



City of Eau Claire

Eau Claire, Wisconsin

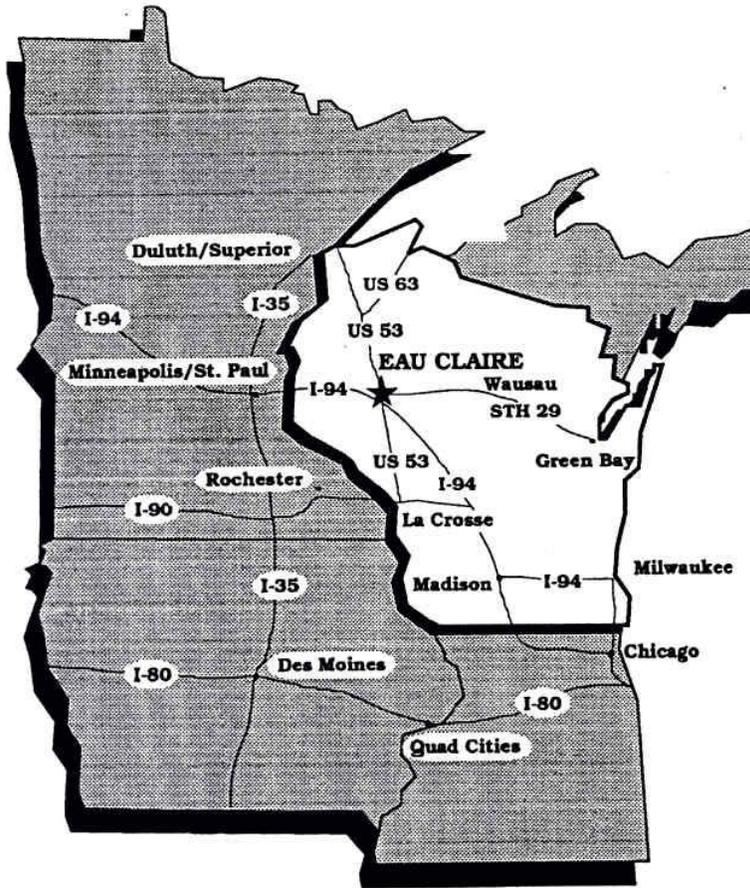
COMPREHENSIVE ANNUAL FINANCIAL REPORT
INCLUDING INDEPENDENT AUDITORS' REPORT
AS OF AND FOR THE YEAR ENDED

DECEMBER 31, 2018

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, 2018

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INTRODUCTORY SECTION

This section contains the following information:

- > Elected and Appointed Officials
- > Organizational Chart
- > Letter of Transmittal
- > Certificate of Achievement

CITY OF EAU CLAIRE, WISCONSIN
ELECTED AND APPOINTED OFFICIALS

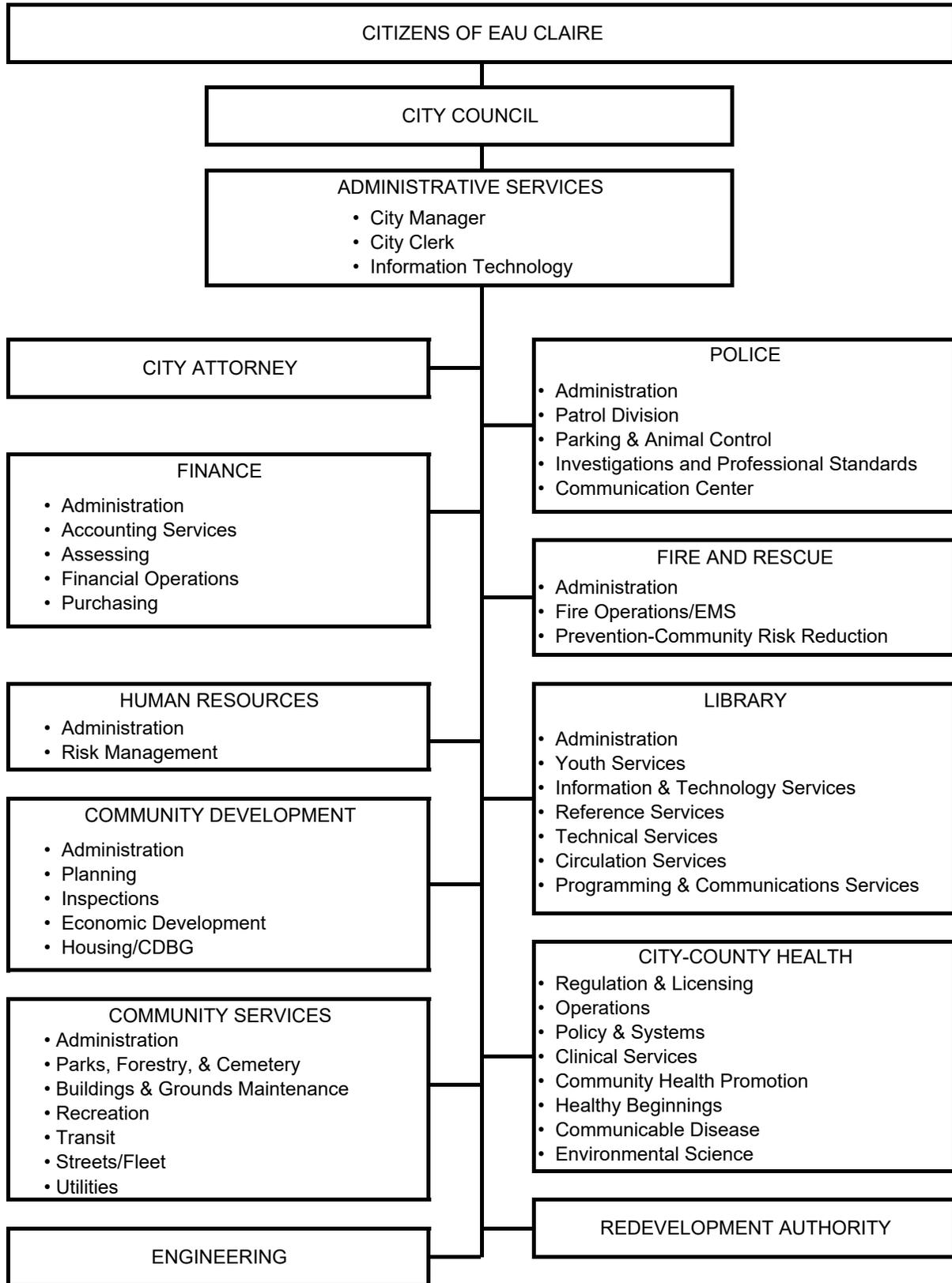
Elected Officials

	<u>Term Commenced</u>	<u>Term Expires</u>
Andrew F. Werthmann Acting Council President	April 2017	April 2020
Emily K. Berge..... District One	April 2018	April 2021
Emily C. Anderson..... District Two	April 2018	April 2021
Jeremy E. Gragert District Three	April 2018	April 2021
Jill N. Christopherson District Four	April 2018	April 2021
Andrew F. Werthmann District Five	April 2018	April 2021
Terry L. Weld..... Council at Large	April 2018	April 2021
Kate M. Beaton Council at Large	April 2016	April 2019
David S. Strobel..... Council at Large	April 2016	April 2019
Michael M. Xiong..... Council at Large	April 2016	April 2019
Catherine N. Emmanuelle Council at Large	April 2016	April 2019

Appointed Officials

J. Dale Peters	City Manager
Jacob J. Winzenz.....	Director of Finance
Victoria L. Seltun	Director of Human Resources
Robert A. Nelson	Information Services Manager
Scott H. Allen	Director of Community Development
Jeffrey A. Pippenger.....	Director of Community Services
David A. Solberg.....	Director of Engineering
Christian M. Bell.....	Fire Chief
Gerald W. Staniszewski.....	Police Chief
Stephen C. Nick.....	City Attorney
Pamela K. Westby	Public Library Director
Elizabeth A. Giese.....	City-County Health Director
Carrie L. Riepl.....	City Clerk
Aaron J. White	Economic Development Manager

Organizational Chart City of Eau Claire, Wisconsin





June 28, 2019

City Council
 Citizens of Eau Claire
 Eau Claire, Wisconsin

The *Comprehensive Annual Financial Report* for year ended December 31, 2018, has been prepared to provide readers detailed information concerning the financial condition of the City of Eau Claire. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City government. We believe the information contained herein is accurate in all material aspects. In addition, we believe the information is presented in a manner designed to fairly set forth the financial position and operational results of the City as measured by the financial activity of its various funds and component units. All disclosures necessary to enable the reader to gain a reasonable understanding of the City's financial affairs have been included.

Reporting Entity

The Governmental Accounting Standards Board (GASB) outlines criteria by which financial information must be supplied by the primary government. Criteria include 1) The primary government's finances; 2) Organizations for which the primary government is financially responsible; and 3) Other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

This report includes all of the funds and component units of the City of Eau Claire as defined by the criteria for reporting entities.

General Fund	<ul style="list-style-type: none"> • <i>Accounts for the general administration of the City of Eau Claire</i> 	
Special Revenue Funds	<ul style="list-style-type: none"> • Economic Development • Community Enhancement • Downtown • Cemetery Maintenance • Hazardous Materials Response • Public Library 	<ul style="list-style-type: none"> • City-County Health Department • Former Landfill Escrow • Community Development Block Grant • HOME Grant • Police Department K9
Debt Service Funds	<ul style="list-style-type: none"> • General Debt Service • TIFs #5 & #7 	

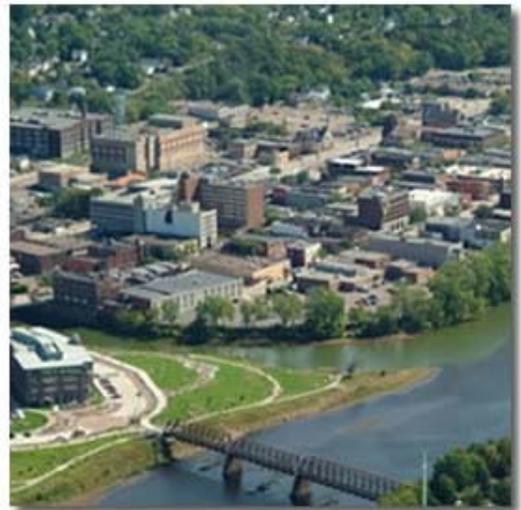
Capital Projects Funds	<ul style="list-style-type: none"> • Environmental Improvements • Land, Buildings & Equipment • Street Projects • Transportation Improvements • Bridge Projects • Parks & Recreation Projects • Library Building & Equipment 	<ul style="list-style-type: none"> • TIF #7 Soo Line Development • TIF #8 Downtown Area Development • TIF #9 NW Business Park Phase II • TIF #10 Confluence Project • TIF #11 Downtown • TIF #12 Water Street
Enterprise Funds	<ul style="list-style-type: none"> • Water, Sewer, Storm Water & Parking Utilities • Public Transit 	<ul style="list-style-type: none"> • Hobbs Ice Center • Outdoor Pool
Internal Service Funds	<ul style="list-style-type: none"> • Central Equipment 	<ul style="list-style-type: none"> • Risk Management
Agency Funds	<ul style="list-style-type: none"> • Tax Collection 	

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 35 square miles. As of 2018, the population in Eau Claire is 68,043, and the population of the Greater Eau Claire Metropolitan Area is 165,900.

