</u>	<u>19,253,527</u>	<u>19,613,871</u>	<u>21,250,362</u>	<u>20,860,826</u>	<u>22,199,011</u>	<u>23,225,911</u>	<u>23,385,671</u>	<u>24,468,399</u>	<u>25,492,995</u>
Total primary government expenses	<u>\$ 77,690,042</u>	<u>\$ 77,322,265</u>	<u>\$ 80,553,520</u>	<u>\$ 88,795,572</u>	<u>\$ 87,304,379</u>	<u>\$ 91,376,938</u>	<u>\$ 94,791,758</u>	<u>\$ 96,880,285</u>	<u>\$ 99,898,445</u>	<u>\$ 100,293,992</u>

CITY OF EAU CLAIRE

TABLE 2
CHANGES IN NET POSITION
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Program Revenues										
Governmental activities:										
Charges for services										
General government	\$ 2,971,400	\$ 3,131,097	\$ 3,014,682	\$ 3,112,881	\$ 3,873,184	\$ 3,750,638	\$ 3,665,540	\$ 3,289,407	\$ 3,329,885	\$ 3,349,936
Public safety	2,813,376	3,460,345	3,777,133	4,151,824	4,807,007	4,779,379	4,945,608	4,874,142	4,882,213	5,149,859
Public works	177,977	396,987	258,474	250,219	299,656	391,199	368,467	355,763	336,719	335,389
Health services	1,748,238	1,769,891	1,817,621	1,849,982	1,887,058	2,088,397	2,073,356	2,095,515	1,844,279	2,032,850
Culture and recreation	1,325,314	1,360,404	1,595,776	1,619,949	1,603,176	1,599,091	1,641,235	1,635,845	1,444,807	1,556,224
Development	89,976	746,569	1,232,950	468,614	99,137	375,568	726,293	525,008	362,644	689,675
Operating grants and contributions										
General government	6,392	22,444	12,416	12,877	13,723	34,331	43,279	14,405	28,862	43,662
Public safety	579,467	670,279	1,091,291	344,610	475,948	525,055	585,005	1,049,144	687,735	1,489,262
Public works	-	-	-	6,371,107	1,011,157	-	6,658	162,106	163,569	16,193
Health services	965,115	895,312	984,965	1,049,388	1,209,737	1,231,045	1,028,604	1,336,168	1,164,409	1,398,881
Culture and recreation	33,060	12,205	31,370	14,235	32,337	50,888	100,489	36,528	70,304	47,988
Development	1,366,682	802,334	1,241,461	1,103,856	1,741,828	711,533	1,497,532	1,513,340	1,294,798	812,867
Interest and fiscal charges	-	-	-	-	-	-	230,884	222,811	208,540	197,028
Capital grants and contributions										
General government	1,534,745	2,122,452	1,619,901	2,678,484	301,393	-	-	-	166,000	35,000
Public safety	-	-	131,896	329,736	110,099	97,089	102,038	-	-	-
Public works	6,309,250	10,799,856	5,365,276	7,097,399	4,744,942	4,060,881	5,633,183	4,739,362	5,291,184	5,883,864
Health services	-	-	-	9,109	-	-	-	-	-	16,378
Culture and recreation	731,287	1,005,338	216,384	94,390	804,943	503,022	521,094	406,739	103,330	424,468
Development	-	-	-	-	-	53,750	17,144	3,107	74,500	-
Total governmental activities program revenues	20,652,279	27,195,513	22,391,596	30,558,660	23,015,325	20,251,866	23,186,409	22,259,390	21,453,778	23,479,524
Business-type activities										
Charges for services										
Water Utility	7,150,409	7,600,310	8,100,296	7,822,825	8,379,381	8,388,766	8,649,397	9,347,490	9,369,910	9,443,359
Sewer Utility	6,123,231	6,267,035	6,266,314	6,492,660	6,617,211	6,955,547	7,659,365	8,520,852	9,721,206	9,380,247
Storm Water Utility	2,098,370	2,460,532	2,677,207	2,944,799	3,245,820	3,522,074	3,739,357	3,915,685	4,084,504	4,247,032
Public Transit	503,024	527,466	552,510	645,823	689,595	655,056	705,102	682,133	709,843	739,331
Parking Utility	215,356	227,065	214,184	240,605	219,392	201,233	217,547	194,258	163,655	166,299
Hobbs Ice Center	423,376	443,141	452,511	503,710	485,956	574,986	620,916	695,623	703,816	721,323
Outdoor Pool	214,616	210,756	213,503	217,613	205,898	217,258	231,326	242,323	230,722	240,191
Operating grants and contributions										
Water Utility	-	-	-	-	-	-	-	-	-	(67,960)
Storm Water Utility	-	-	-	-	-	-	62,447	47,836	44,078	42,797
Public Transit	2,466,457	2,711,846	2,839,769	2,948,598	2,907,050	3,139,414	3,269,479	3,079,067	3,499,753	3,757,723
Capital grants and contributions										
Water Utility	1,051,304	542,390	492,431	937,844	378,597	870,815	927,308	172,770	261,659	682,033
Sewer Utility	609,332	540,063	357,700	690,951	58,364	247,327	409,621	106,577	332,833	483,456
Storm Water Utility	1,975,066	505,753	90,973	147,010	19,470	96,737	379,626	137,994	192,513	292,510
Public Transit	-	-	-	-	-	-	1,928,001	5,238	1,311,862	-
Parking Utility	-	-	-	-	-	-	50,000	-	-	-
Hobbs Ice Center	-	-	-	50,000	-	343,592	8,437	-	-	-
Total business-type activities program revenues	22,830,541	22,036,357	22,257,398	23,642,438	23,206,734	25,212,805	28,857,929	27,147,846	30,626,354	30,128,341
Total primary government program revenues	43,482,820	49,231,870	44,648,994	54,201,098	46,222,059	45,464,671	52,044,338	49,407,236	52,080,132	53,607,865
Net (Expense) Revenue										
Governmental activities	(38,686,048)	(30,873,225)	(38,548,053)	(36,986,550)	(43,428,228)	(48,926,061)	(48,379,438)	(51,235,224)	(53,976,268)	(51,321,473)
Business-type activities	4,478,826	2,782,830	2,643,527	2,392,076	2,345,908	3,013,794	5,632,018	3,762,175	6,157,955	4,635,346
Total primary government net expenses	\$(34,207,222)	\$(28,090,395)	\$(35,904,526)	\$(34,594,474)	\$(41,082,320)	\$(45,912,267)	\$(42,747,420)	\$(47,473,049)	\$(47,818,313)	\$(46,686,127)

CITY OF EAU CLAIRE

TABLE 2
CHANGES IN NET POSITION
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Revenues and Other										
Changes in Net Position										
Governmental activities										
Property taxes	\$ 27,478,504	\$ 28,709,747	\$ 29,927,378	\$ 32,904,778	\$ 33,555,043	\$ 35,566,702	\$ 36,973,482	\$ 38,406,838	\$ 39,386,203	\$ 41,232,091
Intergovernmental revenues	9,378,496	9,390,895	9,463,185	9,603,015	10,069,736	9,695,627	9,457,785	8,410,416	8,476,861	8,472,470
Investment income	2,703,261	4,167,233	4,639,329	3,692,849	1,045,243	1,429,077	1,381,465	1,032,748	518,206	1,368,713
Gain on disposal of capital assets	-	38,033	65,420	33,868	34,589	-	-	-	18,066	386,773
Miscellaneous	45,493	107,281	14,373	16,075	184,711	274,145	29,585	64,586	159,353	121,329
Transfers	20,295	146,418	(4,336,850)	406,040	298,000	1,337,790	(309,026)	(1,408,574)	(750,521)	244,386
Total governmental activities	39,626,049	42,559,607	39,772,835	46,656,625	45,187,322	48,303,341	47,533,291	46,506,014	47,808,168	51,825,762
Business-type activities										
Investment income	616,911	806,542	1,046,523	737,649	208,680	136,594	160,168	80,733	81,087	112,878
Gain on sale of capital assets	-	-	-	-	-	-	-	34,699	12,134	83
Miscellaneous	236,053	267,438	259,062	286,189	864,303	674,971	482,053	475,306	445,618	412,539
Transfers	(20,295)	(146,418)	4,336,850	(406,040)	(298,000)	(1,337,790)	309,026	1,408,574	750,521	(244,386)
Total business-type activities	832,669	927,562	5,642,435	617,798	774,983	(526,225)	951,247	1,999,312	1,289,360	281,114
Total primary government	40,458,718	43,487,169	45,415,270	47,274,423	45,962,305	47,777,116	48,484,538	48,505,326	49,097,528	52,106,876
Change in Net Position										
Governmental activities	940,001	11,686,382	1,224,782	9,670,075	1,759,094	(622,720)	(846,147)	(4,729,210)	(6,168,100)	504,289
Business-type activities	5,311,495	3,710,392	8,285,962	3,009,874	3,120,891	2,487,569	6,583,265	5,761,487	7,447,315	4,916,460
Total primary government	\$ 6,251,496	\$ 15,396,774	\$ 9,510,744	\$ 12,679,949	\$ 4,879,985	\$ 1,864,849	\$ 5,737,118	\$ 1,032,277	\$ 1,279,215	\$ 5,420,749

Source: City of Eau Claire Comprehensive Annual Financial Reports

CITY OF EAU CLAIRE

TABLE 3
FUND BALANCES
GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund										
Nonspendable	\$ 5,848,920	\$ 4,881,267	\$ 4,412,107	\$ 4,203,971	\$ 8,124,878	\$ 7,511,280	\$ 6,833,801	\$ 6,368,186	\$ 4,859,049	\$ 5,234,391
Assigned	2,359,964	3,023,752	2,021,632	3,285,838	3,250,173	3,767,065	6,873,403	6,774,678	5,596,353	5,321,453
Unassigned	<u>6,521,438</u>	<u>7,368,023</u>	<u>8,338,803</u>	<u>9,954,326</u>	<u>12,549,834</u>	<u>14,087,620</u>	<u>13,099,710</u>	<u>12,524,213</u>	<u>13,735,102</u>	<u>14,230,236</u>
Total General Fund	<u>14,730,322</u>	<u>15,273,042</u>	<u>14,772,542</u>	<u>17,444,135</u>	<u>23,924,885</u>	<u>25,365,965</u>	<u>26,806,914</u>	<u>25,667,077</u>	<u>24,190,504</u>	<u>24,786,080</u>
All Other Governmental Funds										
Nonspendable										
Special revenue funds	-	-	-	64,821	65,766	65,071	81,089	111,421	126,907	114,298
Capital projects funds	-	-	-	-	-	-	31,654	-	-	-
Restricted										
Special revenue funds	7,605,330	6,878,678	5,983,423	5,807,695	5,479,406	5,647,550	5,571,228	5,792,285	5,903,534	6,194,555
Debt service funds	8,039,107	8,862,125	9,503,745	8,734,738	8,888,011	8,909,211	8,251,980	7,651,161	7,084,958	6,235,878
Capital projects funds	10,354,757	6,738,191	10,423,566	8,062,537	6,003,611	6,868,734	6,902,429	5,615,218	8,244,329	5,180,083
Assigned										
Capital projects funds	5,963,544	5,635,465	8,006,460	13,667,533	17,267,084	16,177,093	8,733,925	9,931,969	11,446,114	11,395,947
Unassigned (deficit)										
Special revenue funds	-	-	-	-	-	(1,709)	-	-	-	(18,469)
Debt service funds	-	-	-	-	-	-	(26,145)	(96,237)	(174,629)	(356,357)
Capital projects funds	-	-	(138,222)	(1,000)	(2,134,426)	(2,235,123)	(2,385,867)	(2,485,767)	(2,943,258)	(3,251,270)
Total All Other Governmental Funds	<u>31,962,737</u>	<u>28,114,459</u>	<u>33,778,972</u>	<u>36,336,324</u>	<u>35,569,452</u>	<u>35,430,827</u>	<u>27,160,293</u>	<u>26,520,050</u>	<u>29,687,955</u>	<u>25,494,665</u>
Total All Governmental Funds	<u>\$46,693,059</u>	<u>\$43,387,501</u>	<u>\$48,551,514</u>	<u>\$53,780,459</u>	<u>\$59,494,337</u>	<u>\$60,796,792</u>	<u>\$53,967,207</u>	<u>\$52,187,127</u>	<u>\$53,878,459</u>	<u>\$50,280,745</u>

Source: City of Eau Claire Comprehensive Annual Financial Reports

CITY OF EAU CLAIRE

TABLE 4
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Dollars in Thousands)