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 is organized under the Council/Manager form of government as defined in the State Statutes. The City Council is responsible for all legislative actions, determining community needs, establishing priorities and policies, adopting an annual budget and hiring the City Manager. The City Manager, in turn, is responsible to carry out the directive of the City Council and to direct the operations of the City organization so as to accomplish the goals and objectives of the City Council.

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 2018. At-large Council members were elected to three-year terms in April 2019. The Council President was elected to complete one year of a three-year term in April 2019. An election will be held for the Council President in 2020.

The City Council holds public hearings at 7pm on the Monday night prior to the legislative sessions that are held at 4pm on the second and fourth Tuesdays of each month.

The vision statement of the Eau Claire City Council reads: Eau Claire is a vibrant city with exceptional quality of life and services.

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 Operating Budget 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 (See Table 30).

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 2,300 individuals. Oakleaf Medical Network is a private hospital designed exclusively for surgery, and has received numerous awards for patient safety and patient experience. A new cancer center operated by the Marshfield Clinic Health System opened in 2018 in Eau Claire.



Marshfield Clinic



Mayo Clinic Health System



Sacred Heart Hospital

Growing Regional Talent Pool

University of Wisconsin – Eau Claire and Chippewa Valley Technical College comprise two institutions of higher education that contribute to a growing talent pool in west-central Wisconsin. The two schools combined have over 20,000 students enrolled in programs such as applied science, nursing, computer science, marketing, and welding. The University of Wisconsin – Eau Claire is consistently rated among the top 10 public Midwestern universities.

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. In 2018 area tourism generated \$256 million in revenue in Eau Claire County, which created approximately 6,900 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 approximately 600 businesses that employ approximately 12,000 individuals. The service industry comprises the largest employer category in downtown Eau Claire, followed by retail trade, and government.

Major Initiatives

Capital Investments - City Hall Campus Improvements

In 2018, City Hall received an exterior renovation including cleaning decades of wear off the stone façade, replacing all mortar between the blocks, and replacing the roof. Also beginning in 2018 was the complete interior renovation of City Hall to restore historic features lost in the 1970's remodel as well as create modern office space. Work on the interior is scheduled to be complete in August 2019. The renovations improve staff efficiency, customer service, HVAC operations, and ADA access for the public.



City Hall Campus

Capital Investments - Confluence Crossing Bridge

The “Confluence Crossing” bridge has been shown on planning documents for over a decade. In 2018 the bridge was constructed which connects Phoenix Park with Haymarket Plaza. The bridge also provides an ADA friendly connection of the North Barstow Parking Structure with the Pablo Center. The bridge is 16’ wide, meeting current standards for a combined bicycle and pedestrian bridge and has two viewing bumpouts in the center of the bridge.



Confluence Crossing Bridge

Capital Investments - Haymarket Plaza

Haymarket Plaza lies in the center of the Confluence Project on the banks of the Eau Claire and Chippewa River. Haymarket Plaza provides an urban plaza connecting the Haymarket Landing Building with the Pablo Center at the Confluence. The plaza also includes a section of the Downtown Riverwalk that follows the Eau Claire and Chippewa Rivers from Lake Street to Barstow Street. The previous use of the site was a parking lot. Work on the Plaza began in 2018 and is scheduled to be complete in July 2019.



Haymarket Plaza

Capital Investments - Graham Avenue

Graham Avenue, from Eau Claire Street to Lake Street, was completely rebuilt from the deepest utilities to the driving surface. The \$2.3M project included utilities, concrete pavement, parking areas, and decorative streetscape that ties Graham Avenue into the overall downtown theme of a welcoming district.



Graham Avenue

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.

Yahoo Finance recognized Eau Claire as being among the ten best cities to retire on \$100 per day. The analysis focused on areas where retirees could live comfortably and affordably. Eau Claire’s low cost of living, easy access to high quality healthcare, recreational opportunities, and cultural events were all noted as being contributing factors.

Thrillist Travel named Eau Claire the best small town to visit in Wisconsin. The article noted the Eau Claire Music Festival set up by Bon Iver frontman and Eau Claire native Justin Vernan, as well as the Oxbow, a new boutique hotel in downtown. Also mentioned in the article are the river trails, Phoenix Park, and the Lazy Monk Brewery.

Eau Claire was named as a leading location for economic and job growth by *Area Development*, an executive publication covering site selection, facility planning, and relocation. The publication ranked the Eau Claire Metropolitan Statistical Area (MSA) as 61st out of 365 MSAs in the country.

Carson Park Causeway (Grand Avenue/Half Moon Lake Bridge Replacement) – multiple award winner

The Carson Park Causeway project replaced a bridge that was originally built in the 1930’s. The new bridge allows kayaks and canoes to pass underneath, has Americans with Disabilities Act-compliant fishing sites, sidewalks, bike paths, and decorative lighting.

- Wisconsin DOT Excellence in Highway Design Winner – NW Region / Local Program Design
- ACEC (American Council of Engineering Companies) Wisconsin Engineering Excellence Best of State Award
- APWA (American Public Works Association) - Project of the Year Award – Wisconsin
- APWA (American Public Works Association) - Project of the Year Award – National
- Downtown Eau Claire Award – Carson Park Causeway – Best New Development



Before



After

Carson Park Causeway

Downtown Eau Claire Award – Grand Avenue Footbridge – Best New Renovation



The Grand Avenue Footbridge replacement project widened the walking area of the bridge by two-feet, added additional overlooks of the river, and decorative lighting.

Forbes Recognizes Eau Claire as one of the Best Small Places for Business and Careers

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 Place" category, Eau Claire ranked 101st in Cost of Business, 93rd in Job Growth, and 48th in Education.

Eau Claire Recognized as a Leading Location for Economic and Job Growth

Area Development, an executive publication covering site-selection, facility planning, and relocation, recently ranked Eau Claire 61st out of 365 Metropolitan Statistical Areas (MSA) in the United States for Economic and Job Growth.

Eau Claire named one of six cities where you can Work Less and Earn More

Once a hub for both the manufacturing and lumber industries, Eau Claire has successfully evolved into a thriving center of tech manufacturing and health care. MarketWatch reports that RewardExpert ranks Eau Claire fifth on its list "due to the fact that it has the fourth-shortest workweek out of the 387 studied metropolitan areas. The average hourly wage for its residents clocks in slightly above the national average." June 2019

The Eau Claire Historic Preservation Foundation acknowledged with a Certificate of Appreciation the renovation work being done to the City of Eau Claire City Hall complex at 203 S. Farwell Street. The renovation will increase energy efficiency and reveal architectural features of the original buildings including skylights and fireplaces that had been covered for decades. The buildings are the original City Hall completed in 1917 and the Carnegie Library, a gift from philanthropist Andrew Carnegie, which was constructed in 1903.



Bird City – The City of Eau Claire is pleased to be recognized as a Bird City, signifying important steps and strategies it’s taken to support a healthy bird population. Birds help control pests, keep natural systems in order, enrich our lives with their beauty and are fun to watch.



Tree City – The City of Eau Claire has enjoyed status as a Tree City for 40 years. A Tree City is one that shows it understands the value of trees and the importance of sustainable tree management. The City of Eau Claire is committed to the health and maintenance of its tree canopy.



Bicycle Friendly Community – The City of Eau Claire has been designated a Bicycle Friendly Community by the League of American Bicyclists. Bicycle Friendly cities work to improve conditions for bicyclists through what have been identified by the League of American Bicyclists as the five essential elements of a Bike Friendly community, including Engineering, Education, Encouragement, Enforcement, and Evaluation and Planning.

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 funds, 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 Director of Finance 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 policies provide directives for the City's financial operations including budgeting, investing, revenues, reserves, special assessments, purchasing, pension, special events and risk management. During the annual budgeting process the City Council is presented with the budgeting policies and how proposed budgets comply with each of the policies.

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 accordance with generally accepted accounting principles and comment on the scope of the examination. The opinion is unmodified 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, 2018 were also completed by the independent auditors. The reports are available under separate cover.

Management's Discussion and Analysis

Immediately following the independent auditors' 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, 2017. 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, Scott Kosmo, Lead Accountant, Sandra Perz, Accountant, Vicki Franson, Accountant, and the remainder of the Finance Department staff for their dedication in preparing this report.

Respectfully submitted,



Jacob J. Winzenz
Finance Director



Dale Peters
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, 2017. This was the thirty-fourth 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, 2017

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

This section contains the following subsections:

- > Independent Auditors' Report
- > Management's Discussion and Analysis (Unaudited)
- > Basic Financial Statements
- > Notes to Financial Statements
- > Pension and Other Postemployment Benefit Schedules
- > Combining and Individual Fund Statements and Schedules

Independent 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.

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, 2018, 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.

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, 2018 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 required supplementary 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 for the year ended December 31, 2018 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 supplementary information for the year ended December 31, 2018 as listed in the table of contents is presented for purposes of additional analysis and is 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 for the year ended December 31, 2018, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2018.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the City of Eau Claire as of and for the year ended December 31, 2017 (not presented herein), and have issued our report thereon dated June 28, 2018, which contained unmodified 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. The supplementary information for the year ended December 31, 2017 is presented for purposes of additional analysis and is 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 2017 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2017 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2017.

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.

Prior-Year Comparative Information

We have previously audited the City of Eau Claire's 2017 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 28, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Eau Claire's 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 Virchow Krause, LLP

Eau Claire, Wisconsin
June 28, 2019

Management's Discussion and Analysis (Unaudited)

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, 2018. 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 assets and deferred outflows of resources of the City of Eau Claire exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$356.2 million (net position). Of the net position, \$293.5 million represents the City's net investment in capital assets, \$35.1 million is held for restricted purposes and \$27.6 million is available to meet the City's ongoing obligations to its citizens and creditors.
- During 2018, the City of Eau Claire's total net position increased by \$10.7 million from 2017, or approximately 3.1%.
- At the close of 2018, the City of Eau Claire's General Fund reported an ending fund balance of \$29.7 million, a net increase of \$.9 million from 2017.
- At the end of the current fiscal year, unassigned fund balance for the General fund was \$18.5 million or 35.4% of the total General Fund expenditures.
- During 2018, the City of Eau Claire continued a proactive plan for the replacement of aging infrastructure, upgrading of technology used in operations and the improvement of utility services. The City's additions to capital assets totaled \$34.2 million, excluding construction in progress, as shown in Note III-D of this report.

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 government-wide financial statements can be found on pages 1 through 3 of this report.

Both 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; 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 114.