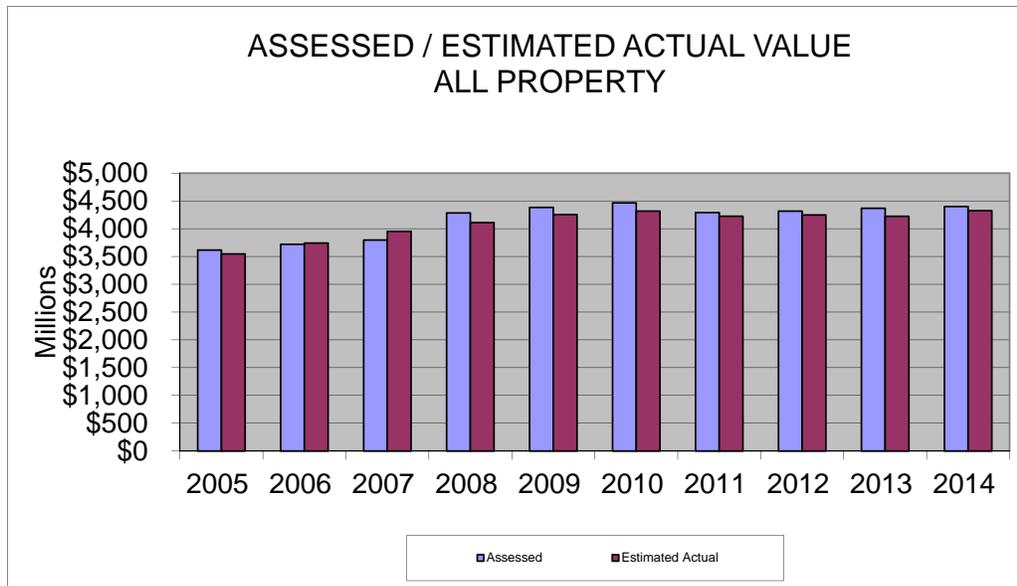
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Property taxes	\$ 27,600	\$ 28,667	\$ 29,462	\$ 31,296	\$ 33,526	\$ 35,477	\$ 37,319	\$ 38,374	\$ 39,093	\$ 41,308
Special assessments	2,164	1,988	1,898	2,053	1,989	1,853	1,888	1,930	2,313	2,499
Intergovernmental	16,303	15,546	15,957	22,109	15,958	16,033	15,287	14,507	14,290	13,960
Licenses and permits	1,829	1,938	1,922	1,969	1,993	1,936	1,821	1,996	1,966	2,093
Fines and forfeitures	917	900	1,018	941	897	866	865	758	749	753
Charges for services	6,607	7,169	7,005	9,576	9,878	9,049	9,316	8,990	8,678	9,292
Investment income	2,548	3,682	4,328	3,355	1,430	1,296	1,249	977	432	1,192
Miscellaneous	1,465	1,509	1,726	1,281	2,218	1,879	2,282	1,675	1,803	2,189
Total revenues	59,433	61,399	63,316	72,580	67,889	68,389	70,027	69,207	69,324	73,286
Expenditures										
General government	6,263	5,696	5,700	6,169	5,888	6,136	6,135	6,343	6,238	6,585
Public safety	20,912	22,412	23,563	24,252	24,739	25,362	25,909	25,653	26,467	26,234
Public works	7,350	7,137	7,693	8,109	8,545	8,723	8,106	8,112	9,002	9,145
Health services	4,388	4,402	4,666	4,814	4,959	5,026	5,026	4,983	4,913	5,457
Culture and recreation	7,164	7,493	7,830	7,908	7,935	8,062	8,220	8,328	8,268	7,821
Development	4,162	2,772	3,614	2,839	3,096	2,738	2,701	3,369	3,106	3,667
Miscellaneous	497	462	630	465	451	612	474	382	435	541
Capital outlay	9,458	13,408	8,119	11,899	9,685	9,179	17,593	10,689	15,730	14,233
Debt service										
Principal	5,882	3,789	4,311	5,057	4,983	4,930	5,740	7,276	12,577	8,200
Interest	1,991	2,073	1,957	2,634	2,907	3,134	3,034	3,063	3,002	3,118
Total expenditures	68,067	69,644	68,083	74,146	73,188	73,902	82,938	78,198	89,738	85,001
Other financing sources (uses)										
Debt issued	7,290	4,365	17,785	15,400	11,618	7,707	6,060	7,757	21,580	7,184
Premium on debt issued	-	55	166	-	-	27	30	52	295	37
Discount on debt issued	-	-	-	(60)	(79)	-	-	-	-	-
Payment to refunding agent	-	-	(8,812)	-	-	(2,293)	-	-	-	-
Pay-off of unfunded retirement liability	-	-	-	(9,392)	-	-	-	-	-	-
Transfers in	7,761	7,931	7,841	7,910	10,390	10,141	10,318	11,906	11,402	13,134
Transfers out	(7,630)	(7,450)	(7,135)	(7,099)	(11,494)	(8,832)	(10,398)	(12,531)	(11,189)	(12,689)
Transfers from Component Unit	-	-	-	-	-	-	-	-	-	-
Transfers to Component Unit	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	69	38	86	36	578	65	72	26	18	451
Total other financing sources (uses)	7,490	4,939	9,931	6,795	11,013	6,815	6,082	7,210	22,106	8,117
Net change in fund balances	\$ (1,144)	\$ (3,306)	\$ 5,164	\$ 5,229	\$ 5,714	\$ 1,302	\$ (6,829)	\$ (1,781)	\$ 1,692	\$ (3,598)
Debt service as a percentage of noncapital expenditures	13.4%	10.4%	10.6%	12.2%	12.4%	12.4%	13.5%	15.3%	20.6%	16.2%

Source: City of Eau Claire Comprehensive Annual Financial Reports

CITY OF EAU CLAIRE

TABLE 5
 ASSESSED AND ESTIMATED ACTUAL VALUE
 OF ALL TAXABLE PROPERTY
 Last Ten Fiscal Years
 (Dollars in Thousands)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
ALL PROPERTY										
Real property:										
Assessed value	\$3,480,302	\$3,589,140	\$3,663,397	\$4,132,625	\$4,229,806	\$4,298,042	\$4,129,685	\$4,164,172	\$4,205,728	\$4,219,220
Estimated actual value (1)	3,405,414	3,614,093	3,812,428	3,960,377	4,100,813	4,154,706	4,062,866	4,098,830	4,065,232	4,149,675
Personal property:										
Assessed value	\$135,230	\$129,985	\$132,425	\$150,560	\$152,927	\$167,057	\$160,043	\$151,299	\$162,039	\$179,945
Estimated actual value	140,683	126,950	139,214	149,802	154,122	161,241	161,758	148,638	158,492	175,990
Total:										
Assessed value	\$3,615,532	\$3,719,125	\$3,795,822	\$4,283,185	\$4,382,733	\$4,465,099	\$4,289,728	\$4,315,471	\$4,367,767	\$4,399,165
Estimated actual value	3,546,277	3,741,043	3,951,642	4,110,179	4,254,935	4,315,947	4,224,624	4,247,468	4,223,724	4,325,665
Ratio of total assessed to total estimated actual value	101.95%	99.41%	96.06%	104.21%	103.00%	103.46%	101.54%	101.60%	103.41%	101.70%
Direct tax rate:										
Eau Claire County	\$7.07	\$7.15	\$7.22	\$6.80	\$7.12	\$7.34	\$8.01	\$8.22	\$8.24	\$8.60
Chippewa County	\$7.07	\$7.15	\$7.12	\$6.86	\$7.18	\$7.51	\$8.19	\$8.30	\$8.24	\$8.72



NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year. Values are for both Eau Claire and Chippewa counties. Tax incremental districts have been included. Tax rates are per \$1,000 of assessed value.

(1) NOTE: Equalized valuation (est. market value) is set by the Wisconsin Department of Revenue.

Source: City of Eau Claire Assessor's Office, Statement of Changes in Equalized Values by Class & Item, as compiled by the Wisconsin Department of Revenue

CITY OF EAU CLAIRE

TABLE 6
 ASSESSED AND ESTIMATED ACTUAL VALUE
 OF RESIDENTIAL PROPERTY
 Last Ten Fiscal Years
 (Dollars in Thousands)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
RESIDENTIAL										
Real property:										
Assessed value	\$2,253,489	\$2,318,380	\$2,359,932	\$2,640,009	\$2,670,924	\$2,692,408	\$2,569,325	\$2,586,846	\$2,595,948	\$2,581,699
Estimated actual value	2,205,284	2,344,449	2,478,098	2,546,296	2,579,753	2,542,048	2,567,621	2,587,946	2,531,431	2,549,958
Personal property: (1)										
Assessed value	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Estimated actual value	0	0	0	0	0	0	0	0	0	0
Total residential:										
Assessed value	\$2,253,489	\$2,318,380	\$2,359,932	\$2,640,009	\$2,670,924	\$2,692,408	\$2,569,325	\$2,586,846	\$2,595,948	\$2,581,699
Estimated actual value	2,205,284	2,344,449	2,478,098	2,546,296	2,579,753	2,542,048	2,567,621	2,587,946	2,531,431	2,549,958
Total all classes:										
Assessed value	\$3,615,532	\$3,719,125	\$3,795,822	\$4,283,185	\$4,382,733	\$4,465,099	\$4,289,728	\$4,315,471	\$4,367,767	\$4,399,165
Estimated actual value	3,546,277	3,741,043	3,951,642	4,110,179	4,254,935	4,315,947	4,224,624	4,247,468	4,223,724	4,325,665
Residential property as a percentage of total:										
Assessed value	62.33%	62.34%	62.17%	61.64%	60.94%	60.30%	59.89%	59.94%	59.43%	58.69%
Estimated actual value	62.19%	62.67%	62.71%	61.95%	60.63%	58.90%	60.78%	60.93%	59.93%	58.95%
Number of parcels										
Number of parcels with improvements	19,678	19,838	20,072	19,766	19,829	19,922	19,941	19,960	19,974	19,976
	17,745	17,993	18,114	18,358	18,445	18,590	18,668	18,737	18,752	18,845



NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal years listed. Values are for both Eau Claire and Chippewa counties. Tax incremental districts have been included.

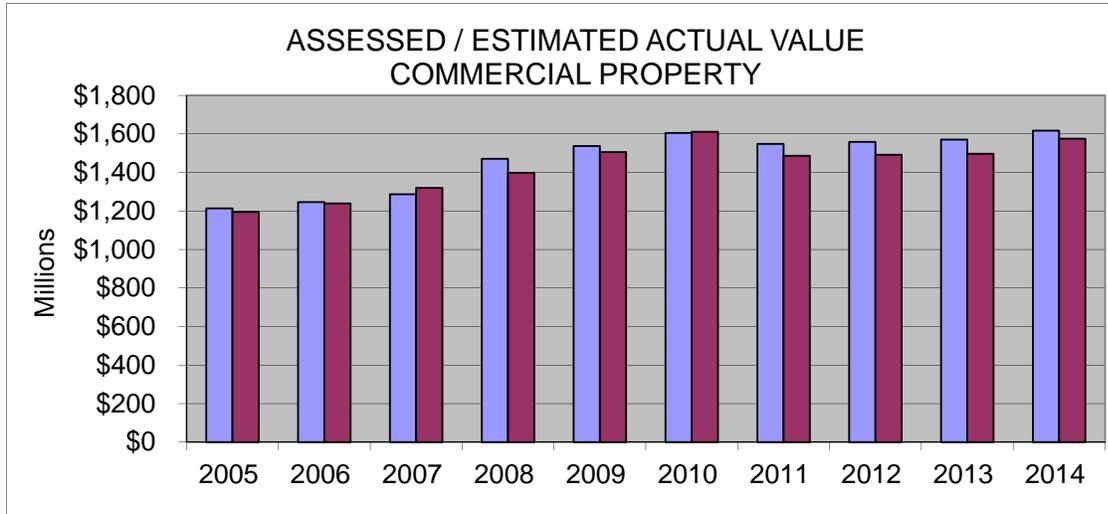
(1) NOTE: Chapter 70 of the Wisconsin State Statutes exempts residential personal property from taxation.

Source: City of Eau Claire Assessor's Office, Statement of Changes in Equalized Values by Class & Item, as compiled by the Wisconsin Department of Revenue

CITY OF EAU CLAIRE

TABLE 7
 ASSESSED AND ESTIMATED ACTUAL VALUE
 OF COMMERCIAL PROPERTY
 Last Ten Fiscal Years
 (Dollars in Thousands)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
COMMERCIAL										
Real property:										
Assessed value	\$1,095,829	\$1,132,143	\$1,170,613	\$1,344,227	\$1,406,379	\$1,459,862	\$1,409,526	\$1,427,191	\$1,442,120	\$1,478,093
Estimated actual value	1,071,374	1,128,558	1,197,480	1,271,451	1,372,777	1,471,159	1,346,057	1,362,726	1,370,911	1,440,058
Personal property:										
Assessed value	\$117,645	\$113,661	\$116,173	\$126,739	\$130,769	\$145,125	\$138,680	\$131,570	\$128,431	\$139,062
Estimated actual value	123,600	110,476	122,319	126,823	132,663	139,976	140,642	129,175	126,004	135,234
Total commercial:										
Assessed value	\$1,213,474	\$1,245,804	\$1,286,786	\$1,470,966	\$1,537,148	\$1,604,987	\$1,548,206	\$1,558,761	\$1,570,551	\$1,617,156
Estimated actual value	1,194,974	1,239,034	1,319,799	1,398,274	1,505,440	1,611,135	1,486,699	1,491,901	1,496,915	1,575,292
Total all classes:										
Assessed value	\$3,615,532	\$3,719,125	\$3,795,822	\$4,283,185	\$4,382,733	\$4,465,099	\$4,289,728	\$4,315,471	\$4,367,767	\$4,399,165
Estimated actual value	3,546,277	3,741,043	3,951,642	4,110,179	4,254,935	4,315,947	4,224,624	4,247,468	4,223,724	4,325,665
Commercial property as a percentage of total:										
Assessed value	33.56%	33.50%	33.90%	34.34%	35.07%	35.95%	36.09%	36.12%	35.96%	36.76%
Estimated actual value	33.70%	33.12%	33.40%	34.02%	35.38%	37.33%	35.19%	35.12%	35.44%	36.42%
Number of parcels	2,719	2,739	2,755	3,253	3,200	3,224	3,236	3,174	3,139	3,241
Number of parcels with improvements	1,737	1,751	1,786	1,847	1,881	1,904	1,913	1,918	1,933	1,944



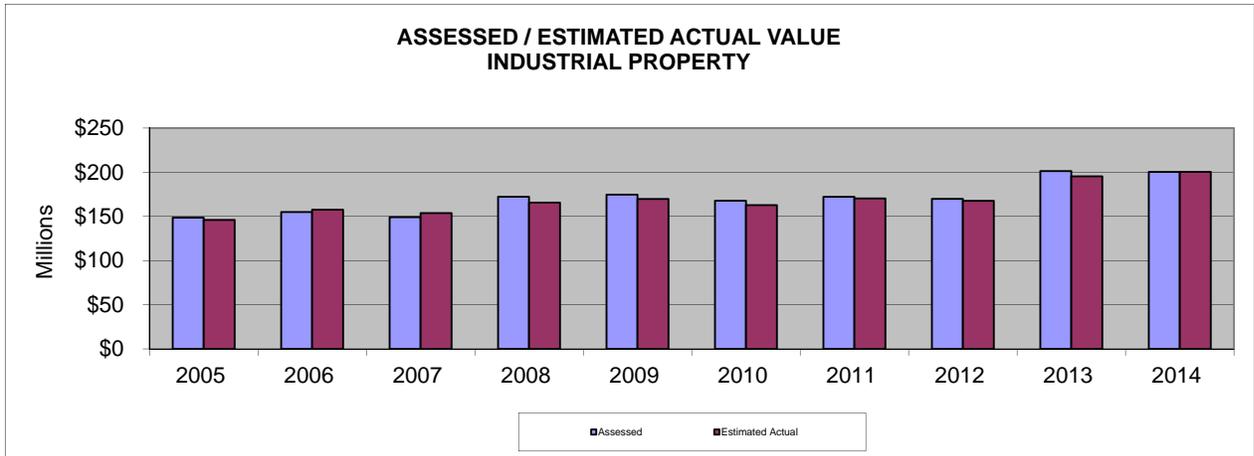
NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year. Values are for both Eau Claire and Chippewa Counties. Tax incremental districts have been

Source: City of Eau Claire Assessor's Office, Statement of Changes in Equalized Values by Class & Item, as compiled by the Wisconsin Department of Revenue.