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 14 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 17 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 on the following page. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The largest portion of the City's net position, approximately 82.4% is invested in capital assets, less any related debt used to acquire those assets that is still outstanding. Capital assets include such items as land, improvements, buildings, infrastructure, machinery and equipment, intangibles and work in progress. 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. Net investment in capital assets reported in connection with the City's total activities increased \$5.5 million or 1.9% from 2017. The capital assets analysis is explained in greater detail on page xxvii.

An additional portion of the City's net position, 9.8%, represents resources that are subject to other restrictions as to how they may be used. Restricted net position reported in connection with the City's total activities increased \$11.9 million or 51.2% due mainly to the \$9.6 million in net pension assets and also due to an increase of \$1.7 million in restricted equipment replacement funds.

The remaining net position, 7.8% is unrestricted and may be used to meet the City's ongoing obligations to its citizens and creditors. It is important to note that \$17.4 million, or about 63.0%, 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 the current fiscal year, the City was able to report positive balances in all three categories of net position, both for the government as a whole and for its separate governmental and business-type activities. The same situation held true for the prior year.

City of Eau Claire, Wisconsin Summary of Net Position

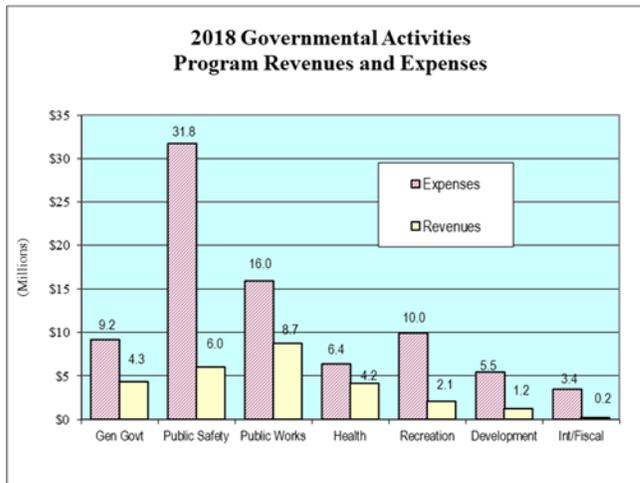
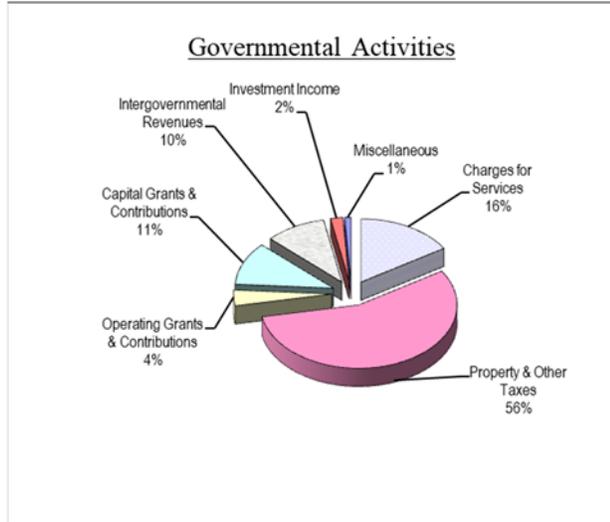
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2018	2017	2018	2017	2018	2017
Current and Other Assets	\$ 141,823,052	\$ 136,786,766	\$ 32,451,638	\$ 28,626,619	\$ 174,274,690	\$ 165,413,385
Capital Assets (Net)	202,249,100	188,594,744	250,099,336	247,342,637	452,348,436	435,937,381
Total Assets	<u>344,072,152</u>	<u>325,381,510</u>	<u>282,550,974</u>	<u>275,969,256</u>	<u>626,623,126</u>	<u>601,350,766</u>
Deferred Outflows of Resources	<u>19,885,654</u>	<u>20,896,124</u>	<u>2,381,000</u>	<u>2,834,391</u>	<u>22,266,654</u>	<u>23,730,515</u>
Current Liabilities	7,381,014	7,746,286	2,024,604	2,083,272	9,405,618	9,829,558
Noncurrent Liabilities	<u>158,528,252</u>	<u>153,718,091</u>	<u>59,472,817</u>	<u>61,033,586</u>	<u>218,001,069</u>	<u>214,751,677</u>
Total Liabilities	<u>165,909,266</u>	<u>161,464,377</u>	<u>61,497,421</u>	<u>63,116,858</u>	<u>227,406,687</u>	<u>224,581,235</u>
Deferred Inflows of Resources	<u>63,295,962</u>	<u>53,975,323</u>	<u>2,018,513</u>	<u>1,083,013</u>	<u>65,314,475</u>	<u>55,058,336</u>
Net Investment in Capital Assets	107,877,841	108,081,249	194,167,440	189,245,423	302,045,281	297,326,672
Debt Reclassification	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,554,595)</u>	<u>(9,356,569)</u>
Total Net Investment in Capital Assets	<u>107,877,841</u>	<u>108,081,249</u>	<u>194,167,440</u>	<u>189,245,423</u>	<u>293,490,686</u>	<u>287,970,103</u>
Restricted	<u>25,221,878</u>	<u>16,147,710</u>	<u>9,839,779</u>	<u>7,045,463</u>	<u>35,061,657</u>	<u>23,193,173</u>
Unrestricted	<u>1,652,859</u>	<u>6,608,975</u>	<u>17,408,821</u>	<u>18,312,890</u>	<u>19,061,680</u>	<u>24,921,865</u>
Debt Reclassification	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,554,595</u>	<u>9,356,569</u>
Total Unrestricted	<u>1,652,859</u>	<u>6,608,975</u>	<u>17,408,821</u>	<u>18,312,890</u>	<u>27,616,275</u>	<u>34,278,434</u>
Total Net Position	<u>\$ 134,752,578</u>	<u>\$ 130,837,934</u>	<u>\$ 221,416,040</u>	<u>\$ 214,603,776</u>	<u>\$ 356,168,618</u>	<u>\$ 345,441,710</u>
Total Net Position as a % of Total Liabilities/Deferred Inflows	59%	61%	349%	334%	122%	124%
Unrestricted Net Position as a % of Total Liabilities/Deferred Inflows	1%	3%	27%	29%	9%	12%

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

City of Eau Claire, Wisconsin Summary of Activities

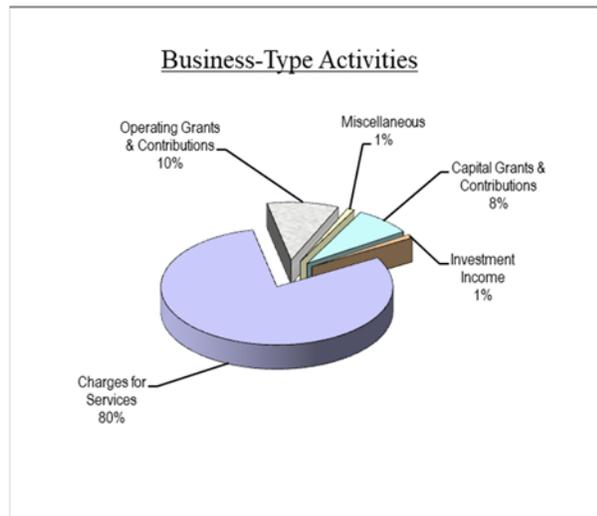
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2018	2017	2018	2017	2018	2017
Revenues						
Program revenues:						
Charges for services	\$ 14,230,095	\$ 13,813,060	\$ 28,221,591	\$ 27,387,141	\$ 42,451,686	\$ 41,200,201
Operating grants & contributions	3,569,886	3,539,417	3,426,197	3,420,451	6,996,083	6,959,868
Capital grants & contributions	8,984,329	5,680,238	2,940,125	535,454	11,924,454	6,215,692
General revenues:						
Property taxes	45,761,635	43,678,636	-	-	45,761,635	43,678,636
Hotel/motel room taxes	2,022,688	2,006,478	-	-	2,022,688	2,006,478
Other taxes	418,534	271,240	-	-	418,534	271,240
Intergovernmental revenues	8,703,519	8,636,848	-	-	8,703,519	8,636,848
Investment income	1,926,995	1,185,182	297,630	169,025	2,224,625	1,354,207
Miscellaneous	276,613	586,342	287,375	920,120	563,988	1,506,462
Total revenues	85,894,294	79,397,441	35,172,918	32,432,191	121,067,212	111,829,632
Expenses						
Program expenses:						
General government	9,249,124	8,302,415	-	-	9,249,124	8,302,415
Public safety	31,792,969	29,988,626	-	-	31,792,969	29,988,626
Public works	15,984,033	17,212,553	-	-	15,984,033	17,212,553
Health services	6,372,757	6,336,338	-	-	6,372,757	6,336,338
Culture and recreation	9,995,611	10,158,159	-	-	9,995,611	10,158,159
Development	5,494,366	6,802,760	-	-	5,494,366	6,802,760
Interest & fiscal charges	3,445,326	3,307,915	-	-	3,445,326	3,307,915
Water Utility	-	-	6,856,005	6,966,768	6,856,005	6,966,768
Sewer Utility	-	-	9,165,896	9,731,121	9,165,896	9,731,121
Storm Water Utility	-	-	3,519,018	3,298,068	3,519,018	3,298,068
Public Transit	-	-	5,936,953	6,138,377	5,936,953	6,138,377
Parking Utility	-	-	816,753	663,853	816,753	663,853
Hobbs Ice Center	-	-	1,229,614	1,234,173	1,229,614	1,234,173
Outdoor Pool	-	-	481,879	443,666	481,879	443,666
Total expenses	82,334,186	82,108,766	28,006,118	28,476,026	110,340,304	110,584,792
Increase in net position before transfers	3,560,108	(2,711,325)	7,166,800	3,956,165	10,726,908	1,244,840
Transfers	354,536	(424,403)	(354,536)	424,403	-	-
Change in net position	3,914,644	(3,135,728)	6,812,264	4,380,568	10,726,908	1,244,840
Net position at January 1	130,837,934	133,973,662	214,603,776	210,223,208	345,441,710	344,196,870
Net position at December 31	\$134,752,578	\$130,837,934	\$221,416,040	\$214,603,776	\$356,168,618	\$345,441,710

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 56% of the revenue for governmental activities. State aids and other grants comprise another 25% while charges for services and all other sources are equal to 19% 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 2018 governmental activities.

Business-type activities depend on charges for services as their primary revenue sources. As indicated in the chart on the right, 80% 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, 2018, the City of Eau Claire's *Balance Sheet - Governmental Funds* on page 4 reported combined ending fund balances of \$54.5 million, a decrease of \$1.3 million over the previous year's ending balances.

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 78.3% of revenues. Public safety, public works and general government were the primary operations of the General Fund. Of the \$71.4 million General Fund expenditures and other financing uses, 41.3% or \$29.5 million was related to public safety, 13.5% or \$9.7 million was related to public works and 10.2% or \$7.3 million was related to general government.

The General Fund has a fund balance of \$29.7 million, an increase of \$.9 million from 2017. Several factors led to this increase, the most significant was due to a higher than expected rate of return on investments which accounted for \$.5 million of the increase.

Of the fund balance, \$3.7 million is nonspendable, reflecting loans made to other funds and organizations, prepaid items and inventories. The assigned fund balance of \$7.5 million includes \$5.6 million for subsequent year capital projects and operating budget carryforwards, \$1.7 million for maintenance on an arterial thoroughfare and \$.2 million for the replacement of artificial turf. The unassigned fund balance is \$18.5 million.

The Debt Service Fund had a total fund balance of \$4.9 million, a decrease of \$.1 million from 2017. This balance reflects the amounts restricted to pay debt service.

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 2017 by \$2.1 million, primarily due to the increased capital outlay expenditures in the nonmajor capital project funds as indicated on pages 97 and 98.

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 13. The net position of the enterprise-type proprietary funds at the end of 2018 totaled \$221.4 million, an increase of \$6.7 million from the previous year's net position.

Some highlights:

- The water utility's change in net position in the current year was a positive \$2.9 million as compared to positive change of \$1.4 million in fiscal year 2017. This increase of \$1.5 million is due mainly to a \$1.1 million increase in capital contributions.
- The sewer utility's change in net position in the current year was a positive \$2.7 million as compared to positive change of \$1.8 million in fiscal year 2017. This increase of \$.9 million is due mainly to a \$.6 million increase in capital contributions and \$.1 million increase in interest revenue earned on investments.
- The storm water utility's change in net position in the current year was a positive \$1.9 million as compared to positive change of \$1.8 million in fiscal year 2017. This increase of \$.1 million is due mainly to a \$.2 million increase in capital contributions offset by \$.1 million increase in wages and benefits expenses.
- The total enterprise funds had a collective income before transfers and contributions of \$4.2 million, primarily generated by the Water, Sewer and Storm Water funds.

GENERAL FUND BUDGETARY HIGHLIGHTS

As shown in the *Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund* on page 74, the original 2018 General Fund budget authorized expenditures and other financing uses of \$72.3 million, funded by anticipated revenues and other financing sources of \$69.4 million and the application of \$2.9 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 \$2.3 million due primarily to higher than anticipated advance payments of current special assessments and greater rates of return on investments.

The City experienced a favorable expenditure variance of \$.9 million compared to the original adopted budget. The variance is due mainly to lower than expected increases in health insurance premiums.

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, 2018 totaled \$708 million. These assets include the street network in the governmental activities and the water, sewer and storm water systems in the business-type activities. Total accumulated depreciation was calculated to be over \$255 million, or approximately 36% of the historical asset cost. Net of accumulated depreciation, the City's investment in capital assets is more than \$452 million. The net increase over 2017 is approximately \$16 million. The largest increases were due to a \$6.5 million increase in street construction, \$4.3 million related to construction of Fire Station #10, \$1.5 million related to construction of three water utility wells, and \$1.2 related to police department and communication center software upgrades.

City of Eau Claire, Wisconsin Capital Assets, Net of Accumulated Depreciation						
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2018	2017	2018	2017	2018	2017
Land	\$ 18,516,536	\$ 18,425,858	\$ 17,295,152	\$ 17,278,543	\$ 35,811,688	\$ 35,704,401
Improvements	13,237,296	12,206,281	4,381,737	4,074,543	17,619,033	16,280,824
Buildings	34,560,640	28,356,951	90,075,009	89,085,969	124,635,649	117,442,920
Infrastructure	212,857,922	206,403,122	220,943,395	210,021,776	433,801,317	416,424,898
Machinery and Equipment	42,801,712	41,020,516	28,912,961	28,360,857	71,714,673	69,381,373
Intangibles	9,249,603	7,939,387	230,360	251,204	9,479,963	8,190,591
Work in Progress	14,116,361	9,725,399	634,927	3,794,955	14,751,288	13,520,354
Subtotal	345,340,070	324,077,514	362,473,541	352,867,847	707,813,611	676,945,361
Less Accumulated Dep.	(143,090,970)	(135,482,770)	(112,374,205)	(105,525,210)	(255,465,175)	(241,007,980)
Total	\$ 202,249,100	\$ 188,594,744	\$ 250,099,336	\$ 247,342,637	\$ 452,348,436	\$ 435,937,381

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 2018 included the following:

<u>Significant Additions to Capital Assets in 2018</u>		
(Dollars in Millions)		
	<u>Governmental</u>	<u>Business-Type</u>
	<u>Activities</u>	<u>Activities</u>
Land, Improvements, and Buildings	\$ 7.6	\$ 1.3
Infrastructure	7.7	11.4
Machinery and Equipment	4.1	.8
Intangibles	1.3	-

Long-Term Debt

At December 31, 2018, the City of Eau Claire had approximately \$165 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>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
General Obligation Bonds & Notes	\$ 109,655,653	\$ 103,717,572	\$ 18,129,347	\$ 17,442,428	\$ 127,785,000	\$ 121,160,000
Revenue Bonds	-	-	37,259,151	39,341,337	37,259,151	39,341,337
Total	<u>\$ 109,655,653</u>	<u>\$ 103,717,572</u>	<u>\$ 55,388,498</u>	<u>\$ 56,783,765</u>	<u>\$ 165,044,151</u>	<u>\$ 160,501,337</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. The City has set an internal debt goal, which seeks to remain below 3.5% or 70% of the maximum allowed by the state. General obligation debt of the City at the close of 2018 totaled \$127.8 million, along with amounts available for payment of principal, is approximately 44% of the maximum legal limit and 63% of the maximum allowed by the City's internal policy. During 2018, 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>
09/27/2018	General Obligation Corporate Purpose Bonds issued to finance street improvements, bridge improvements, improvements to fire station and acquisitions of fire truck and equipment, TIF 8 projects, TIF 10 projects, water system improvements, storm water system improvements, Hobbs Municipal Ice Arena improvements, and for the purpose of refunding series 2009B Bonds.	\$14,330,000
09/27/2018	General Obligation Corporate Promissory Notes issued to finance street improvements, construction and improving of land, building and equipment, library improvements, and for the purpose of refunding series 2008A Bonds.	\$6,260,000
09/27/2018	Taxable General Obligation Corporate Purpose Bonds issued to finance parking facilities projects, park and public grounds improvement projects, redevelopment and urban renewal programs and projects, and for the purpose of refunding series 2008C Bonds.	\$7,195,000

The General Obligation Bonds and Promissory Notes were rated Aa1 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 (<https://www.eauclairewi.gov/government/financial-transparency/annual-financial-reports>). 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, 2018

(With Comparative Reporting Entity Totals for December 31, 2017)

	Primary Government				Totals Reporting Entity		
	Governmental Activities	Business-type Activities	Debt Reclassifications	Totals	Component Units	2018	2017
ASSETS							
Cash and investments	\$ 62,969,569	\$ 17,652,666	\$ -	\$ 80,622,235	\$ 943,627	\$ 81,565,862	\$ 79,248,733
Taxes receivable, net	46,764,545	871,098	-	47,635,643	-	47,635,643	47,923,347
Special assessments receivable	4,606,949	197,498	-	4,804,447	236,350	5,040,797	4,917,484
Notes receivable, net	2,940,414	-	-	2,940,414	4,167	2,944,581	3,024,045
Accounts receivable, net	2,340,355	4,896,514	-	7,236,869	1,445	7,238,314	7,655,587
Interest receivable	161,731	-	-	161,731	-	161,731	106,792
Due from other governments	1,034,317	1,161,184	-	2,195,501	-	2,195,501	1,856,482
Internal balances	3,595,162	(3,595,162)	-	-	-	-	-
Prepaid items and inventories	2,404,284	539,636	-	2,943,920	-	2,943,920	2,344,544
Restricted assets							
Cash and investments	5,661,087	9,667,989	-	15,329,076	-	15,329,076	18,882,571
Net pension asset	8,578,143	1,060,215	-	9,638,358	-	9,638,358	-
Deposit in insurance pools	766,496	-	-	766,496	-	766,496	766,496
Property held for resale	-	-	-	-	2,229,029	2,229,029	1,618,178
Capital assets							
Construction in progress	14,116,361	634,927	-	14,751,288	-	14,751,288	13,520,354
Land	18,516,536	17,295,152	-	35,811,688	-	35,811,688	35,704,401
Other capital assets, net of depreciation/amortization	169,616,203	232,169,257	-	401,785,460	-	401,785,460	386,712,626
Total Assets	<u>344,072,152</u>	<u>282,550,974</u>	<u>-</u>	<u>626,623,126</u>	<u>3,414,618</u>	<u>630,037,744</u>	<u>604,281,640</u>
DEFERRED OUTFLOWS OF RESOURCES							
Other postemployment benefit related amounts	4,275,097	345,545	-	4,620,642	-	4,620,642	3,558,409
Pension related amounts	15,610,557	2,000,719	-	17,611,276	-	17,611,276	20,121,142
Deferred charge on refunding	-	34,736	-	34,736	-	34,736	50,964
Total Deferred Outflows of Resources	<u>19,885,654</u>	<u>2,381,000</u>	<u>-</u>	<u>22,266,654</u>	<u>-</u>	<u>22,266,654</u>	<u>23,730,515</u>
LIABILITIES							
Accounts payable and accrued expenses	3,903,881	1,308,682	-	5,212,563	5,937	5,218,500	5,625,048
Accrued liabilities	2,849,950	644,039	-	3,493,989	-	3,493,989	3,665,403
Customer deposits	465,616	71,638	-	537,254	-	537,254	513,437
Due to other governments	161,567	245	-	161,812	-	161,812	142,026
Noncurrent liabilities							
Due within one year	11,423,653	4,203,165	-	15,626,818	-	15,626,818	15,106,985
Due in more than one year	147,104,599	55,269,652	-	202,374,251	-	202,374,251	199,644,692
Total Liabilities	<u>165,909,266</u>	<u>61,497,421</u>	<u>-</u>	<u>227,406,687</u>	<u>5,937</u>	<u>227,412,624</u>	<u>224,697,591</u>
DEFERRED INFLOWS OF RESOURCES							
Unearned revenues - time requirements	45,668,657	-	-	45,668,657	236,350	45,905,007	46,333,742
Other postemployment benefit related amounts	471,581	38,119	-	509,700	-	509,700	600,881
Pension related amounts	17,121,353	1,980,394	-	19,101,747	-	19,101,747	8,293,033
Deferred charge on refunding	34,371	-	-	34,371	-	34,371	5,680
Total Deferred Inflows of Resources	<u>63,295,962</u>	<u>2,018,513</u>	<u>-</u>	<u>65,314,475</u>	<u>236,350</u>	<u>65,550,825</u>	<u>55,233,336</u>
NET POSITION							
Net investment in capital assets	107,877,841	194,167,440	(8,554,595)	293,490,686	-	293,490,686	287,970,103
Restricted for:							
Debt service payments	6,481,152	1,698,564	-	8,179,716	-	8,179,716	7,504,251
Pension	8,578,143	1,060,215	-	9,638,358	-	9,638,358	-
Cemetery maintenance	151,211	-	-	151,211	-	151,211	184,786
Hazmat	185,157	-	-	185,157	-	185,157	175,014
Landfill Escrow	26,896	-	-	26,896	-	26,896	3,090
Community development	1,716,212	-	-	1,716,212	-	1,716,212	1,801,871
Home grant	13,345	-	-	13,345	-	13,345	1,093
Police department K9	412,066	-	-	412,066	-	412,066	455,340
Economic development	1,797,025	-	-	1,797,025	-	1,797,025	1,678,735
Community enhancement	44,054	-	-	44,054	-	44,054	102,331
Library	1,177,730	-	-	1,177,730	-	1,177,730	1,267,093
Health	1,385,336	-	-	1,385,336	-	1,385,336	1,471,079
Downtown	67,752	-	-	67,752	-	67,752	38,965
TIF projects	1,037,794	-	-	1,037,794	-	1,037,794	633,547
Capital contracts	1,041,338	-	-	1,041,338	-	1,041,338	1,395,491
Insurance deposits	1,106,667	-	-	1,106,667	-	1,106,667	1,101,487
Equipment replacement	-	7,081,000	-	7,081,000	-	7,081,000	5,379,000
Business improvement	-	-	-	-	215,212	215,212	194,123
Unrestricted	1,652,859	17,408,821	8,554,595	27,616,275	2,957,119	30,573,394	36,723,829
TOTAL NET POSITION	<u>\$ 134,752,578</u>	<u>\$ 221,416,040</u>	<u>\$ -</u>	<u>\$ 356,168,618</u>	<u>\$ 3,172,331</u>	<u>\$ 359,340,949</u>	<u>\$ 348,081,228</u>