CITY OF EAU CLAIRE

TABLE 8
 ASSESSED AND ESTIMATED ACTUAL VALUE
 OF INDUSTRIAL PROPERTY
 Last Ten Fiscal Years
 (Dollars in Thousands)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
INDUSTRIAL										
Real property:										
Assessed value	\$130,984	\$138,617	\$132,852	\$148,389	\$152,504	\$145,773	\$150,835	\$150,135	\$167,661	\$159,428
Estimated actual value	128,756	141,086	136,850	142,630	148,282	141,499	149,188	148,158	162,891	159,660
Personal property:										
Assessed value	\$17,585	\$16,324	\$16,252	\$23,821	\$22,159	\$21,932	\$21,363	\$19,729	\$33,608	\$40,883
Estimated actual value	17,263	16,474	16,894	22,979	21,459	21,264	21,116	19,463	32,488	40,755
Total industrial:										
Assessed value	\$148,569	\$154,941	\$149,104	\$172,210	\$174,663	\$167,705	\$172,198	\$169,864	\$201,269	\$200,310
Estimated actual value	146,019	157,560	153,744	165,609	169,741	162,763	170,304	167,621	195,379	200,416
Total all classes:										
Assessed value	\$3,615,532	\$3,719,125	\$4,283,185	\$4,382,733	\$4,382,733	\$4,465,099	\$4,289,728	\$4,315,471	\$4,367,767	\$4,399,165
Estimated actual value	3,546,277	3,741,043	4,110,179	4,254,935	4,254,935	4,315,947	4,224,624	4,247,468	4,223,724	4,325,665
Industrial property as a percentage of total:										
Assessed value	4.11%	4.17%	3.48%	3.93%	3.99%	3.76%	4.01%	3.94%	4.61%	4.55%
Estimated actual value	4.12%	4.21%	3.74%	3.89%	3.99%	3.77%	4.03%	3.95%	4.63%	4.63%
Number of parcels	95	97	93	95	97	95	94	96	93	92
Number of parcels with improvements	88	89	85	84	82	80	79	80	78	77



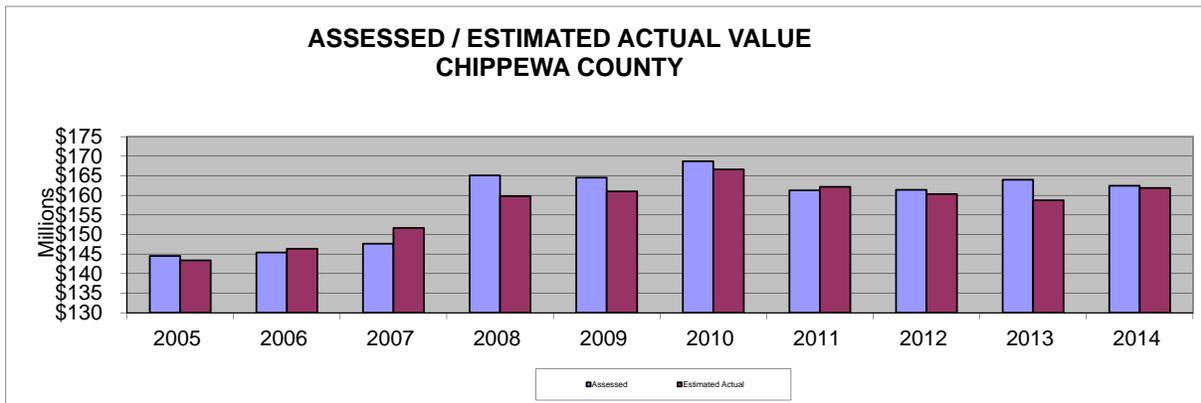
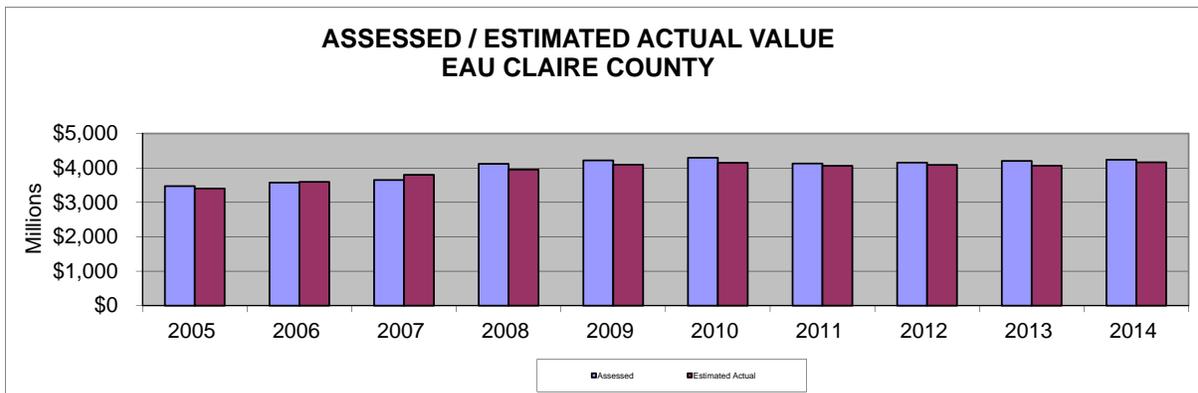
NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year. Values are for both Eau Claire and Chippewa Counties. Tax incremental districts have been included.

Source: City of Eau Claire Assessor's Office, Statement of Changes in Equalized Values by Class & Item, as compiled by the Wisconsin Department of Revenue.

CITY OF EAU CLAIRE

TABLE 9
 ASSESSED AND ESTIMATED ACTUAL VALUE
 OF TAXABLE PROPERTY BY COUNTY
 Last Ten Fiscal Years
 (Dollars in Thousands)

PORTION OF CITY IN:	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
EAU CLAIRE COUNTY										
Assessed value	\$3,471,029	\$3,573,733	\$3,648,184	\$4,118,082	\$4,218,200	\$4,296,383	\$4,128,456	\$4,154,056	\$4,203,777	\$4,236,710
Estimated actual value	3,402,896	3,594,685	3,799,993	3,950,363	4,093,908	4,149,314	4,062,445	4,087,132	4,064,974	4,163,778
Ratio of assessment	102.00%	99.42%	96.01%	104.25%	103.04%	103.54%	101.62%	101.64%	103.41%	101.75%
CHIPPEWA COUNTY										
Assessed value	\$144,504	\$145,392	\$147,637	\$165,102	\$164,533	\$168,716	\$161,273	\$161,416	\$163,990	\$162,455
Estimated actual value	143,381	146,358	151,649	159,815	161,027	166,633	162,179	160,335	158,750	161,886
Ratio of assessment	100.78%	99.34%	97.35%	103.31%	102.18%	101.25%	99.44%	100.67%	103.30%	100.35%



NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year. Values are for both Eau Claire and Chippewa Counties. Tax incremental districts have been included.

CITY OF EAU CLAIRE

TABLE 10
EQUALIZED VALUE OF
TAX INCREMENT DISTRICTS
Last Ten Fiscal Years
(Dollars in Thousands)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
TID #4 equalized valuation:										
Base	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increment	0	0	0	0	0	0	0	0	0	0
Total TID #4	\$0									
TID #5 equalized valuation:										
Base	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Increment	22,058	20,703	21,661	21,074	22,901	23,258	29,187	30,122	39,284	46,556
Total TID #5	\$23,058	\$21,703	\$22,661	\$22,074	\$23,901	\$24,258	\$30,187	\$31,122	\$40,284	\$47,556
TID #6 equalized valuation:										
Base	\$986	\$986	\$986	\$986	\$986	\$986	\$0	\$0	\$0	\$0
Increment	9,072	9,254	9,907	10,663	11,404	11,383	0	0	0	0
Total TID #6	\$10,058	\$10,240	\$10,893	\$11,649	\$12,390	\$12,369	\$0	\$0	\$0	\$0
TID #7 equalized valuation:										
Base	\$115	\$329	\$329	\$329	\$329	\$329	\$329	\$329	\$329	\$329
Increment	3,713	3,894	5,675	5,859	6,193	6,467	6,007	5,265	5,507	5,963
Total TID #7	\$3,828	\$4,223	\$6,004	\$6,188	\$6,522	\$6,796	\$6,336	\$5,594	\$5,836	\$6,292
TID #8 equalized valuation:										
Base	\$10,441	\$10,441	\$10,441	\$10,441	\$10,441	\$10,441	\$10,441	\$10,441	\$10,441	\$10,441
Increment	3,683	12,661	16,288	16,805	18,523	22,362	25,813	26,805	29,055	36,349
Total TID #8	\$14,124	\$23,102	\$26,729	\$27,246	\$28,964	\$32,803	\$36,254	\$37,246	\$39,496	\$46,790
TID #9 equalized valuation:										
Base	\$0	\$0	\$0	\$0	\$0	\$11,239	\$11,239	\$11,239	\$11,239	\$11,239
Increment	0	0	0	0	0	2,222	5,117	2,310	2,201	355
Total TID #9	\$0	\$0	\$0	\$0	\$0	\$13,461	\$16,356	\$13,549	\$13,440	\$11,594
ALL PROPERTY										
All property - w/o TIDs	\$3,495,209	\$3,681,775	\$3,885,355	\$4,043,022	\$4,183,157	\$4,226,260	\$4,135,491	\$4,159,957	\$4,124,668	\$4,213,432
Base valuation - TIDs	12,542	12,756	12,756	12,756	12,756	23,995	23,009	23,009	23,009	23,009
All property - w/o TID increment	3,507,751	3,694,531	3,898,111	4,055,778	4,195,913	4,250,255	4,158,500	4,182,966	4,147,677	4,236,441
Increment valuation - TIDs	38,526	46,512	53,530	54,401	59,022	65,692	66,124	64,502	76,047	89,223
Equalized valuation - all property	\$3,546,277	\$3,741,043	\$3,951,641	\$4,110,179	\$4,254,935	\$4,315,947	\$4,224,624	\$4,247,468	\$4,223,724	\$4,325,664

NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year. Values are for both Eau Claire and Chippewa counties.

NOTE: The base equalized value for TIF #5 was redetermined by the Department of Revenue for 2005.

Source: City of Eau Claire Assessor's Office, Statement of Changes in Equalized Values by Class & Item, as compiled by the Wisconsin Department of Revenue.

CITY OF EAU CLAIRE

TABLE 11
PROPERTY TAX RATES -
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years
(Per \$1,000 Assessed Valuation)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
City Property Located in Eau Claire County (Eau Claire Area School District)										
City	\$5.895	\$6.006	\$6.075	\$5.767	\$6.084	\$6.321	\$6.934	\$7.141	\$7.168	\$7.532
Library	0.753	0.724	0.725	0.652	0.653	0.644	0.679	0.680	0.674	0.673
Health	0.422	0.418	0.416	0.380	0.383	0.379	0.401	0.399	0.394	0.396
Total Direct Rate	7.070	7.148	7.216	6.799	7.120	7.344	8.014	8.220	8.236	8.601
Eau Claire School Dist.	11.391	9.954	9.624	8.774	8.714	9.219	9.876	10.012	9.772	9.410
Vocational District	1.593	1.620	1.634	1.511	1.535	1.606	1.728	1.714	1.707	1.706
Eau Claire County	3.078	3.095	3.159	3.338	3.316	3.379	3.499	3.518	3.511	3.608
State Forestry	0.196	0.189	0.183	0.163	0.165	0.164	0.167	0.167	0.164	0.167
Gross Tax Rate	23.328	22.006	21.816	20.585	20.850	21.712	23.284	23.631	23.390	23.492
Less State Credit	(1.323)	(1.325)	(1.627)	(1.615)	(1.630)	(1.527)	(1.558)	(1.534)	(1.535)	(1.526)
Net Tax Rate	\$ 22.005	\$ 20.681	\$ 20.189	\$ 18.970	\$ 19.220	\$ 20.185	\$ 21.726	\$ 22.097	\$ 21.855	\$ 21.966
City Property Located in Eau Claire County (Altoona School District)										
City	\$5.895	\$6.006	\$6.075	\$5.767	\$6.084	\$6.321	\$6.934	\$7.141	\$7.168	\$7.532
Library	0.753	0.724	0.725	0.652	0.653	0.644	0.679	0.680	0.674	0.673
Health	0.422	0.418	0.416	0.380	0.383	0.379	0.401	0.399	0.394	0.396
Total Direct Rate	7.070	7.148	7.216	6.799	7.120	7.344	8.014	8.220	8.236	8.601
Altoona School Dist.	9.791	9.718	10.034	10.025	8.533	8.931	8.859	9.271	9.344	9.568
Vocational District	1.593	1.620	1.634	1.511	1.535	1.605	1.728	1.714	1.707	1.706
Eau Claire County	3.078	3.095	3.159	3.338	3.316	3.379	3.499	3.518	3.511	3.608
State Forestry	0.196	0.189	0.183	0.163	0.165	0.164	0.167	0.167	0.164	0.167
Gross Tax Rate	21.728	21.770	22.226	21.836	20.669	21.423	22.267	22.890	22.962	23.650
Less State Credit	(1.323)	(1.325)	(1.627)	(1.615)	(1.630)	(1.527)	(1.558)	(1.534)	(1.535)	(1.526)
Net Tax Rate	\$ 20.405	\$ 20.445	\$ 20.599	\$ 20.221	\$ 19.039	\$ 19.896	\$ 20.709	\$ 21.356	\$ 21.427	\$ 22.124

Source: City of Eau Claire Annual Program of Services

CITY OF EAU CLAIRE

TABLE 11 (cont.)
PROPERTY TAX RATES -
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years
(Per \$1,000 Assessed Valuation)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
City Property Located in Chippewa County (Eau Claire Area School District)										
City	\$5.895	\$6.006	\$5.991	\$5.819	\$6.135	\$6.464	\$7.086	\$7.210	\$7.175	\$7.637
Library	0.753	0.724	0.714	0.658	0.659	0.658	0.693	0.687	0.675	0.682
Health	0.422	0.418	0.410	0.384	0.386	0.388	0.410	0.402	0.395	0.402
Total Direct Rate	<u>7.070</u>	<u>7.148</u>	<u>7.115</u>	<u>6.861</u>	<u>7.180</u>	<u>7.510</u>	<u>8.189</u>	<u>8.299</u>	<u>8.245</u>	<u>8.721</u>
Eau Claire School Dist.	11.528	9.961	9.491	8.870	8.787	9.428	10.081	10.108	9.749	9.561
Vocational District	1.612	1.621	1.611	1.524	1.549	1.642	1.765	1.730	1.709	1.730
Chippewa County	3.438	3.408	3.270	3.080	3.044	3.166	3.307	3.357	3.461	3.611
State Forestry	0.198	0.189	0.181	0.164	0.166	0.168	0.171	0.168	0.164	0.169
Gross Tax Rate	<u>23.846</u>	<u>22.327</u>	<u>21.668</u>	<u>20.499</u>	<u>20.726</u>	<u>21.914</u>	<u>23.513</u>	<u>23.662</u>	<u>23.328</u>	<u>23.792</u>
Less State Credit	<u>(1.318)</u>	<u>(1.313)</u>	<u>(1.583)</u>	<u>(1.547)</u>	<u>(1.586)</u>	<u>(1.455)</u>	<u>(1.496)</u>	<u>(1.516)</u>	<u>(1.547)</u>	<u>(1.589)</u>
Net Tax Rate	<u>\$ 22.528</u>	<u>\$ 21.014</u>	<u>\$ 20.085</u>	<u>\$ 18.952</u>	<u>\$ 19.140</u>	<u>\$ 20.459</u>	<u>\$ 22.017</u>	<u>\$ 22.146</u>	<u>\$ 21.781</u>	<u>\$ 22.203</u>
City Property Located in Chippewa County (Chippewa Falls Area School District)										
City	\$5.895	\$6.006	\$5.991	\$5.819	\$6.135	\$6.464	\$7.086	\$7.210	\$7.175	\$7.637
Library	0.753	0.724	0.714	0.658	0.659	0.658	0.693	0.687	0.675	0.682
Health	0.422	0.418	0.410	0.384	0.386	0.388	0.410	0.402	0.395	0.402
Total Direct Rate	<u>7.070</u>	<u>7.148</u>	<u>7.115</u>	<u>6.861</u>	<u>7.180</u>	<u>7.510</u>	<u>8.189</u>	<u>8.299</u>	<u>8.245</u>	<u>8.721</u>
Chippewa Falls School Dist.	8.463	8.240	8.085	6.914	7.403	8.335	8.957	9.079	10.285	8.793
Vocational District	1.612	1.621	1.611	1.524	1.548	1.642	1.765	1.730	1.709	1.730
Chippewa County	3.438	3.408	3.270	3.080	3.044	3.166	3.307	3.357	3.461	3.611
State Forestry	0.198	0.189	0.181	0.164	0.166	0.168	0.171	0.168	0.164	0.169
Gross Tax Rate	<u>20.781</u>	<u>20.606</u>	<u>20.262</u>	<u>18.543</u>	<u>19.341</u>	<u>20.821</u>	<u>22.389</u>	<u>22.633</u>	<u>23.864</u>	<u>23.024</u>
Less State Credit	<u>(1.318)</u>	<u>(1.313)</u>	<u>(1.583)</u>	<u>(1.547)</u>	<u>(1.586)</u>	<u>(1.455)</u>	<u>(1.496)</u>	<u>(1.516)</u>	<u>(1.547)</u>	<u>(1.589)</u>
Net Tax Rate	<u>\$ 19.463</u>	<u>\$ 19.293</u>	<u>\$ 18.679</u>	<u>\$ 16.996</u>	<u>\$ 17.755</u>	<u>\$ 19.366</u>	<u>\$ 20.893</u>	<u>\$ 21.117</u>	<u>\$ 22.317</u>	<u>\$ 21.435</u>

Source: City of Eau Claire Annual Program of Services

CITY OF EAU CLAIRE

TABLE 12
PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(Dollars in Thousands)

Taxpayer	2014 Equalized Value	2014 Rank	2014 Percentage of Total Equalized Value	2005 Equalized Value	2005 Rank	2005 Percentage of Total Equalized Value
Nestle Foods	\$ 76,576	1	1.77%	\$ 30,123	3	0.81%
Mayo Clinic Health System	73,080	2	1.69%	-		
Oakwood Hills Mall	72,859	3	1.68%	67,355	1	1.80%
Keystone Corporation	41,996	4	0.97%	33,545	2	0.90%
Marshfield Clinic	34,366	5	0.79%	18,099	7	0.48%
Menard Inc.	26,097	6	0.60%	16,481	8	0.44%
Royal Credit Union	21,834	7	0.50%	-		
Hutchinson Technology, Inc.	18,384	8	0.42%	21,835	5	0.58%
Phillips Properties	15,851	9	0.37%	16,113	9	0.43%
Ch Valley Partners	15,375	10	0.36%	-		0.00%
F&L II & JHP Eau Claire	-			12,419	10	0.33%
Luther Hospital	-			22,113	4	0.59%
Midelfort Clinic	-			<u>19,296</u>	6	0.52%
Principal Taxpayers total	<u>\$ 396,418</u>			<u>\$ 257,379</u>		
TOTAL CITY EQUALIZED VALUE	<u>\$ 4,325,665</u>			<u>\$ 3,741,043</u>		

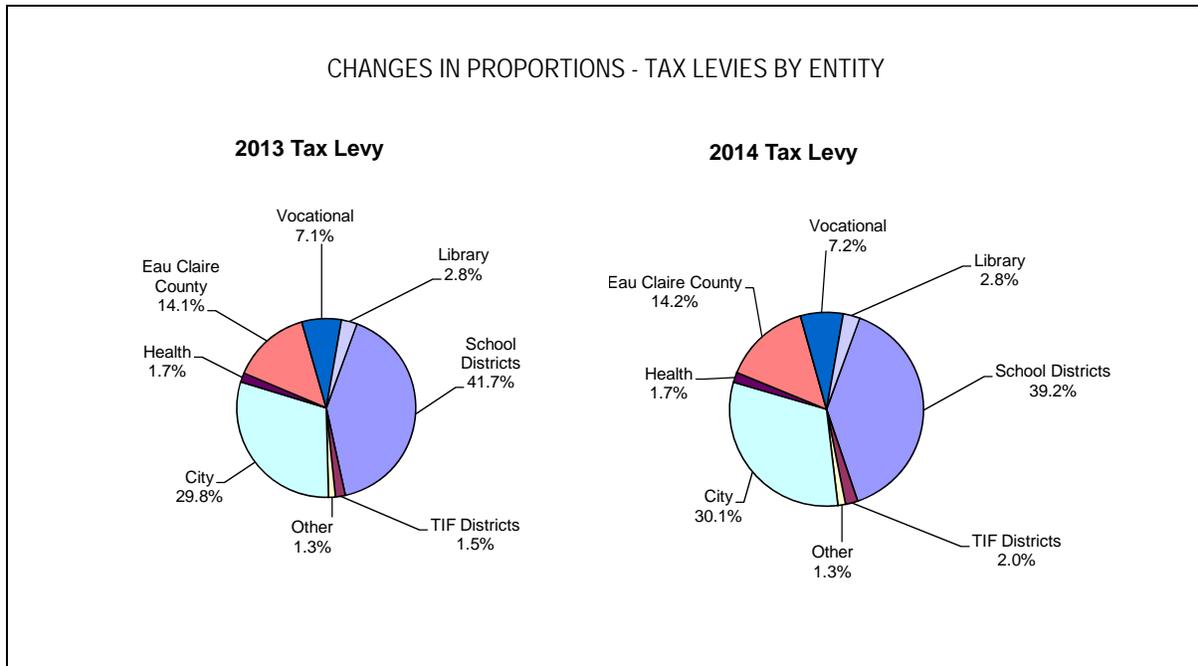
NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year. Values are for both Eau Claire and Chippewa counties.

Sources: City of Eau Claire Assessor's Office, Clerk's Statement of Assessments, Statistical Report:
Eau Claire and Chippewa Counties

CITY OF EAU CLAIRE

TABLE 13
GROSS TAX LEVY BY TAXING ENTITY
Last Ten Fiscal Years
(Dollars in Thousands)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
City	\$ 21,081	\$ 22,058	\$ 22,734	\$ 24,380	\$ 26,301	\$ 27,815	\$ 29,303	\$ 30,360	\$ 30,742	\$ 32,466
TIF Districts	905	1,008	1,110	1,151	1,251	1,460	1,553	1,538	1,827	2,118
Library	2,694	2,658	2,712	2,758	2,825	2,834	2,867	2,891	2,891	2,901
Health	1,508	1,537	1,557	1,609	1,656	1,671	1,696	1,695	1,691	1,707
Eau Claire School District	40,550	36,385	35,847	36,934	37,511	40,408	41,545	42,373	41,723	40,390
Chippewa Falls School District	32	31	31	30	33	31	49	50	51	42
Altoona School District	139	137	140	142	121	126	121	127	130	134
Vocational District	5,699	5,951	6,113	6,387	6,639	7,065	7,300	7,285	7,323	7,356
Eau Claire County	10,595	10,947	11,395	13,596	13,824	14,330	14,213	14,386	14,486	14,959
Chippewa County	462	464	451	474	465	498	533	542	567	587
State Forestry- Eau Claire County	681	674	667	670	695	704	689	694	690	707
State Forestry- Chippewa County	29	27	27	27	27	28	28	27	27	27
Total tax levy	\$84,375	\$81,877	\$82,784	\$88,158	\$ 91,348	\$ 96,970	\$ 99,897	\$ 101,968	\$ 102,148	\$ 103,394
City percent of total levy	24.98%	26.94%	27.46%	27.65%	28.79%	28.68%	29.33%	29.77%	30.10%	31.40%



Sources: City of Eau Claire Annual Program of Services, Annual Tax Levy Certification Forms from the Board of Education, Vocational School and Counties.

CITY OF EAU CLAIRE

TABLE 14
 REAL AND PERSONAL PROPERTY TAX
 LEVIES AND COLLECTIONS
 Last Ten Fiscal Years
 (Dollars in Thousands)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Total Tax Levy	\$ 25,283	\$ 26,253	\$ 27,003	\$ 28,747	\$ 30,782	\$ 32,319	\$ 33,865	\$ 34,946	\$ 35,324	\$ 39,191
Current tax collections	\$ 24,983	\$ 26,086	\$ 26,877	\$ 28,654	\$ 30,633	\$ 32,142	\$ 33,612	\$ 34,801	\$ 35,177	\$ 39,044
Percentage of Levy	98.8%	99.4%	99.5%	99.7%	99.5%	99.5%	99.3%	99.6%	99.6%	99.6%
Collection of delinquent personal property taxes	\$ 265	\$ 142	\$ 111	\$ 71	\$ 97	\$ 129	\$ 217	\$ 101	\$ 106	\$ 106
Total tax collections (1)	<u>\$ 25,248</u>	<u>\$ 26,228</u>	<u>\$ 26,988</u>	<u>\$ 28,725</u>	<u>\$ 30,730</u>	<u>\$ 32,271</u>	<u>\$ 33,829</u>	<u>\$ 34,902</u>	<u>\$ 35,283</u>	<u>\$ 39,150</u>
Percentage of Levy	99.9%	99.9%	99.9%	99.9%	99.8%	99.9%	99.9%	99.9%	99.9%	99.9%

(1) NOTE: Does not include mobile home fees or payment in lieu of taxes.

Source: City of Eau Claire Comprehensive Annual Financial Reports

CITY OF EAU CLAIRE

TABLE 15
SPECIAL ASSESSMENT COLLECTIONS
Last Ten Fiscal Years
(Dollars in Thousands)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Total assessments levied each fiscal period: (1)										
General fund	\$75	\$89	\$100	\$109	\$120	\$271	\$383	\$808	\$1,036	\$1,334
Business Improvement Districts	92	141	151	152	152	145	145	147	147	150
Debt Service	1,657	1,516	1,547	1,721	1,546	1,373	1,126	711	596	468
Water Utility	105	90	99	90	87	83	82	70	64	49
Sewer Utility	122	104	105	91	90	82	77	51	51	39
Storm Water Utility	0	0	0	0	0	0	0	0	0	6
Health	0	0	0	0	8	8	6	5	6	4
Delinquent utility bills	521	561	548	617	656	809	774	776	774	777
 Total assessments levied	<u>\$2,572</u>	<u>\$2,501</u>	<u>\$2,550</u>	<u>\$2,780</u>	<u>\$2,659</u>	<u>\$2,771</u>	<u>\$2,593</u>	<u>\$2,568</u>	<u>\$2,674</u>	<u>\$2,827</u>
 Current collections	<u>\$2,572</u>	<u>\$2,501</u>	<u>\$2,550</u>	<u>\$2,780</u>	<u>\$2,659</u>	<u>\$2,771</u>	<u>\$2,593</u>	<u>\$2,568</u>	<u>\$2,674</u>	<u>\$2,827</u>
 Total collections	<u>\$2,572</u>	<u>\$2,501</u>	<u>\$2,550</u>	<u>\$2,780</u>	<u>\$2,659</u>	<u>\$2,771</u>	<u>\$2,593</u>	<u>\$2,568</u>	<u>\$2,674</u>	<u>\$2,827</u>

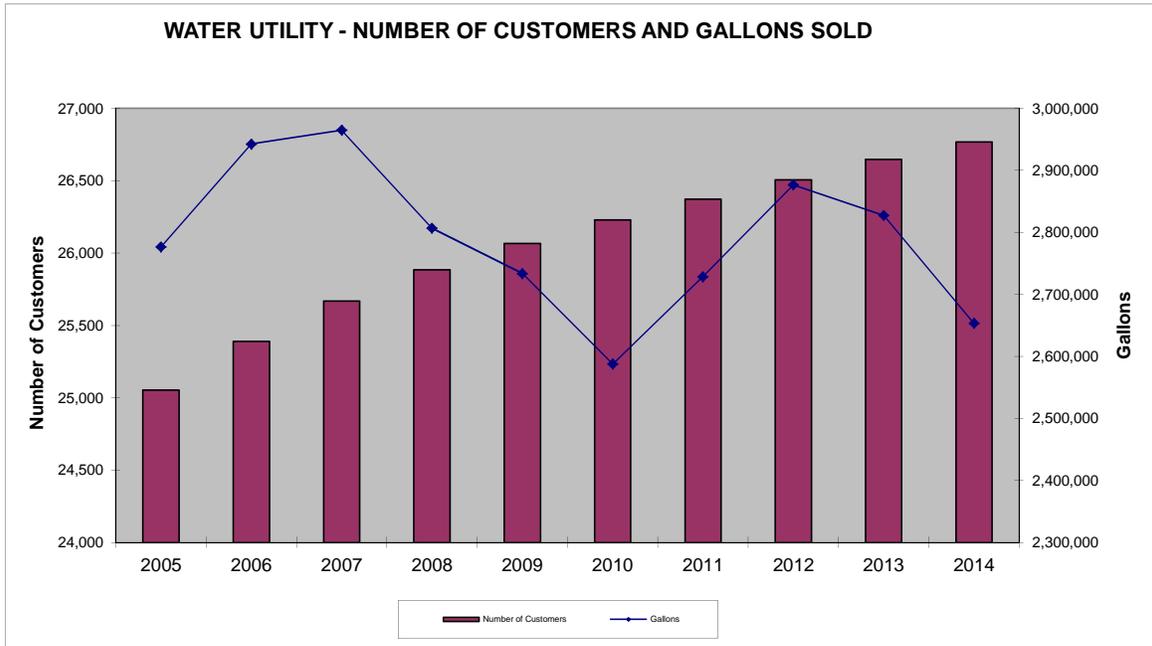
(1) NOTE: Includes current interest due on installment special assessments.