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2018

(With Comparative Reporting Entity Totals for the Year Ended December 31, 2017)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 9,249,124	\$ 3,836,505	\$ 192,556	\$ 308,105
Public safety	31,792,969	5,460,252	568,043	13,254
Public works	15,984,033	493,506	4,826	8,226,690
Health services	6,372,757	2,425,274	1,763,511	-
Culture and recreation	9,995,611	1,595,498	86,866	436,280
Development	5,494,366	419,060	785,434	-
Interest and fiscal charges	3,445,326	-	168,650	-
Total Governmental Activities	82,334,186	14,230,095	3,569,886	8,984,329
Business-type Activities				
Water Utility	6,856,005	9,916,024	-	1,436,521
Sewer Utility	9,165,896	10,771,781	-	751,700
Storm Water Utility	3,519,018	4,675,233	38,737	751,904
Public Transit	5,936,953	1,205,752	3,387,460	-
Parking Utility	816,753	654,043	-	-
Hobbs Ice Center	1,229,614	712,446	-	-
Outdoor Pool	481,879	286,312	-	-
Total Business-type Activities	28,006,118	28,221,591	3,426,197	2,940,125
Total Primary Government	\$ 110,340,304	\$ 42,451,686	\$ 6,996,083	\$ 11,924,454
Component Units				
Redevelopment Authority	\$ 482,918	\$ -	\$ 249,642	\$ -
South Barstow Business Improvement District	100,776	-	-	-
North Barstow/Medical Business Improvement District	41,768	-	-	-
West Grand Business Improvement District	7,070	-	-	-
Water Street Business Improvement District	7,001	-	-	-
Total Component Units	\$ 639,533	\$ -	\$ 249,642	\$ -
General Revenues				
Taxes				
Property taxes, levied for general purposes				
Property taxes, levied for debt service				
Property taxes, levied for TIF districts				
Hotel/motel room taxes				
Other taxes				
Special assessments				
Intergovernmental revenues not restricted to specific programs				
Investment income				
Gain on disposal of capital assets and property held for resale				
Contributions from City				
Miscellaneous				
Total General Revenues				
Transfers				
Change in Net Position				
NET POSITION - Beginning of Year				
NET POSITION - END OF YEAR				

Net (Expenses) Revenues and Changes in Net Position				Totals Reporting Entity	
Governmental Activities	Business-type Activities	Totals		2018	2017
		Primary Government	Component Units		
\$ (4,911,958)	\$ -	\$ (4,911,958)	\$ -	\$ (4,911,958)	\$ (4,159,897)
(25,751,420)	-	(25,751,420)	-	(25,751,420)	(23,807,142)
(7,259,011)	-	(7,259,011)	-	(7,259,011)	(11,764,652)
(2,183,972)	-	(2,183,972)	-	(2,183,972)	(2,035,406)
(7,876,967)	-	(7,876,967)	-	(7,876,967)	(8,443,918)
(4,289,872)	-	(4,289,872)	-	(4,289,872)	(5,734,006)
<u>(3,276,676)</u>	<u>-</u>	<u>(3,276,676)</u>	<u>-</u>	<u>(3,276,676)</u>	<u>(3,131,030)</u>
<u>(55,549,876)</u>	<u>-</u>	<u>(55,549,876)</u>	<u>-</u>	<u>(55,549,876)</u>	<u>(59,076,051)</u>
-	4,496,540	4,496,540	-	4,496,540	2,988,422
-	2,357,585	2,357,585	-	2,357,585	945,458
-	1,946,856	1,946,856	-	1,946,856	1,309,883
-	(1,343,741)	(1,343,741)	-	(1,343,741)	(1,659,884)
-	(162,710)	(162,710)	-	(162,710)	(36,230)
-	(517,168)	(517,168)	-	(517,168)	(512,392)
-	<u>(195,567)</u>	<u>(195,567)</u>	-	<u>(195,567)</u>	<u>(168,237)</u>
-	<u>6,581,795</u>	<u>6,581,795</u>	-	<u>6,581,795</u>	<u>2,867,020</u>
<u>(55,549,876)</u>	<u>6,581,795</u>	<u>(48,968,081)</u>	-	<u>(48,968,081)</u>	<u>(56,209,031)</u>
-	-	-	(233,276)	(233,276)	(218,755)
-	-	-	(100,776)	(100,776)	(86,247)
-	-	-	(41,768)	(41,768)	(32,780)
-	-	-	(7,070)	(7,070)	(10,631)
-	-	-	<u>(7,001)</u>	<u>(7,001)</u>	<u>(9,652)</u>
-	-	-	<u>(389,891)</u>	<u>(389,891)</u>	<u>(358,065)</u>
32,212,730	-	32,212,730	-	32,212,730	31,424,112
9,474,521	-	9,474,521	-	9,474,521	8,759,648
4,074,384	-	4,074,384	-	4,074,384	3,494,876
2,022,688	-	2,022,688	-	2,022,688	2,006,478
418,534	-	418,534	-	418,534	271,240
-	-	-	175,000	175,000	175,000
8,703,519	-	8,703,519	-	8,703,519	8,636,848
1,926,995	297,630	2,224,625	2,704	2,227,329	1,355,620
9,595	-	9,595	-	9,595	780,568
-	-	-	745,000	745,000	-
<u>267,018</u>	<u>287,375</u>	<u>554,393</u>	-	<u>554,393</u>	<u>796,022</u>
<u>59,109,984</u>	<u>585,005</u>	<u>59,694,989</u>	<u>922,704</u>	<u>60,617,693</u>	<u>57,700,412</u>
<u>354,536</u>	<u>(354,536)</u>	<u>-</u>	-	-	-
3,914,644	6,812,264	10,726,908	532,813	11,259,721	1,133,316
<u>130,837,934</u>	<u>214,603,776</u>	<u>345,441,710</u>	<u>2,639,518</u>	<u>348,081,228</u>	<u>346,947,912</u>
<u>\$ 134,752,578</u>	<u>\$ 221,416,040</u>	<u>\$ 356,168,618</u>	<u>\$ 3,172,331</u>	<u>\$ 359,340,949</u>	<u>\$ 348,081,228</u>

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

BALANCE SHEET GOVERNMENTAL FUNDS As of December 31, 2018

	General Fund	Debt Service - General	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 26,566,505	\$ 4,567,093	\$ 19,298,902	\$ 50,432,500
Receivables				
Taxes	43,868,448	293	2,879,905	46,748,646
Delinquent personal property taxes, net	15,899	-	-	15,899
Accounts, net	1,912,457	25,931	403,604	2,341,992
Notes, net	25,000	-	2,915,414	2,940,414
Special assessments	4,605,701	1,248	-	4,606,949
Interest	161,731	-	-	161,731
Due from other governments	277,411	-	742,505	1,019,916
Due from other funds	1,387,645	-	-	1,387,645
Prepaid items and inventories	1,065,214	-	654,682	1,719,896
Advances to other funds	2,939,780	301,300	1,400,000	4,641,080
Restricted assets - cash and investments	-	-	5,320,916	5,320,916
	\$ 82,825,791	\$ 4,895,865	\$ 33,615,928	\$ 121,337,584
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 897,675	\$ -	\$ 2,755,268	\$ 3,652,943
Accrued liabilities	1,508,023	-	407,941	1,915,964
Deposits	454,754	-	10,862	465,616
Due to other governments	117,226	-	44,341	161,567
Due to other funds	-	-	677,068	677,068
Advances from other funds	-	-	3,651,145	3,651,145
Total Liabilities	2,977,678	-	7,546,625	10,524,303
Deferred Inflows of Resources				
Unearned revenues - time requirements	42,821,162	-	2,847,495	45,668,657
Unavailable revenues	7,320,640	27,472	3,331,669	10,679,781
Total Deferred Inflows of Resources	50,141,802	27,472	6,179,164	56,348,438
Fund Balances				
Nonspendable	3,713,801	-	654,682	4,368,483
Restricted	-	4,868,393	11,035,326	15,903,719
Committed	-	-	602,348	602,348
Assigned	7,467,060	-	11,791,058	19,258,118
Unassigned (deficit)	18,525,450	-	(4,193,275)	14,332,175
Total Fund Balances	29,706,311	4,868,393	19,890,139	54,464,843
	\$ 82,825,791	\$ 4,895,865	\$ 33,615,928	\$ 121,337,584

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, 2018

Total fund balance - governmental funds		\$ 54,464,843
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	\$ 14,116,361	
Land	18,516,536	
Other capital assets, net of depreciation/amortization	169,616,203	
Less: Internal service fund included below	<u>(13,238,863)</u>	189,010,237
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		(2,599,681)
Deferred charge on refunding of debt		(34,371)
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.		
		(82,778)
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. See Note III.B.		
		10,679,781
The net pension asset does not relate to current financial resources and is not reported in the governmental funds.		
		8,415,612
Some deferred outflows of resources do not relate to current financial resources and are not reported in the governmental funds.		
Deferred outflows - OPEB related amounts		4,257,754
Deferred outflows - pension related amounts		15,319,155
Some deferred inflows of resources do not relate to current financial resources and are not reported in the governmental funds.		
Deferred inflows - OPEB related amounts		(469,668)
Deferred inflows - pension related amounts		(16,789,852)
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.		
		27,053,565
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	(109,655,653)	
Vested compensated absences	(1,953,021)	
Other postemployment benefits	(41,971,083)	
Accrued interest on general obligation debt	<u>(892,262)</u>	<u>(154,472,019)</u>
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES		<u>\$ 134,752,578</u>