Sources: City of Eau Claire Comprehensive Annual Financial Report; Statement of Taxes

CITY OF EAU CLAIRE

TABLE 16
WATER UTILITY CUSTOMER SUMMARY
LAST TEN FISCAL YEARS

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Number of customers										
Residential	22,264	22,560	22,805	22,992	23,152	23,293	23,417	23,556	23,931	24,281
Commercial	2,484	2,519	2,551	2,574	2,593	2,612	2,628	2,625	2,390	2,158
Industrial	110	111	111	110	109	109	109	109	109	109
Public	194	199	202	208	212	216	217	216	217	221
Total	25,052	25,389	25,669	25,884	26,066	26,230	26,371	26,506	26,647	26,769
Gallons (thousands)										
Residential	1,257,567	1,371,987	1,385,600	1,244,970	1,288,528	1,182,343	1,210,111	1,297,806	1,350,816	1,265,265
Commercial	706,237	694,466	715,582	694,815	667,586	656,846	673,138	701,560	650,697	555,737
Industrial	555,940	616,834	606,778	612,579	517,711	505,853	604,273	612,696	571,655	607,864
Public	256,643	259,278	256,705	254,553	259,869	242,820	241,090	264,612	254,054	224,465
Total	2,776,387	2,942,565	2,964,665	2,806,917	2,733,694	2,587,862	2,728,612	2,876,674	2,827,222	2,653,331



Sources: Wisconsin Public Service Commission Annual Reports
Customer Services - City of Eau Claire

CITY OF EAU CLAIRE

TABLE 17
WATER UTILITY CUSTOMER RATES
LAST TEN FISCAL YEARS

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Metered Service										
Quarterly Service Charge										
5/8 inch meter	\$ 14.37	\$ 15.60	\$ 15.60	\$ 15.60	\$ 17.10	\$ 17.10	\$ 17.61	\$ 17.61	\$ 18.17	\$ 21.00
3/4 inch meter	14.37	15.60	15.60	15.60	17.10	17.10	17.61	17.61	18.17	21.00
1 inch meter	21.63	22.80	22.80	22.80	26.70	26.70	27.50	27.50	28.38	30.00
1 1/4 inch meter	27.81	30.00	30.00	30.00	35.40	35.40	36.46	36.46	37.63	39.00
1 1/2 inch meter	33.99	36.60	36.00	36.00	43.80	43.80	45.11	45.11	46.55	51.00
2 inch meter	55.62	55.80	55.80	55.80	65.40	65.40	67.36	67.36	69.52	75.00
3 inch meter	98.88	99.00	99.00	99.00	105.00	105.00	108.15	108.15	111.61	120.00
4 inch meter	123.60	129.00	129.00	129.00	156.00	156.00	160.68	160.68	165.82	180.00
6 inch meter	213.21	225.00	225.00	225.00	273.00	273.00	281.19	281.19	290.19	312.00
8 inch meter	318.27	339.00	339.00	339.00	411.00	411.00	423.33	423.33	436.88	474.00
10 inch meter	463.50	489.00	489.00	489.00	591.00	591.00	608.73	608.73	628.21	660.00
12 inch meter	599.46	639.00	639.00	639.00	771.00	771.00	794.13	794.13	819.54	825.00
Volume rate (per 100 cubic feet)										
First 7,500 cubic feet	\$ 1.21	\$ 1.31	\$ 1.31	\$ 1.31	\$ 1.49	\$ 1.49	\$ 1.53	\$ 1.53	\$ 1.58	\$ 1.70
Next 742,500 cubic feet	1.04	1.13	1.13	1.13	1.28	1.28	1.32	1.32	1.36	1.45
Over 750,000 cubic feet	0.69	0.79	0.79	0.79	0.89	0.89	0.92	0.92	0.95	1.10
Public Fire Protection										
Quarterly Service Charge										
5/8 inch meter	\$ 9.46	\$ 9.46	\$ 9.46	\$ 9.46	\$ 9.60	\$ 9.60	\$ 9.89	\$ 9.89	\$ 10.21	\$ 10.80
3/4 inch meter	9.46	9.46	9.46	9.46	9.60	9.60	9.89	9.89	10.21	10.80
1 inch meter	23.48	23.48	23.48	23.48	24.00	24.00	24.72	24.72	25.51	27.00
1 1/4 inch meter	34.92	34.92	34.92	34.92	35.40	35.40	36.46	36.46	37.63	39.00
1 1/2 inch meter	47.28	47.28	47.28	47.28	48.00	48.00	49.44	49.44	51.02	54.00
2 inch meter	75.71	75.71	75.71	75.71	76.80	76.80	79.10	79.10	81.63	87.00
3 inch meter	142.14	142.14	142.14	142.14	144.00	144.00	148.32	148.32	153.07	165.00
4 inch meter	234.84	234.84	234.84	234.84	240.00	240.00	247.20	247.20	255.11	270.00
6 inch meter	472.77	472.77	472.77	472.77	480.00	480.00	494.40	494.40	510.22	540.00
8 inch meter	753.96	753.96	753.96	753.96	768.00	768.00	791.04	791.04	816.35	870.00
10 inch meter	1,134.03	1,134.03	1,134.03	1,134.03	1,152.00	1,152.00	1,186.56	1,186.56	1,224.53	1,350.00
12 inch meter	1,511.01	1,511.01	1,511.01	1,511.01	1,536.00	1,536.00	1,582.08	1,582.08	1,632.71	1,740.00

Source: Customer Services - City of Eau Claire

Note: Increases in water rates must be approved by the Public Service Commission of Wisconsin.

CITY OF EAU CLAIRE

TABLE 18
WATER UTILITY - TEN LARGEST CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO

<u>Customer</u>	2014		
	<u>Gallons Billed</u>	<u>Amount Billed</u>	<u>% of Total</u>
Nestle USA	242,000,440	\$ 414,252	9.1%
Hutchinson Technology	127,145,040	287,780	4.8%
Cascades USA	108,550,508	185,982	4.1%
American Phoenix	82,864,188	128,129	3.1%
University of Wisconsin-Eau Claire	56,660,252	146,251	2.1%
Mayo Clinic Health System	37,788,212	84,705	1.4%
Sacred Heart Hospital	33,607,640	74,107	1.3%
Eau Claire Area School System	28,386,600	83,850	1.1%
Silver Spring Foods	18,596,776	36,501	0.7%
John Mogenson	13,470,732	49,022	0.5%
Subtotal (ten largest)	749,070,388	1,490,579	28.2%
All other customers	1,904,260,612	7,571,388	71.8%
Grand Totals	2,653,331,000	\$ 9,061,967	100.0%

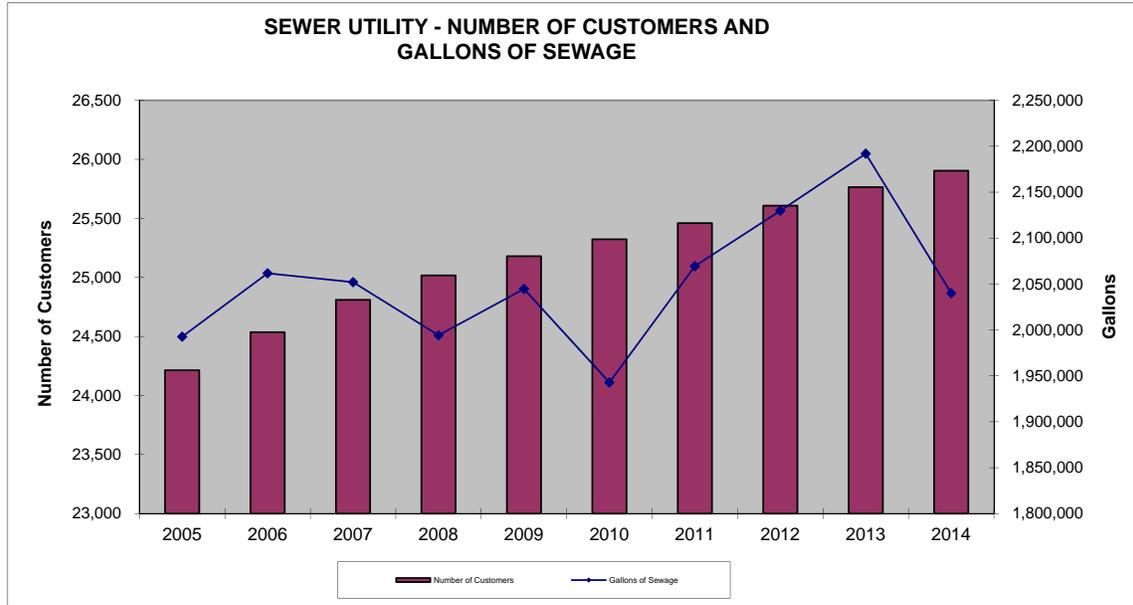
<u>Customer</u>	2005		
	<u>Gallons Billed</u>	<u>Amount Billed</u>	<u>% of Total</u>
Nestles Food Company	148,182,540	144,923	5.3%
Cascade Tissue	121,286,704	139,631	4.4%
Hutchinson Technology	120,146,752	133,838	4.3%
American Phoenix	83,289,052	87,876	3.0%
University of Wisconsin-Eau Claire	77,867,548	128,996	2.8%
Sacred Heart Hospital	50,766,760	60,361	1.8%
Luther Midelfort-Mayo Health	43,757,252	66,669	1.6%
3M	39,505,620	47,488	1.4%
Eau Claire School District	28,893,744	53,640	1.0%
Oakwood Village	12,904,496	18,846	0.5%
Subtotal (ten largest)	726,600,468	882,268	26.1%
All other customers	2,049,786,532	4,742,049	73.9%
Grand Totals	2,776,387,000	\$ 5,624,317	100.0%

Source: Customer Services - City of Eau Claire

CITY OF EAU CLAIRE

**TABLE 19
SEWER UTILITY CUSTOMER SUMMARY
LAST TEN FISCAL YEARS**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Number of customers										
Residential	21,616	21,911	22,157	22,345	22,495	22,626	22,753	22,895	23,272	23,625
Commercial	2,341	2,365	2,391	2,411	2,424	2,435	2,445	2,451	2,231	2,012
Industrial	93	94	95	94	93	94	95	95	95	98
Public	164	166	167	167	168	168	167	167	167	169
Total	24,214	24,536	24,810	25,017	25,180	25,323	25,460	25,608	25,765	25,904
Gallons (thousands)										
Residential	982,929	989,805	1,005,253	990,279	1,082,255	1,035,729	1,080,152	1,087,106	1,184,590	1,164,037
Commercial	613,281	609,161	602,989	600,342	599,731	566,088	600,681	632,874	615,338	511,521
Industrial	275,062	348,936	334,562	303,806	252,218	235,880	285,293	302,251	274,097	262,107
Public	121,395	113,783	109,208	99,735	110,403	105,089	103,340	107,545	117,949	102,396
Total	1,992,667	2,061,685	2,052,012	1,994,162	2,044,607	1,942,786	2,069,466	2,129,776	2,191,974	2,040,061



Sources: Customer Services - City of Eau Claire

CITY OF EAU CLAIRE

TABLE 20
SEWER UTILITY CUSTOMER RATES
LAST TEN FISCAL YEARS

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Metered Service										
Quarterly Minimum Charge	\$ 16.32	\$ 16.32	\$ 16.32	\$ 17.28	\$ 18.48	\$ 19.76	\$ 21.12	\$ 22.56	\$ 5.19	\$ 5.31 *
Volume rate (per 100 cubic feet)	\$ 2.04	\$ 2.04	\$ 2.04	\$ 2.16	\$ 2.31	\$ 2.47	\$ 2.64	\$ 2.82	\$ 2.89	\$ 2.97

* Prior to 2013 the Quarterly Minimum charge was 8 CCF x volume rate, in 2013 the pricing structure was changed to a minimum flat fee of \$5.19 per quarterly billing.