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, 2018

	General Fund	Debt Service - General	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	\$ 42,059,639	\$ -	\$ 6,097,071	\$ 48,156,710
Special assessments	2,744,668	77,716	-	2,822,384
Intergovernmental	12,365,985	-	2,707,715	15,073,700
Licenses and permits	1,872,527	-	700,393	2,572,920
Fines, forfeitures and penalties	554,677	-	14,371	569,048
Charges for services - public	4,223,525	-	483,052	4,706,577
Charges for services - intergovernmental	3,728,920	-	2,249,380	5,978,300
Investment income	1,530,350	10,344	256,419	1,797,113
Miscellaneous	415,514	-	1,600,525	2,016,039
Total Revenues	69,495,805	88,060	14,108,926	83,692,791
EXPENDITURES				
Current				
General government	7,262,870	3,771	317,692	7,584,333
Public safety	29,532,279	-	319,751	29,852,030
Public works	9,662,298	-	331,961	9,994,259
Health services	-	-	6,302,886	6,302,886
Culture and recreation	4,404,447	-	4,094,976	8,499,423
Development	745,000	-	4,481,308	5,226,308
Miscellaneous	786,389	-	-	786,389
Capital Outlay	-	-	20,283,946	20,283,946
Debt Service				
Principal retirement	-	16,851,919	1,990,000	18,841,919
Interest and fiscal charges	7,578	2,855,005	772,394	3,634,977
Total Expenditures	52,400,861	19,710,695	38,894,914	111,006,470
Excess (deficiency) of revenues over expenditures	17,094,944	(19,622,635)	(24,785,988)	(27,313,679)
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	975,000	-	14,080,000	15,055,000
Refunding long-term debt issued	-	9,725,000	-	9,725,000
Premium on long-term debt issued	8,978	337,830	624,732	971,540
Transfers from other funds	1,816,590	9,474,521	11,187,984	22,479,095
Transfers to other funds	(19,022,694)	-	(3,189,865)	(22,212,559)
Proceeds from sale of capital assets	7,170	-	2,425	9,595
Total Other Financing Sources (Uses)	(16,214,956)	19,537,351	22,705,276	26,027,671
Net change in fund balances	879,988	(85,284)	(2,080,712)	(1,286,008)
FUND BALANCES - Beginning of Year	28,826,323	4,953,677	21,970,851	55,750,851
FUND BALANCES - END OF YEAR	\$ 29,706,311	\$ 4,868,393	\$ 19,890,139	\$ 54,464,843

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, 2018

Net change in fund balances - total governmental funds	\$ (1,286,008)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
Capital outlay is capitalized in the government-wide statements	20,283,946
Some capital outlay is not capitalized in the government-wide statements	(1,514,855)
Some functional expenditures are capitalized	1,197,842
Depreciation is reported in the government-wide statements	(8,540,047)
Contributed assets are reported in the government-wide statements.	2,657,674
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.	
	(918,303)
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:	
Delinquent personal property taxes receivable	3,632
Accounts receivable	(186,705)
Loan receivable	(60,418)
Interest receivable	20,228
Special assessments receivable	26,539
Grants receivable	(359,247)
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.	
	(9,231)
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.	18,841,919
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.	(24,780,000)

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 assets and liabilities:	
Compensated absences	\$ (120,517)
Other postemployment benefit liability (and OPEB related deferred outflows/inflows of resources)	110,531
Net pension asset (and pension related deferred outflows/inflows of resources)	(945,709)
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.	17,425
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	(971,540)
Amortization of premium/(discount)	200,914
Change in deferred charge on refunding	(28,691)
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>275,265</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 3,914,644</u></u>

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 As of December 31, 2018

	Business-type Activities - Enterprise Funds				Totals	Governmental Activities - Internal Service Funds
	Water Utility	Sewer Utility	Storm Water Utility	Nonmajor Enterprise Funds		
ASSETS						
Current Assets						
Cash and investments	\$ 5,212,800	\$ 9,889,271	\$ 1,087,792	\$ 1,462,803	\$ 17,652,666	\$ 12,537,069
Taxes receivable	387,647	344,273	139,178	-	871,098	-
Accounts receivable, net	1,871,609	1,885,174	1,001,595	138,136	4,896,514	81,141
Due from other governments	-	247,061	9,651	904,472	1,161,184	14,401
Inventories	318,600	-	-	209,573	528,173	682,729
Prepaid items	9,960	-	-	1,503	11,463	1,659
Restricted cash and investments	92,273	1,419,403	-	-	1,511,676	-
Total Current Assets	7,892,889	13,785,182	2,238,216	2,716,487	26,632,774	13,316,999
Noncurrent Assets						
Restricted assets						
Cash and investments	805,090	6,645,000	-	706,223	8,156,313	340,171
Net pension asset	268,534	284,867	91,396	415,418	1,060,215	162,531
Deposit in insurance pools	-	-	-	-	-	766,496
Special assessment receivable	91,678	104,486	1,334	-	197,498	-
Advances to other funds	-	-	-	-	-	1,838,700
Capital assets						
Construction in progress	440,331	60,897	25,038	108,661	634,927	111,644
Land	318,174	235,621	16,091,161	650,196	17,295,152	247,199
Capital assets	106,379,934	136,773,479	63,615,218	37,774,831	344,543,462	28,389,840
Less: Accumulated depreciation/amortization	(37,276,074)	(41,266,959)	(17,345,943)	(16,485,229)	(112,374,205)	(15,509,820)
Total Capital Assets (Net of Accumulated Depreciation/Amortization)	69,862,365	95,803,038	62,385,474	22,048,459	250,099,336	13,238,863
Total Noncurrent Assets	71,027,667	102,837,391	62,478,204	23,170,100	259,513,362	16,346,761
Total Assets	78,920,556	116,622,573	64,716,420	25,886,587	286,146,136	29,663,760
DEFERRED OUTFLOWS OF RESOURCES						
Other postemployment benefit related amounts	137,949	94,137	4,620	108,839	345,545	17,343
Pension related amounts	542,370	527,848	159,601	770,900	2,000,719	291,402
Deferred charge on refunding	-	-	34,736	-	34,736	-
Total Deferred Outflows of Resources	680,319	621,985	198,957	879,739	2,381,000	308,745

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water Utility	Sewer Utility	Storm Water Utility	Nonmajor Enterprise Funds	Totals	
LIABILITIES						
Current Liabilities						
Accounts payable	\$ 447,865	\$ 391,745	\$ 123,877	\$ 345,195	\$ 1,308,682	\$ 250,938
Accrued payroll and payroll taxes	70,410	72,330	23,161	117,160	283,061	41,724
Accrued compensated absences	78,548	99,528	32,482	101,660	312,218	55,922
Accrued interest	25,136	-	114,310	39,330	178,776	-
Deposits	-	-	-	71,638	71,638	-
Due to other governments	30	-	-	215	245	-
Due to other funds	-	-	-	710,577	710,577	-
Current portion of advances	-	86,193	-	230,000	316,193	-
Current portion of general obligation debt	280,000	-	1,423,290	47,000	1,750,290	-
Current portion of unpaid claims	-	-	-	-	-	220,000
Liabilities payable from restricted assets:						
Current portion of revenue bonds	240,000	1,900,657	-	-	2,140,657	-
Accrued interest	32,273	149,929	-	-	182,202	-
Total Current Liabilities	<u>1,174,262</u>	<u>2,700,382</u>	<u>1,717,120</u>	<u>1,662,775</u>	<u>7,254,539</u>	<u>568,584</u>
Noncurrent Liabilities						
Advances from other funds	-	92,442	-	2,420,000	2,512,442	-
Revenue bonds payable	2,655,106	32,473,494	-	-	35,128,600	-
General obligation debt	3,314,046	-	12,221,190	1,199,600	16,734,836	-
Other postemployment benefits	1,359,839	927,955	45,549	1,072,873	3,406,216	170,959
Unpaid claims	-	-	-	-	-	1,901,933
Total Noncurrent Liabilities	<u>7,328,991</u>	<u>33,493,891</u>	<u>12,266,739</u>	<u>4,692,473</u>	<u>57,782,094</u>	<u>2,072,892</u>
Total Liabilities	<u>8,503,253</u>	<u>36,194,273</u>	<u>13,983,859</u>	<u>6,355,248</u>	<u>65,036,633</u>	<u>2,641,476</u>
DEFERRED INFLOWS OF RESOURCES						
Other postemployment benefit related amounts	15,217	10,384	510	12,008	38,119	1,913
Pension related amounts	<u>444,220</u>	<u>546,089</u>	<u>187,561</u>	<u>802,524</u>	<u>1,980,394</u>	<u>331,501</u>
Total Deferred Inflows of Resources	<u>459,437</u>	<u>556,473</u>	<u>188,071</u>	<u>814,532</u>	<u>2,018,513</u>	<u>333,414</u>
NET POSITION						
Net investment in capital assets	62,999,552	61,074,641	48,668,409	21,424,838	194,167,440	13,132,059
Restricted for:						
Pension	268,534	284,867	91,396	415,418	1,060,215	162,531
Insurance deposits	-	-	-	-	-	1,106,667
Debt service payments	429,090	1,269,474	-	-	1,698,564	-
Equipment replacement	436,000	6,645,000	-	-	7,081,000	-
Unrestricted (deficit)	<u>6,505,009</u>	<u>11,219,830</u>	<u>1,983,642</u>	<u>(2,243,710)</u>	<u>17,464,771</u>	<u>12,596,358</u>
TOTAL NET POSITION	<u>\$ 70,638,185</u>	<u>\$ 80,493,812</u>	<u>\$ 50,743,447</u>	<u>\$ 19,596,546</u>	221,471,990	<u>\$ 26,997,615</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					(55,950)	
NET POSITION OF BUSINESS-TYPE ACTIVITIES					<u>\$ 221,416,040</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, 2018