Sources: Customer Services - City of Eau Claire

CITY OF EAU CLAIRE

TABLE 21
SEWER UTILITY - TEN LARGEST CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO

<u>Customer</u>	2014		
	<u>Gallons Billed</u>	<u>Amount Billed</u>	<u>% of Total</u>
Nestle USA	140,641,204	\$ 558,661	6.9%
Hutchinson Technology	112,579,984	447,195	5.5%
University of Wisconsin - Eau Claire	48,112,108	191,774	2.4%
Mayo Clinic Health System	36,349,808	144,499	1.8%
Sacred Heart Hospital	33,414,656	132,824	1.6%
Eau Claire School District	15,728,196	63,001	0.8%
Silver Spring Foods	13,790,128	54,776	0.7%
Oak Ridge Village	12,916,464	51,306	0.6%
Huebsch Laundry	12,669,624	50,327	0.6%
John Mogenson	12,545,456	52,450	0.6%
Subtotal (ten largest)	438,747,628	1,746,813	21.5%
All other customers	1,601,313,372	\$ 5,911,070	78.5%
Grand Totals	2,040,061,000	\$ 7,657,883	100.0%

<u>Customer</u>	2005		
	<u>Gallons Billed</u>	<u>Amount Billed</u>	<u>% of Total</u>
Hutchinson Technology	104,896,077	\$ 286,080	5.3%
Nestles Food Company	82,839,504	225,926	4.2%
University of Wisconsin-Eau Claire	69,366,528	189,181	3.5%
Sacred Heart Hospital	41,015,084	111,829	2.1%
Luther Midelfort-Mayo Health	40,971,700	111,741	2.1%
3-M Companies	34,405,008	93,832	1.7%
Eau Claire School District	18,772,831	51,199	0.9%
Oakwood Village Mobile Home Park	12,098,152	32,995	0.6%
Huebsch Laundry Co.	11,596,992	31,628	0.6%
Chippewa Valley Technical College	7,179,304	19,580	0.4%
Subtotal (ten largest)	423,141,180	\$ 1,153,991	21.2%
All other customers	1,569,525,820	\$ 4,280,554	78.8%
Grand Totals	1,992,667,000	\$ 5,434,545	100.0%

Source: Customer Services - City of Eau Claire

CITY OF EAU CLAIRE

TABLE 22
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Dollars in Thousands, except per capita)

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Promissory Notes	State Trust Fund Loans	General Obligation Bonds	State Trust Fund Loans	Revenue Bonds			
2005	48,955	-	146	13,415	297	10,595	73,408	3.82%	1,136
2006	49,565	-	111	13,635	266	9,460	73,037	3.57%	1,123
2007	54,475	-	76	15,155	232	10,285	80,223	3.76%	1,230
2008	62,840	2,015	39	15,445	198	9,015	89,552	4.06%	1,370
2009	64,855	6,205	468	16,405	162	10,070	98,165	4.42%	1,488
2010	64,102	7,545	468	17,253	124	9,445	98,937	4.40%	1,502
2011	64,442	7,560	433	18,673	84	8,700	99,892	4.28%	1,512
2012	63,954	8,962	-	18,959	43	7,925	99,843	4.31%	1,509
2013	71,105	10,814	-	18,616	-	22,037	122,572	4.73%	1,844
2014	69,349	11,245	-	18,166	-	39,466	138,226	5.30%	2,068

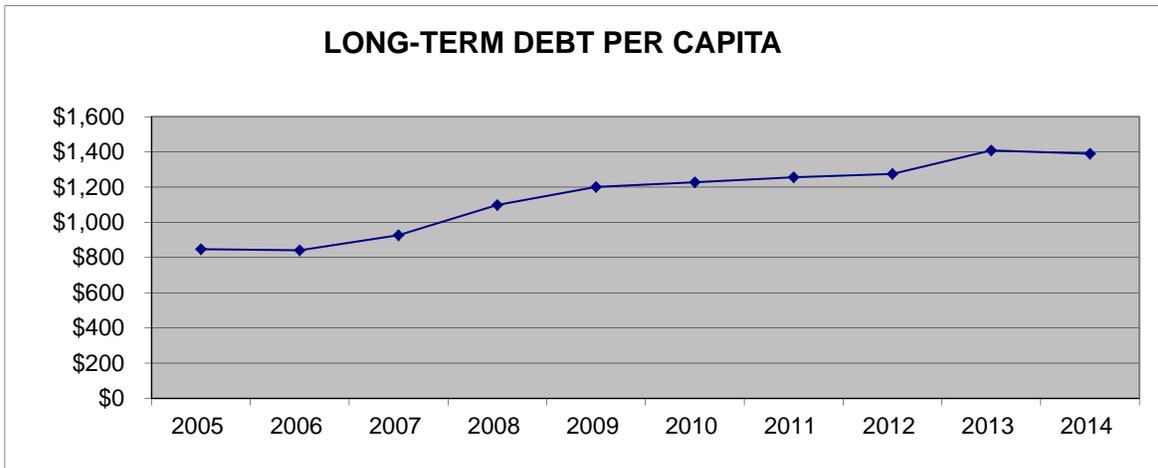
Source: City of Eau Claire Comprehensive Annual Financial Reports

Note: Personal income data and population data can be found on Table 29.

CITY OF EAU CLAIRE

TABLE 23
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years
(Dollars in Thousands)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Population	64,632	65,056	65,202	65,362	65,950	65,883	66,060	66,170	66,480	66,834
Equalized valuation	\$3,741,043	\$3,951,641	\$4,110,179	\$4,254,935	\$4,315,947	\$4,224,624	\$4,247,468	\$4,223,724	\$4,325,665	\$4,461,599
General obligation bonds	62,370	63,200	69,630	78,285	81,260	81,355	83,115	82,956	89,721	87,515
Promissory Notes	-	-	-	2,015	6,205	7,545	7,560	8,962	10,814	11,245
State trust fund loans	<u>443</u>	<u>377</u>	<u>308</u>	<u>236</u>	<u>630</u>	<u>592</u>	<u>517</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total long-term debt (1)	62,813	63,577	69,938	80,536	88,095	89,492	91,192	91,918	100,535	98,760
Resources on hand for payment of debt	<u>(8,039)</u>	<u>(8,862)</u>	<u>(9,504)</u>	<u>(8,735)</u>	<u>(8,888)</u>	<u>(8,609)</u>	<u>(8,226)</u>	<u>(7,555)</u>	<u>(6,910)</u>	<u>(5,880)</u>
Net long-term debt	<u>\$ 54,774</u>	<u>\$ 54,715</u>	<u>\$ 60,434</u>	<u>\$ 71,801</u>	<u>\$ 79,207</u>	<u>\$ 80,883</u>	<u>\$ 82,966</u>	<u>\$ 84,363</u>	<u>\$ 93,625</u>	<u>\$ 92,880</u>
Percent of net long-term debt to equalized value	1.46%	1.38%	1.47%	1.69%	1.84%	1.91%	1.95%	2.00%	2.16%	2.08%
Net long-term debt per capita (not in thousands)	\$847	\$841	\$927	\$1,099	\$1,201	\$1,228	\$1,256	\$1,275	\$1,408	\$1,390



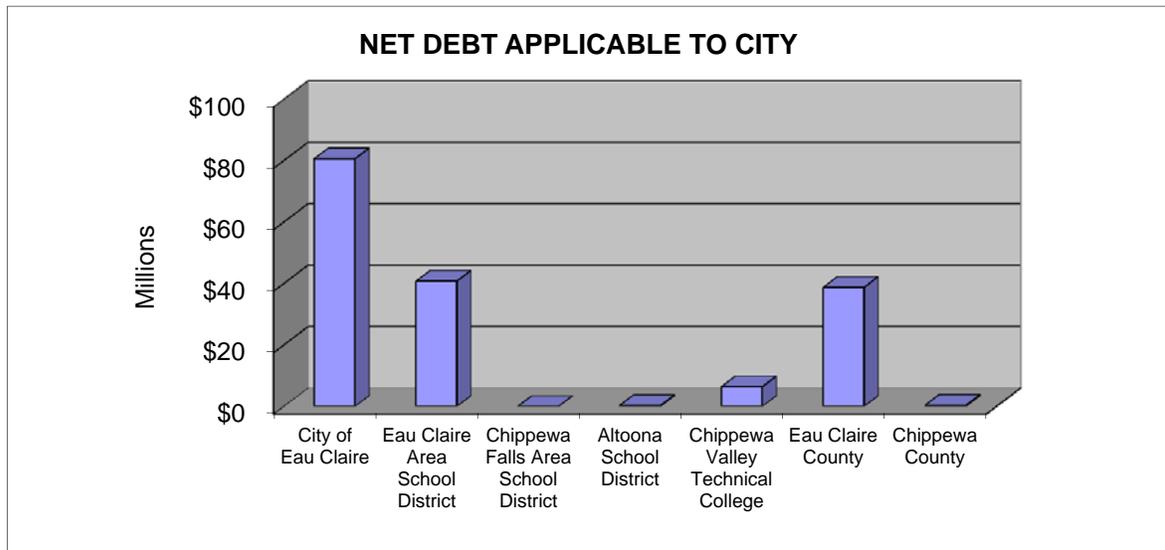
(1) NOTE: Includes General Long-Term Debt and Enterprise General Obligation Debt. Other enterprise debt and accrued employee absences are not included.

Sources: State of Wisconsin, Department of Administration, Demographic Services Center (population)
City of Eau Claire Assessor's Office, Statement of Changes in Equalized Values by Class & Item, as compiled by the Wisconsin Department of Revenue.

CITY OF EAU CLAIRE

TABLE 24
SCHEDULE OF DIRECT AND INDIRECT
GOVERNMENTAL ACTIVITIES GENERAL OBLIGATION DEBT
December 31, 2014

Governmental Unit	<u>Total Debt</u>	<u>Estimated Percentage Applicable To City (1)</u>	<u>Net Debt Applicable To City</u>
Direct debt:			
City of Eau Claire	<u>\$ 80,593,775</u>	100.00%	<u>\$ 80,593,775</u>
Indirect debt:			
Eau Claire Area School District	55,075,000	74.02%	40,764,429
Chippewa Falls Area School District	-	0.00%	-
Altoona School District	11,365,000	2.62%	297,897
Chippewa Valley Technical College	30,655,000	20.89%	6,402,837
Eau Claire County	64,300,000	60.29%	38,769,091
Chippewa County	<u>9,995,000</u>	3.69%	<u>368,357</u>
 Total indirect debt	 <u>171,390,000</u>		 <u>86,602,611</u>
 Total direct and indirect debt	 <u>\$ 251,983,775</u>		 <u>\$ 167,196,386</u>
 Indirect debt per capita			 \$ 1,296
Indirect debt as a % of equalized value			1.94%
 Total direct and indirect debt per capita			 \$ 2,502
Total direct and indirect debt as a % of equalized value			3.75%



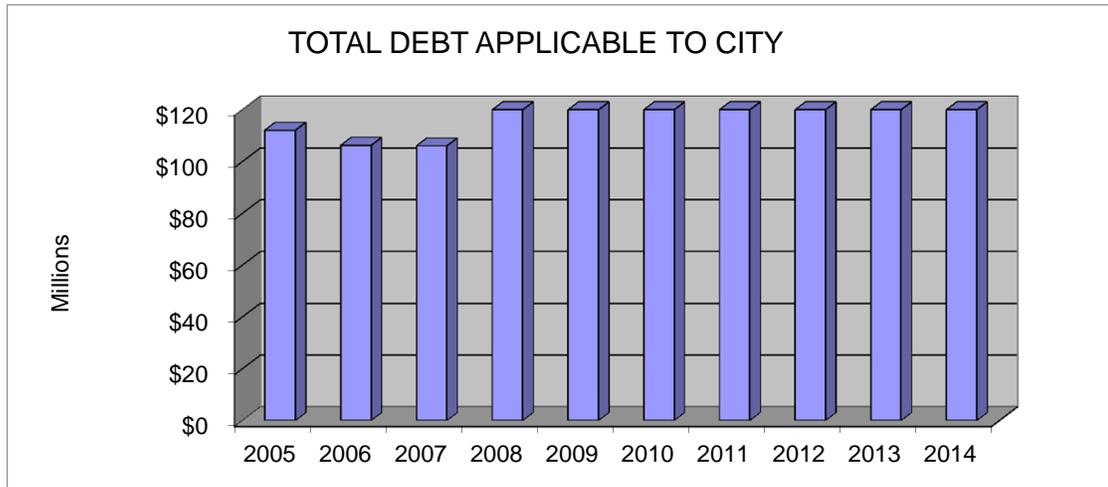
(1) NOTE: The percentage of debt applicable to the City is based on the most recent equalized value of the taxing districts within the City as compared to the entire district.

Sources: City of Eau Claire Comprehensive Annual Financial Report
Financial Officers of the overlapping School Districts and Counties

CITY OF EAU CLAIRE

TABLE 25
SCHEDULE OF DIRECT AND INDIRECT
GENERAL OBLIGATION DEBT
Last Ten Fiscal Years
(Dollars in Thousands)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Total debt applicable to City	\$112,127	\$106,253	\$106,074	\$124,713	\$129,213	\$129,133	\$162,524	\$172,390	\$181,242	\$185,363
Direct debt:										
General City	\$62,813	\$63,577	\$69,938	\$80,536	\$88,095	\$89,492	\$91,192	\$91,918	\$100,535	\$98,760
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Indirect debt:										
Eau Claire Area										
School District	\$39,569	\$34,154	\$28,451	\$22,440	\$20,512	\$13,703	\$32,777	\$44,164	\$42,713	\$40,764
Percent	74.69%	74.77%	74.66%	74.60%	75.12%	74.09%	74.27%	74.03%	74.03%	74.02%
Chippewa Falls Area										
School District	\$10	\$6	\$3	\$2	\$0	\$0	\$0	\$0	\$0	\$0
Percent	0.19%	0.18%	0.18%	0.18%	0.16%	0.24%	0.24%	0.00%	0.00%	0.00%
Altoona School District	\$248	\$221	\$221	\$183	\$176	\$156	\$142	\$118	\$42	\$298
Percent	3.02%	2.93%	2.95%	2.64%	2.65%	2.65%	2.68%	2.65%	2.67%	2.62%
C.V. Technical College	\$5,901	\$5,606	\$5,208	\$4,764	\$4,643	\$4,116	\$4,272	\$4,349	\$3,657	\$6,403
Percent	20.48%	20.04%	19.94%	19.83%	20.33%	20.22%	20.58%	20.69%	20.69%	20.89%
Eau Claire County	\$3,083	\$2,242	\$1,837	\$16,425	\$15,444	\$21,345	\$33,517	\$31,487	\$33,889	\$38,769
Percent	61.27%	61.39%	61.16%	61.10%	61.62%	60.72%	60.89%	60.65%	60.41%	60.29%
Chippewa County	\$503	\$447	\$416	\$364	\$343	\$320	\$624	\$354	\$406	\$368
Percent	3.74%	3.54%	3.55%	3.37%	3.50%	3.64%	3.64%	3.63%	3.64%	3.69%



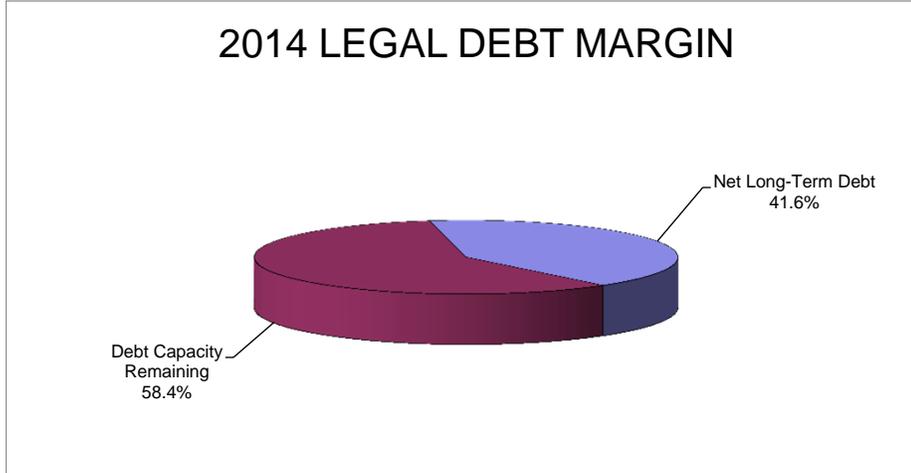
Source: City of Eau Claire Schedule of Long-Term Debt

Note: The information on this table differs from Table 24 as all general obligation debt is reported, including debt from business-type activities.