	Business-type Activities - Enterprise Funds				Totals	Governmental Activities - Internal Service Funds
	Water Utility	Sewer Utility	Storm Water Utility	Nonmajor Enterprise Funds		
OPERATING REVENUES						
Charges for services	\$ 9,916,024	\$ 10,771,781	\$ 4,675,233	\$ 2,858,553	\$ 28,221,591	\$ 3,419,797
Rental of equipment	-	-	-	-	-	3,244,272
Other	9,805	111,720	-	165,850	287,375	642,945
Total Operating Revenues	<u>9,925,829</u>	<u>10,883,501</u>	<u>4,675,233</u>	<u>3,024,403</u>	<u>28,508,966</u>	<u>7,307,014</u>
OPERATING EXPENSES						
Personal services	2,125,224	2,295,691	813,573	3,722,764	8,957,252	1,335,125
Contractual services	705,842	1,246,671	637,049	1,806,391	4,395,953	598,839
Supplies and materials	677,332	523,696	2,634	946,367	2,150,029	1,430,263
Utilities	562,300	520,521	123,764	377,180	1,583,765	222,730
Depreciation	2,052,977	3,045,389	1,020,732	1,233,953	7,353,051	1,833,902
Administrative	533,354	605,304	479,804	263,290	1,881,752	583,629
Claims	-	-	-	-	-	1,224,117
Total Operating Expenses	<u>6,657,029</u>	<u>8,237,272</u>	<u>3,077,556</u>	<u>8,349,945</u>	<u>26,321,802</u>	<u>7,228,605</u>
Operating income (loss)	<u>3,268,800</u>	<u>2,646,229</u>	<u>1,597,677</u>	<u>(5,325,542)</u>	<u>2,187,164</u>	<u>78,409</u>
NONOPERATING REVENUES (EXPENSES)						
Operating grants	-	-	-	3,387,460	3,387,460	-
Investment income	55,003	224,676	13,480	4,471	297,630	86,387
Net gain (loss) on disposal of capital assets	-	(2,272)	(8,044)	(10,341)	(20,657)	54,618
Interest and fiscal charges	(238,828)	(934,506)	(453,927)	(119,964)	(1,747,225)	-
IRS Build America Bond interest subsidy	-	-	38,737	-	38,737	-
Interest charged to construction	31,046	-	20,371	-	51,417	-
Total Nonoperating Revenues (Expenses)	<u>(152,779)</u>	<u>(712,102)</u>	<u>(389,383)</u>	<u>3,261,626</u>	<u>2,007,362</u>	<u>141,005</u>
Income (loss) before transfers and contributions	<u>3,116,021</u>	<u>1,934,127</u>	<u>1,208,294</u>	<u>(2,063,916)</u>	<u>4,194,526</u>	<u>219,414</u>
Transfers from other funds	-	-	-	1,504,064	1,504,064	88,000
Transfers to other funds	(1,640,790)	-	(46,000)	(171,810)	(1,858,600)	-
Total Transfers	<u>(1,640,790)</u>	<u>-</u>	<u>(46,000)</u>	<u>1,332,254</u>	<u>(354,536)</u>	<u>88,000</u>
Income (loss) before contributions	1,475,231	1,934,127	1,162,294	(731,662)	3,839,990	307,414
Capital contributions	1,436,521	751,700	751,904	-	2,940,125	-
Change in net position	<u>2,911,752</u>	<u>2,685,827</u>	<u>1,914,198</u>	<u>(731,662)</u>	<u>6,780,115</u>	<u>307,414</u>
NET POSITION - Beginning of Year	<u>67,726,433</u>	<u>77,807,985</u>	<u>48,829,249</u>	<u>20,328,208</u>		<u>26,690,201</u>
NET POSITION - END OF YEAR	<u>\$ 70,638,185</u>	<u>\$ 80,493,812</u>	<u>\$ 50,743,447</u>	<u>\$ 19,596,546</u>		<u>\$ 26,997,615</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					32,149	
CHANGE IN NET POSITION OF BUSINESS-TYPE ACTIVITIES					<u>\$ 6,812,264</u>	

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 For the Year Ended December 31, 2018

	Business-type Activities - Enterprise Funds				Totals	Governmental Activities - Internal Service Funds
	Water Utility	Sewer Utility	Storm Water Utility	Nonmajor Enterprise Funds		
CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES						
Cash received from customers	\$ 10,196,011	\$ 10,930,922	\$ 4,707,269	\$ 2,993,639	\$ 28,827,841	\$ 6,912,467
Cash paid to suppliers for goods and services	(1,984,023)	(2,352,982)	(787,901)	(3,346,612)	(8,471,518)	(2,871,025)
Cash paid to employees for services	(2,118,758)	(2,295,430)	(794,618)	(3,699,305)	(8,908,111)	(1,314,671)
Claims paid	-	-	-	-	-	(1,890,374)
Repayment of insurance claims	-	-	-	-	-	378,845
Administrative charges	(444,756)	(527,604)	(441,636)	(62,347)	(1,476,343)	-
Net Cash Flows From (Used By) Operating Activities	<u>5,648,474</u>	<u>5,754,906</u>	<u>2,683,114</u>	<u>(4,114,625)</u>	<u>9,971,869</u>	<u>1,215,242</u>
CASH FLOWS FROM (USED BY) NONCAPITAL FINANCING ACTIVITIES						
Operating grants received	-	-	-	2,852,143	2,852,143	-
Negative cash implicitly financed	-	-	-	597,639	597,639	-
Transfers from other funds	-	-	-	1,464,064	1,464,064	-
Transfers to other funds	(1,640,790)	-	(46,000)	(171,810)	(1,858,600)	-
Net Cash Flows From (Used By) Noncapital Financing Activities	<u>(1,640,790)</u>	<u>-</u>	<u>(46,000)</u>	<u>4,742,036</u>	<u>3,055,246</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Investment income	<u>55,003</u>	<u>224,676</u>	<u>13,480</u>	<u>4,471</u>	<u>297,630</u>	<u>86,387</u>
CASH FLOWS FROM (USED BY) CAPITAL AND RELATED FINANCING ACTIVITIES						
Debt issued	670,000	-	1,365,000	970,000	3,005,000	-
Premium on debt issued	7,622	-	63,824	-	71,446	-
Debt retired	(470,000)	(1,852,186)	(2,066,081)	(12,000)	(4,400,267)	-
Special assessments received	167,673	122,327	602	-	290,602	-
Interest and fiscal charges paid	(217,436)	(923,806)	(475,332)	(15,903)	(1,632,477)	-
Interest subsidy received	-	-	39,012	-	39,012	-
Capital related transfers from other funds	-	-	-	40,000	40,000	88,000
Acquisition and construction of capital assets	(3,413,632)	(1,595,931)	(1,899,155)	(799,850)	(7,708,568)	(2,390,836)
Capital related advance from other funds	-	-	-	230,000	230,000	-
Principal paid on capital advances from other funds	(196,910)	(80,366)	-	(215,000)	(492,276)	-
Interest paid on capital advances from other funds	(15,162)	(18,778)	-	(89,352)	(123,292)	-
Proceeds from sale of capital assets	-	-	-	-	-	187,297
Net Cash Flows From (Used By) Capital and Related Financing Activities	<u>(3,467,845)</u>	<u>(4,348,740)</u>	<u>(2,972,130)</u>	<u>107,895</u>	<u>(10,680,820)</u>	<u>(2,115,539)</u>
Net Change in Cash and Cash Equivalents	<u>594,842</u>	<u>1,630,842</u>	<u>(321,536)</u>	<u>739,777</u>	<u>2,643,925</u>	<u>(813,910)</u>
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>5,515,321</u>	<u>16,322,832</u>	<u>1,409,328</u>	<u>1,429,249</u>	<u>24,676,730</u>	<u>13,691,150</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 6,110,163</u>	<u>\$ 17,953,674</u>	<u>\$ 1,087,792</u>	<u>\$ 2,169,026</u>	<u>\$ 27,320,655</u>	<u>\$ 12,877,240</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS						
Cash and Cash Equivalents per Statement of Net Position	\$ 5,212,800	\$ 9,889,271	\$ 1,087,792	\$ 1,462,803	\$ 17,652,666	\$ 12,537,069
Restricted Cash and Cash Equivalents						
Current	92,273	1,419,403	-	-	1,511,676	-
Noncurrent	805,090	6,645,000	-	706,223	8,156,313	340,171
CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS	<u>\$ 6,110,163</u>	<u>\$ 17,953,674</u>	<u>\$ 1,087,792</u>	<u>\$ 2,169,026</u>	<u>\$ 27,320,655</u>	<u>\$ 12,877,240</u>

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water Utility	Sewer Utility	Storm Water Utility	Nonmajor Enterprise Funds	Totals	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES						
Operating income (loss)	\$ 3,268,800	\$ 2,646,229	\$ 1,597,677	\$ (5,325,542)	\$ 2,187,164	\$ 78,409
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities						
Noncash items included in income						
Depreciation	2,052,977	3,045,389	1,020,732	1,233,953	7,353,051	1,833,902
Depreciation charged to other accounts	182,712	1,639	-	-	184,351	-
Change in assets, deferred outflows, liabilities and deferred inflows						
Taxes receivable	(21,127)	(16,954)	(8,482)	-	(46,563)	-
Accounts receivable	108,597	62,736	40,518	(19,515)	192,336	(15,702)
Inventories	(2,573)	-	-	(24,052)	(26,625)	(44,665)
Prepaid items	119	162	-	(1,503)	(1,222)	1,732
Accounts payable	52,503	15,444	13,714	53,120	134,781	7,455
Due to other funds	-	-	-	(40,458)	(40,458)	-
Other liabilities	801	(29,725)	337	(19,560)	(48,147)	516
Other postemployment benefit related deferrals and liability	(3,581)	(2,444)	(120)	(2,826)	(8,971)	(450)
Unpaid claims	-	-	-	-	-	(666,257)
Pension related deferrals and asset/liability	9,246	32,430	18,738	43,007	103,421	20,302
Deposits	-	-	-	(11,249)	(11,249)	-
NET CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES	<u>\$ 5,648,474</u>	<u>\$ 5,754,906</u>	<u>\$ 2,683,114</u>	<u>\$ (4,114,625)</u>	<u>\$ 9,971,869</u>	<u>\$ 1,215,242</u>

NONCASH CAPITAL, INVESTING AND FINANCING ACTIVITIES

Developers, customers and other funds contributed capital assets of \$1,436,521 to the Water Utility, \$751,700 to the Sewer Utility, and \$751,904 to the Storm Water Utility. The following funds had accrued accounts payable for capital assets acquired prior to December 31, 2018:

Water Utility	\$ 373,661
Sewer Utility	354,246
Storm Water Utility	107,321
Nonmajor Enterprise Funds	83,244
Internal Service Funds	106,804

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUND

As of December 31, 2018

	<u>Tax Collection Agency Fund</u>
ASSETS	
Cash and investments	\$ 23,032,259
Taxes receivable	<u>47,214,646</u>
TOTAL ASSETS	<u>\$ 70,246,905</u>
LIABILITIES	
Due to other taxing units	<u>\$ 70,246,905</u>
TOTAL LIABILITIES	<u>\$ 70,246,905</u>

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF NET POSITION
 COMPONENT UNITS
 As of December 31, 2018