CITY OF EAU CLAIRE

TABLE 26
COMPUTATION OF LEGAL DEBT MARGIN
Last Ten Fiscal Years
(Dollars in Thousands)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Equalized valuation	\$3,741,043	\$3,951,641	\$4,110,179	\$4,254,935	\$4,315,947	\$4,224,624	\$4,247,468	\$4,223,724	\$4,325,665	\$4,461,599
Legal debt percentage	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Legal debt limit	\$187,052	\$197,582	\$205,509	\$212,747	\$215,797	\$211,231	\$212,373	\$211,186	\$216,283	\$223,080
Resources on hand for payment of debt	(\$8,039)	(\$8,862)	(\$9,504)	(\$8,735)	(\$8,888)	(\$8,609)	(\$8,226)	(\$7,555)	(6,910)	(\$5,880)
Net long-term debt	\$54,774	\$54,715	\$60,434	\$71,801	\$79,207	\$80,883	\$82,966	\$84,363	\$93,625	\$92,880
Legal debt margin	\$132,278	\$142,867	\$145,075	\$140,946	\$136,590	\$130,348	\$129,407	\$126,823	\$122,658	\$130,200
Legal debt margin as a percentage of the debt limit	71%	72%	71%	66%	63%	62%	61%	60%	57%	58%



Sources: City of Eau Claire Comprehensive Annual Financial Report
City of Eau Claire Annual Program of Services

CITY OF EAU CLAIRE

TABLE 27
 PLEDGED REVENUE COVERAGE
 Last Ten Fiscal Years
 (Dollars in Thousands)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<u>WATER UTILITY</u>										
Operating revenue	\$7,150	\$7,600	\$8,100	\$7,822	\$8,379	\$8,390	\$8,649	\$9,349	\$9,372	\$9,446
Operating expense (1)	\$3,337	\$3,295	\$3,609	\$4,110	\$4,230	\$4,280	\$4,120	\$5,686	\$5,670	\$6,349
Income available for debt service	\$3,813	\$4,305	\$4,491	\$3,712	\$4,149	\$4,110	\$4,529	\$3,663	\$3,702	\$3,097
Debt service current year (2)	\$1,058	\$1,063	\$1,062	\$1,244	\$3,176	\$1,094	\$1,156	\$1,154	\$1,160	\$2,685
Coverage	3.60	4.05	4.23	2.98	1.31	3.76	3.92	3.17	3.19	1.15
Debt service for highest principal and interest year in retirement schedule	\$1,078	\$1,078	\$1,244	\$1,243	\$1,163	\$1,163	\$1,163	\$1,163	\$1,163	\$557
Coverage on highest year	3.54	3.99	3.61	2.99	3.57	3.53	3.89	3.15	3.18	5.56
<u>SEWER UTILITY</u>										
Operating revenue	\$6,156	\$6,295	\$6,291	\$6,514	\$6,653	\$6,979	\$7,692	\$8,591	\$9,742	\$9,461
Operating expense (1)	\$3,887	\$4,184	\$4,100	\$4,485	\$4,639	\$5,069	\$4,975	\$6,775	\$6,886	\$7,383
Income available for debt service	\$2,269	\$2,111	\$2,191	\$2,029	\$2,014	\$1,910	\$2,717	\$1,816	\$2,856	\$2,078
Debt service current year (2)	\$522	\$525	\$528	\$520	\$0	\$0	\$0	\$0	\$376	\$904
Coverage	4.35	4.02	4.15	3.90	N/A	N/A	N/A	N/A	7.59574	2.29867
Debt service for highest principal and interest year in retirement schedule	\$528	\$528	\$520	\$0	\$0	\$0	\$0	\$0	\$1,041	\$2,423
Coverage on highest year	4.30	4.00	4.21	N/A	N/A	N/A	N/A	N/A	2.74	0.86

(1) NOTE: Operating expense does not include depreciation or property tax equivalent.

(2) NOTE: Includes only revenue bond principal and interest.

Sources: City of Eau Claire Comprehensive Annual Financial Report
 City of Eau Claire Schedule of Long Term Debt annual report

CITY OF EAU CLAIRE

TABLE 28
 RATIO OF ANNUAL GENERAL FUND DEBT PAYMENTS
 TO TOTAL GENERAL FUND EXPENDITURES AND
 OTHER FINANCING USES
 Last Ten Fiscal Years
 (Dollars in Thousands)

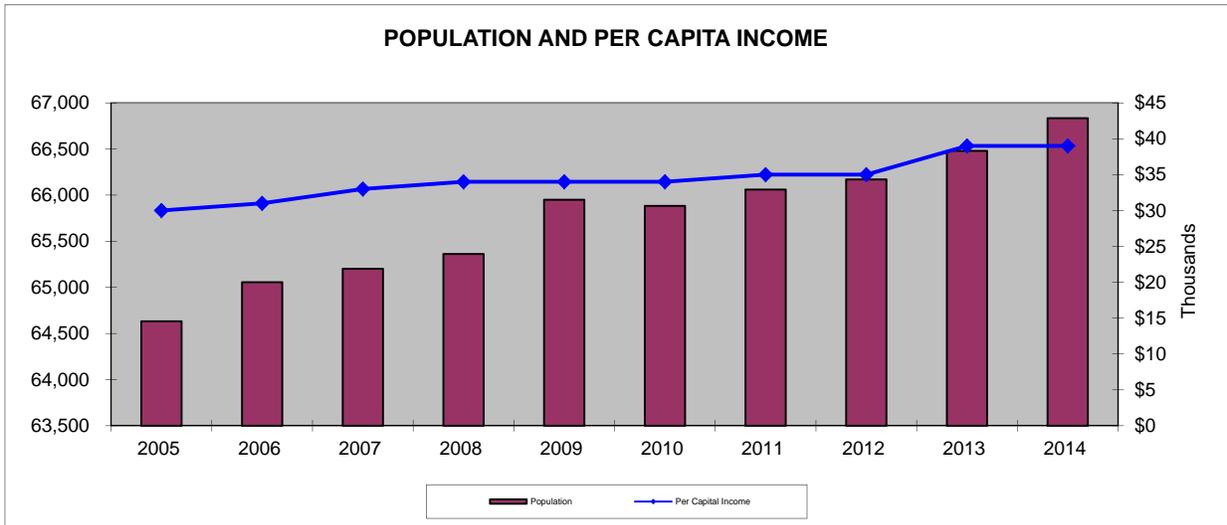
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Transfers to Debt Service fund	\$2,735	\$2,731	\$2,853	\$4,418	\$4,187	\$4,966	\$5,534	\$6,096	\$6,187	\$7,433
Total expenditures and other financing uses	\$44,721	\$45,839	\$47,775	\$48,966	\$51,108	\$52,623	\$54,065	\$56,330	\$56,570	\$58,192
Percent of debt transfers to expenditures and other financing uses	6.1%	6.0%	6.0%	9.0%	8.2%	9.4%	10.2%	10.8%	10.9%	12.8%

Source: City of Eau Claire Annual Program of Services

CITY OF EAU CLAIRE

TABLE 29
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years
(Dollars in Thousands)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Population	64,632	65,056	65,202	65,362	65,950	65,883	66,060	66,170	66,480	66,834
Consumer price index (1)	195.3	201.6	207.3	215.3	214.5	218.1	224.9	229.6	233.0	234.8
Per capita income (2)	\$30	\$31	\$33	\$34	\$34	\$34	\$35	\$35	\$39	\$39
Personal income	\$1,919,441	\$2,047,377	\$2,133,083	\$2,206,490	\$2,219,811	\$2,249,066	\$2,331,918	\$2,315,950	\$2,592,720	\$2,606,526
Unemployment rate E.C. Metro Area	4.6%	4.4%	4.5%	4.5%	7.4%	7.2%	6.7%	6.3%	6.1%	4.3%
Area in square miles	33.59	33.85	33.47	33.77	33.88	33.90	33.91	33.99	34.26	34.28
Number of residential parcels	19,678	19,838	20,072	19,766	19,829	19,922	19,941	19,960	19,974	19,976
Number of business properties	1,494	1,507	1,520	1,525	1,524	1,527	1,527	1,530	1,534	1,535
Acres devoted to business	3,192	3,209	3,271	3,281	3,282	3,287	3,287	3,290	3,318	3,334
Miles of street	361.5	366.0	341.4	341.7	341.9	343.4	343.3	344.5	344.6	345.0



(1) U.S. All Cities Consumer Price Index for all urban consumers (CPU-U), annual average.

(2) Through 2009, U.S. Bureau of Economic Analysis; 2010 is estimated.

Sources: City of Eau Claire Department of Community Development
 City of Eau Claire Public Works Department
 Department of Community Development
 WI Dept. of Labor, Bureau of Workforce Information
 Statistical Report of Property Values - Eau Claire and Chippewa Counties

CITY OF EAU CLAIRE

TABLE 30
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

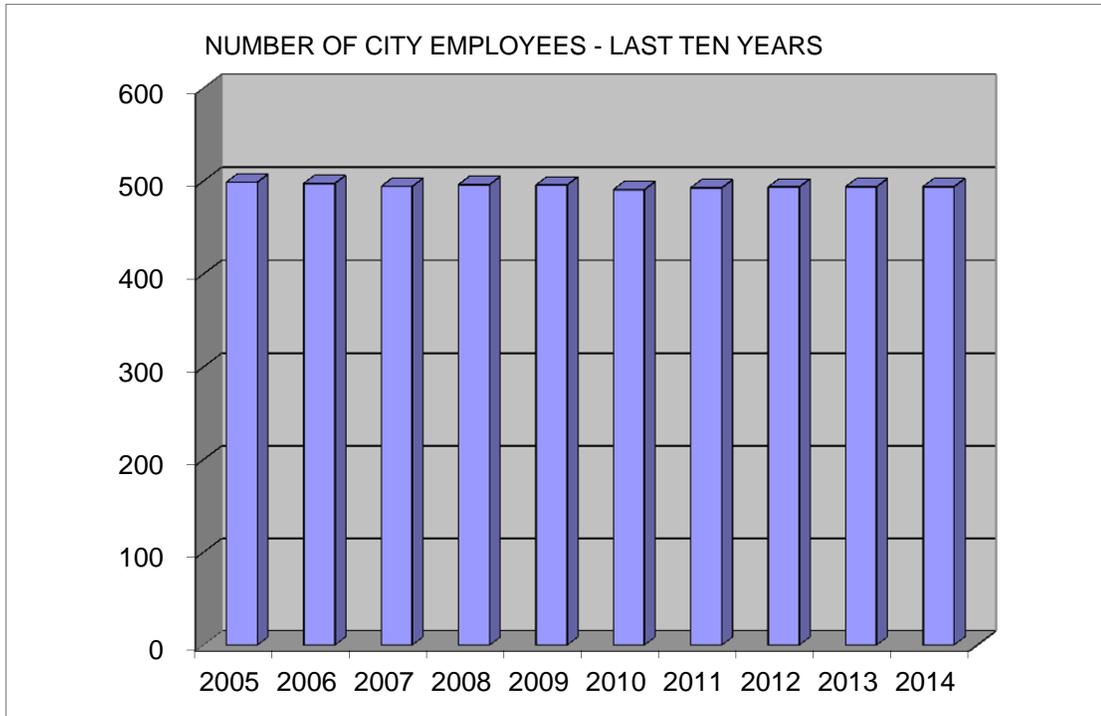
Employer	2014			2005		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Mayo Clinic Health System	3,640	1	9%	1,347	3	4%
Menard's Inc.	2,500	2	6%	2,300	1	7%
United Health Group	1,600	3	4%			0%
Sacred Heart Hospital	1,409	4	4%	1,200	6	3%
Eau Claire Area School District	1,388	5	4%	1,491	2	4%
University of Wisconsin - Eau Claire	1,387	6	4%	1,300	5	4%
Marshfield Clinic - Eau Claire	727	7	2%			
Nestle Foods	655	8	2%			
City of Eau Claire	521	9	1%			
Hutchinson Technology	520	10	1%	900	7	3%
Midelfort Clinic	-			1,338	4	4%
Uniprise	-			750	8	2%
Phillips Plastics Corp	-			700	9	2%
Eau Claire County	-			550	10	2%
Total Principal Employers	14,347		37%	11,876		34%
TOTAL EMPLOYEES	39,229			35,246		

Sources : Wisconsin Department of Workforce Development, Office of Economic Advisors
Community Development - City of Eau Claire
Phone Survey

CITY OF EAU CLAIRE

TABLE 31
EMPLOYEE SUMMARY -
NUMBER OF MUNICIPAL EMPLOYEES
Last Ten Fiscal Years

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Government	66.3	66.0	64.5	64.8	64.3	62.8	62.8	62.8	62.8	62.8
Public Works	62.0	62.0	61.0	61.0	61.0	59.0	60.0	60.0	60.0	63.0
Parks & Recreation	38.8	37.8	37.8	37.0	36.0	35.0	35.0	34.0	34.0	31.0
Public Safety	222.0	222.0	223.0	226.0	227.0	228.0	229.0	231.0	230.7	230.7
Enterprise Funds	101.8	101.7	100.0	99.5	99.5	98.0	98.0	98.0	97.5	97.5
Internal Service Funds	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	9.0	9.0
Total Employees	498.9	497.5	494.3	496.3	495.8	490.8	492.8	493.8	494.0	494.0



NOTES: Public Library and City-County Health employees are not included.
A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave).
Full-time equivalent employment is calculated by dividing total labor hours by 2,080.

Source: City of Eau Claire Program of Services

CITY OF EAU CLAIRE

TABLE 32
EMPLOYEE SUMMARY
SCHEDULE OF COMPENSATED ABSENCES
Last Ten Fiscal Years
(Total Unused Time In Days)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Compensatory leave	688	561	411	501	461	479	543	612	933	807
Vacation leave	5,448	7,180	5,303	5,316	5,547	5,305	5,475	5,281	10,788	7,572
	6,136	7,741	5,714	5,817	6,008	5,784	6,018	5,893	11,721	8,379
Sick leave	35,764	43,214	33,295	34,094	33,112	32,704	33,130	31,756	38,261	30,529
Total compensatory, vacation, and sick leave	41,900	50,955	39,009	39,911	39,120	38,488	39,148	37,649	49,982	38,908

NOTE: Unused compensatory and vacation leave are paid upon retirement and the value of accrued time is included as a liability on the Statement of Net Assets.

Sick leave is paid only as used during employment.

For years 2005 through 2012 employee vacation earned but not yet available for use was not included in the total. In 2013 for non-union employees all vacation earned was available for use therefore included in the total.

CITY OF EAU CLAIRE

TABLE 33
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

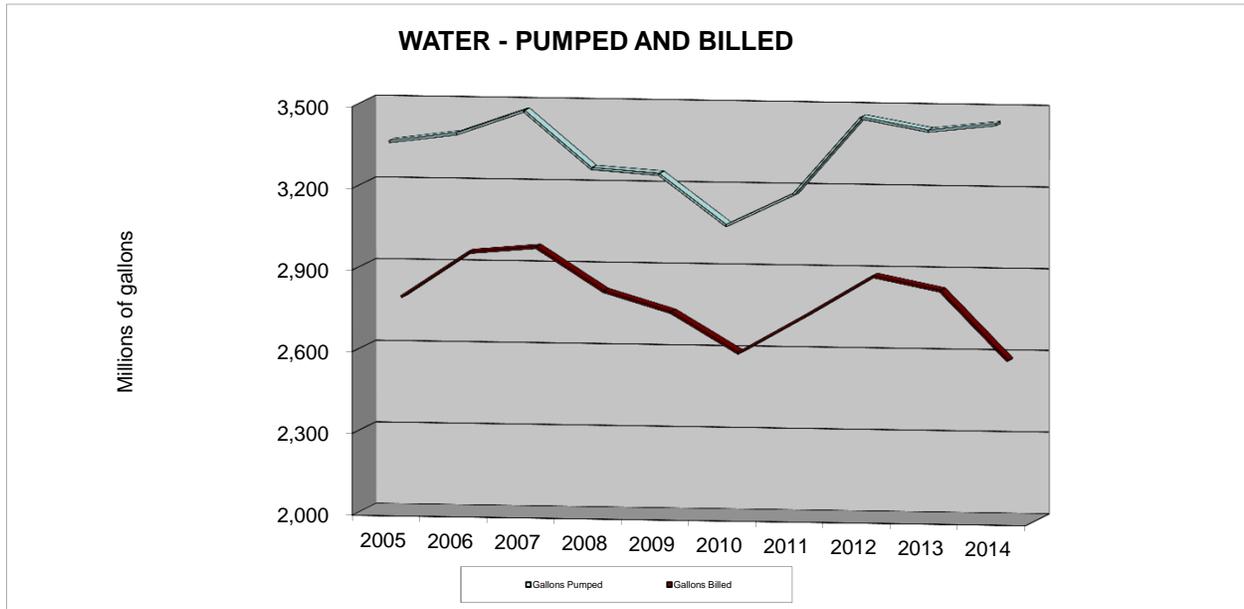
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General government										
Size of the City in square miles	33.59	33.85	33.47	33.77	33.88	33.90	33.90	33.99	34.26	34.28
Population	64,632	65,056	65,202	65,362	65,950	66,149	66,060	66,170	66,480	66,834
Number of City employees	498.9	497.5	494.3	496.3	495.8	490.8	492.8	493.8	494.0	494.0
Community Development										
Building permits issued	1,175	1,255	1,159	1,064	1,102	1,179	1,197	1,389	1,091	961
Police										
Calls for service	31,048	30,750	30,006	29,628	27,309	27,591	26,173	26,748	26,107	26,477
Adult arrests	5,697	6,171	5,891	6,465	5,604	5,388	4,202	4,217	4,025	4,069
Fire										
EMS responses	4,559	4,741	4,622	6,060	5,819	6,056	6,294	6,420	6,480	6,801
Fire responses	204	201	166	157	183	157	183	156	152	145
Fire inspections	6,071	6,148	5,893	6,005	3,962	3,925	3,865	4,000	4,268	4,230
Public Works										
Miles of street plowed/maintained	326	333	335	337	349	343	343	343	344	346
Vehicles and equipment in fleet	284	284	284	291	293	299	298	295	302	295
Parks & Recreation										
Neighborhood playground program attendance	13,063	11,625	10,368	9,148	6,549	4,741	4,450	1,870	752	-
Hobbs Ice Arena - rented hours	3,425	3,554	3,321	3,683	3,199	4,336	4,539	4,264	5,308	5,625
Outdoor Pool attendance	62,151	58,025	51,560	57,151	47,027	60,070	64,189	67,051	60,345	58,199
Library										
Volumes in collection	294,077	297,799	304,261	298,458	291,003	279,260	282,018	277,022	271,678	273,214
Circulation	1,387,388	1,367,066	1,345,609	1,371,203	1,324,094	1,389,733	1,386,018	1,291,468	1,189,608	1,085,971
Health Department										
Environmental Health Inspections	5,145	5,387	5,470	4,647	5,117	5,301	5,740	4,444	3,585	4,353
Number of lab analyses	23,351	24,507	21,858	19,308	18,817	17,152	21,223	21,595	18,226	13,163
Public Health Nurse visits	5,507	5,022	4,751	3,741	4,928	3,893	4,635	4,246	2,706	2,523
Water										
Meters in service	25,176	25,424	25,660	25,982	26,146	26,291	26,136	27,469	27,801	28,076
Average daily consumption (1,000 gallons)	7,606	8,067	8,122	7,690	7,490	7,096	7,476	7,881	7,746	7,269
Sewer										
Sewer customers	24,214	24,536	24,810	25,017	25,180	25,323	25,460	25,608	25,765	25,904
Stormwater										
ERU rate	\$ 47.00	\$ 53.00	\$ 59.00	\$ 62.00	\$ 68.00	\$ 73.00	\$ 77.00	\$ 80.00	\$ 83.00	\$ 86.00
Transit										
Total route miles	1,045,132	1,066,727	900,099	960,910	1,008,425	1,040,069	996,349	1,078,552	1,077,649	1,136,003
Passengers	1,010,644	1,030,374	1,067,303	1,090,203	1,001,790	971,491	1,091,958	1,039,921	1,047,962	1,072,460

Source: Various City Department records and Program of Services

CITY OF EAU CLAIRE

TABLE 34
WATER UTILITY - PRODUCTION STATISTICS
Last Ten Fiscal Years

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Average number of water customers	25,052	25,389	25,664	25,884	26,066	26,230	26,371	26,504	26,647	26,769
Total gallons pumped (in thousands)	3,367,293	3,399,614	3,487,015	3,279,529	3,262,360	3,077,606	3,195,910	3,480,099	3,435,954	3,463,220
Total gallons billed (in thousands)	2,776,387	2,942,565	2,964,665	2,806,917	2,733,694	2,587,862	2,728,612	2,876,674	2,827,222	2,574,410
Percent of water billed	82.45%	86.56%	85.02%	85.59%	83.79%	84.09%	85.38%	82.66%	82.28%	74.34%
Miles of main	351	357	366	368	368	369	375	374	392	392
Number of fire hydrants	3,445	3,530	3,671	3,703	3,696	3,747	3,831	3,893	3,948	3,980
Residential customer's average quarterly water bill	\$42.20	\$42.20	\$45.73	\$45.73	\$51.37	\$51.37	\$52.80	\$54.51	\$55.24	\$56.55



Source: Public Service Commission Reports

CITY OF EAU CLAIRE

TABLE 35
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Police										
Patrol units	21	21	21	21	21	23	23	23	25	25
Unmarked vehicles	14	14	14	18	18	16	16	16	19	19
Fire										
Number of fire stations	6	6	6	6	6	6	6	6	6	6
Firefighting vehicles	10	10	10	10	10	10	10	10	10	10
Ambulances	5	5	6	6	6	6	6	6	6	6
Public Works										
Miles of streets	361.5	366.0	341.4	341.7	341.9	343.4	343.3	344.5	344.6	345.0
Number of traffic signs installed/straightened	746	673	459	671	601	1249	684	973	1185	1304
Vehicles and equipment in fleet	284	284	284	291	293	299	298	295	302	295
Parks & Recreation										
Number of parks	36	36	32	32	32	35	35	35	35	35
Number of playgrounds	18	20	18	18	18	18	18	18	18	18
Outdoor pool	1	1	1	1	1	1	1	1	1	1
Indoor ice skating facilities	2	2	2	2	2	3	3	3	3	3
Water										
Water hydrants	3445	3530	3671	3703	3696	3747	3831	3893	3558	3677
Storage capacity (1)	15.5	15.5	15.5	16.1	16.1	16.1	16.1	16.1	16.1	16.1
Sewer										
Miles of sewers	306	316	319	320	321	322	326	327	339	341
Treatment capacity (1)	12	12	12	12	12	12	12	12	12	12
Parking Utility										
Parking structures	2	2	2	2	2	2	2	2	2	2
Surface lots	11	11	11	11	11	11	11	11	12	12
Transit										
Number of buses	22	22	22	22	22	22	22	22	22	22

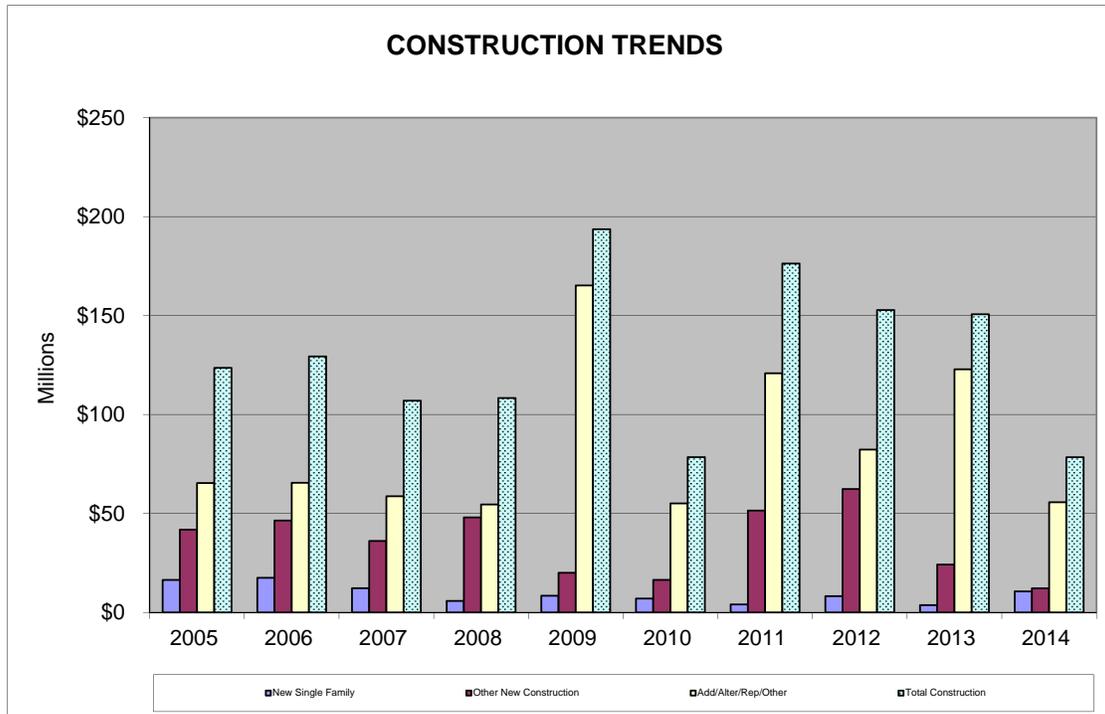
NOTES (1) - Numbers are in millions of gallons.

Sources: City department records
City of Eau Claire Program of Services
City of Eau Claire Comprehensive Annual Financial Report

CITY OF EAU CLAIRE

TABLE 36
PROPERTY VALUE AND CONSTRUCTION
Last Ten Fiscal Years
(Dollars in Thousands)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
New single family dwellings: # of units	102	104	66	37	47	41	25	55	59	59
Value	\$16,396	\$17,451	\$12,203	\$5,780	\$8,407	\$6,971	\$4,002	\$8,181	\$3,665	\$10,603
Other new construction	\$41,809	\$46,399	\$36,100	\$47,992	\$20,002	\$16,417	\$51,448	\$62,332	\$24,158	\$12,146
Additions/alterations/repairs & all other types of const.	\$65,363	\$65,484	\$58,675	\$54,531	\$165,200	\$55,054	\$120,830	\$82,268	\$122,830	\$55,654
Total construction valuation	\$123,568	\$129,334	\$106,978	\$108,303	\$193,609	\$78,442	\$176,280	\$152,781	\$150,653	\$78,403
Number of permits	1,175	1,255	1,159	1,064	1,102	1,151	1,197	1,389	1,091	961



Source: City of Eau Claire Inspections Division , "Fee Summary Report".

CITY OF EAU CLAIRE

TABLE 37
INSURANCE COVERAGES
December 31, 2014

	<u>Coverage Limits</u>	<u>Deductible or Self-Insured Retention (SIR)</u>
Worker's Compensation	Statutory	\$500,000 per occurrence
Commercial general liability:		
Bodily injury and property damage liability	\$10,000,000	\$200,000 (SIR) per occurrence \$400,000 (SIR) annual aggregate
Boiler and machinery	\$50,000,000	\$5,000
Fire and extended coverage	\$232,198,979	\$25,000
Inland marine - all risks (contractor's equipment)	\$3,721,076	\$500
Money and securities - broad form coverage	\$10,000	\$1,000
Public official liability insurance (includes police)	\$10,000,000	\$200,000 (SIR) per occurrence \$400,000 (SIR) annual aggregate
Automobile and truck insurance (excluding Transit):		
Bodily injury and property damage liability	\$10,000,000	\$200,000 (SIR) per occurrence \$400,000 (SIR) annual aggregate
Uninsured motorists	\$50,000	\$200,000 (SIR) per occurrence \$400,000 (SIR) annual aggregate
Comprehensive	\$8,846,777	\$5,000
Collision	\$8,846,777	\$5,000
Transit		
Bodily injury and property damage liability	\$7,000,000	\$0
Public official surety bond		
Chief of Police	\$10,000	N/A
Director of Finance	\$10,000	N/A

Source: City of Eau Claire Risk Manager