	Redevelopment Authority	South Barstow Business Improvement District	North Barstow/ Medical Business Improvement District	Nonmajor Component Units	Totals
ASSETS					
CURRENT ASSETS					
Cash and investments	\$ 728,825	\$ 28,783	\$ 126,224	\$ 59,795	\$ 943,627
Receivables					
Special assessments	-	115,000	95,350	26,000	236,350
Notes	-	-	-	4,167	4,167
Accounts, net	1,445	-	-	-	1,445
Total Current Assets	<u>730,270</u>	<u>143,783</u>	<u>221,574</u>	<u>89,962</u>	<u>1,185,589</u>
NONCURRENT ASSETS					
Property held for resale	<u>2,229,029</u>	-	-	-	<u>2,229,029</u>
Total Noncurrent Assets	<u>2,229,029</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,229,029</u>
Total Assets	<u>2,959,299</u>	<u>143,783</u>	<u>221,574</u>	<u>89,962</u>	<u>3,414,618</u>
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable	<u>2,180</u>	<u>1,362</u>	-	<u>2,395</u>	<u>5,937</u>
Total Current Liabilities	<u>2,180</u>	<u>1,362</u>	<u>-</u>	<u>2,395</u>	<u>5,937</u>
DEFERRED INFLOWS OF RESOURCES					
Unearned revenues - time requirements	<u>-</u>	<u>115,000</u>	<u>95,350</u>	<u>26,000</u>	<u>236,350</u>
Total Deferred Inflows of Resources	<u>-</u>	<u>115,000</u>	<u>95,350</u>	<u>26,000</u>	<u>236,350</u>
NET POSITION					
Restricted for:					
Business improvement	-	27,421	126,224	61,567	215,212
Unrestricted	<u>2,957,119</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,957,119</u>
TOTAL NET POSITION	<u>\$ 2,957,119</u>	<u>\$ 27,421</u>	<u>\$ 126,224</u>	<u>\$ 61,567</u>	<u>\$ 3,172,331</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, 2018

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, 2018

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, 2018. 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, 2018. Separate financial statements are not issued by the BIDs.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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

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 nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function 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.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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 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.

Debt Service – General – 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.

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.

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
- 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. 5
- Debt Service – TIF No. 7

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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. 7 Soo Line Development Area
- TIF No. 8 Downtown Development
- TIF No. 9 Gateway Northwest Business Park Overlay
- TIF No. 10 Confluence Project
- TIF No. 11 Downtown Mixed Use
- TIF No. 12 Water Street
- Bridge Projects
- Street Projects
- Transportation Improvements
- Land, Buildings and Equipment
- Parks and Recreation Projects
- Environmental Improvements
- 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.

- Hobbs Ice Center
- Outdoor Pool
- Public Transit
- Parking Utility

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, 2018

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. At year end, there were \$1,792,272 of unrecorded deferred assessments which are not recorded as receivables because collection is subject to certain events occurring in the future and no formal repayment schedule has been established.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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

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

Fund Financial Statements (cont.)

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.

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 other enterprise funds 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, deferred outflows of resources, liabilities and deferred inflows of resources 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.
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.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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.)

3. Bonds or securities issued or guaranteed by the federal government.
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, nonnegotiable 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.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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

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:

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 methods and inputs as outlined in Note III. A. 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, 2018, 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, 2018

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 – 2018 tax roll:

Lien date and levy date	December 2018
Tax bills mailed	December 2018
Payment in full, or	January 31, 2019
First installment due	January 31, 2019
Second installment due	July 31, 2019
Personal property taxes in full	January 31, 2019
Tax sale – 2018 delinquent real estate taxes	October 2021

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, Public Library Fund, and City County Health Department have recorded allowances of \$3,029,458, \$107,089, and \$4,927, 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 \$90,000.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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

Governmental 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.

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 \$340,171. 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 acquisition value at the date of donation.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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, \$51,417 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 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, 2018

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, 2018 are determined on the basis of current salary rates and include salary related payments.

8. Long-Term Obligations

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 postemployment 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 debts (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.

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, 2018

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/amortization 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. See the Debt Reclassifications column on the Statement of Net Position.

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, 2018

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 do not meet the criteria to be classified as restricted or committed. The City Council has, by resolution, adopted a financial policy authorizing the City Manager and Finance Director to assign amounts for a specific purpose. 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.

In cases where multiple types of fund balance are available to pay for expenditures, restricted resources will be used first, followed by committed, assigned, and finally unassigned.

The City has adopted a minimum fund balance policy. The policy is to maintain unassigned fund balance at a level equal to a minimum of 15% of the ensuing year's budgeted General Fund expenditures, with a target of 20% for cash flow and contingency purposes. The balance at year-end was \$18,525,450, or 24%, and included as unassigned General Fund balance. Of that amount, \$7,662,900 is designated for working capital.

See Note III.G for further information.

11. Pension

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

12. Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources, and OPEB expense, the City's single-employer defined benefit retiree healthcare plan recognizes benefit payments when due and payable in accordance with the benefit terms.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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.)

13. 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, 2017, from which the summarized information was derived.

14. 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 14, 2017 and effective January 1, 2018.

Storm Water Utility

Current rates in the Storm Water Utility were approved by the City Council on November 14, 2017 and effective January 1, 2018.

NOTE II – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. 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, 2018

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

B. DEFICIT BALANCES

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

As of December 31, 2018, the following individual funds held a deficit balance:

Fund	Amount	Reason
TIF No. 7 Soo Line Development Area	\$ 263,822	Expenditures in excess of revenues
TIF No. 8 Downtown Development	3,482,915	Expenditures in excess of revenues
TIF No. 12 Water Street	1,150	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.

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	\$ 81,565,862
Restricted cash and investments	15,329,076
Per statement of assets and liabilities – agency fund	<u>23,032,259</u>
Total	<u>\$ 119,927,197</u>

Total cash and investments consist of the following:

Petty cash and cash on hand	\$ 14,425
Deposits with financial institutions	7,761,122
Investments	<u>112,151,650</u>
Total Cash and Investments	<u>\$ 119,927,197</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, 2018

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	\$ 7,761,122	\$ 8,610,371	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, 2018, the bank had obtained a letter of credit in the amount of \$35,000,000 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	\$ 36,616,895	Custodial credit risk, credit risk, interest rate risk, concentration of credit risk
Negotiable certificates of deposit	2,469,203	Custodial credit risk, credit risk, interest rate risk, concentration of credit risk
LGIP	67,611,639	Credit risk
U.S. treasuries	5,453,913	Custodial credit risk, interest rate risk
Total Investments	\$ 112,151,650	

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

A. DEPOSITS AND INVESTMENTS (cont.)

Investments (cont.)

The valuation methods for recurring fair value measurements are as follows:

- > Automated method – IDC Institutional Bond Pricing
- > Automated method – IDC CD Pricing

Investment Type	December 31, 2018			
	Level 1	Level 2	Level 3	Total
U.S. agencies	\$ -	\$ 36,616,895	\$ -	\$ 36,616,895
Negotiable certificates of deposit	-	2,469,203	-	2,469,203
U.S. treasuries	5,453,913	-	-	5,453,913
Totals	<u>\$ 5,453,913</u>	<u>\$ 39,086,098</u>	<u>\$ -</u>	<u>\$ 44,540,011</u>

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. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The City does not have any deposits or investments 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, 2018, the City’s investments were rated as follows:

Investment Type	Moody’s Investor Service
U.S. agencies – implicitly guaranteed	Aaa
Negotiable certificates of deposit	Aaa

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

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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, 2018, the City's investments were as follows:

Investment	Maturity Date	Call Date	Fair Value
FHLB Callable	02/12/2019	N/A	\$ 1,996,820
FFCB Callable	05/03/2019	01/10/2019	1,990,900
FHLB One-time Call	06/21/2019	03/21/2019	1,986,600
FHLMC Callable	09/30/2019	03/30/2019	1,979,680
FHLB Bullet	10/21/2019	N/A	990,690
FHLB Bullet	12/13/2019	N/A	997,480
FHLB Bullet	03/13/2020	N/A	1,982,900
FFCB Callable	09/15/2020	01/10/2019	2,492,750
FHLMC Callable	10/29/2020	01/29/2019	1,989,440
FHLMC Callable	02/26/2021	02/26/2019	1,989,200
FHLMC Callable	07/30/2021	01/30/2019	500,075
FHLB Callable	08/23/2021	02/23/2019	2,952,330
FHLMC Callable	08/25/2021	02/25/2019	1,962,700
FHLMC Callable	10/25/2021	01/25/2019	1,958,300
FNMA Callable	10/28/2021	01/28/2019	1,932,720
FHLMC Callable	11/30/2021	02/28/2019	1,950,800
FHLB Callable	12/16/2021	03/16/2019	1,985,920
FHLB Callable	03/28/2022	03/28/2019	2,001,060
FFCB Callable	04/18/2022	04/18/2019	1,000,430
FHLMC Callable	09/29/2022	03/29/2019	1,976,100
Compass Bank CD	08/26/2019	N/A	249,688
Capital One Bank CD	12/20/2019	N/A	245,553
Capital One, National Association CD	12/20/2019	N/A	245,553
Morgan Stanley Dean Witter Bank CD	12/23/2019	N/A	245,531
Morgan Stanley Private Bank, National Association CD	12/23/2019	N/A	245,412
Ally Bank CD	07/13/2020	N/A	247,244
B-Bay, LLC CD	07/13/2020	N/A	247,244
Bank of Hope CD	07/13/2020	N/A	247,427
First Financial Northwest Bank CD	07/13/2020	N/A	247,241
Sallie Mae Bank CD	04/19/2021	N/A	248,310
U.S. Treasury Note	01/15/2019	N/A	1,249,488
U.S. Treasury Note	03/14/2019	N/A	1,244,125
U.S. Treasury Note	07/18/2019	N/A	1,972,920
U.S. Treasury Note	01/15/2020	N/A	987,380
Total			<u>\$ 44,540,011</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

A. DEPOSITS AND INVESTMENTS (cont.)

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, 2018, the investment portfolio was concentrated as follows:

Issuer	Investment Type	Percentage of Portfolio
FHLMC	U.S. agencies – implicitly guaranteed	13%
FHLB	U.S. agencies – implicitly guaranteed	13%

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

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	\$ 53,896,105	\$ 3,029,458	\$ 50,866,647	\$ 4,131,556
Debt Service - General	27,472	-	27,472	12,742
Nonmajor Funds	7,143,444	202,016	6,941,428	2,795,043
Internal Service Funds	95,542	-	95,542	40,136

Business-type Activities

Fund	Gross Receivables	Allowance For Uncollectibles	Net Receivables	Amounts Not Expected to Be Collected Within One Year
Water Utility	\$ 2,350,934	-	\$ 2,350,934	91,678
Sewer Utility	2,580,994	-	2,580,994	104,486
Storm Water Utility	1,151,758	-	1,151,758	1,334
Nonmajor Funds	1,042,608	-	1,042,608	-

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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	\$ 45,296,692	\$ -
Delinquent property taxes receivable	-	15,899
Accounts receivable	278,477	1,546,941
Loan receivable	-	2,938,627
Interest receivable	-	180,781
Special assessments not yet due	-	5,892,745
Grants receivable	-	104,788
Funds received in advance	93,488	-
 Total Unearned/Unavailable Revenue for Governmental Funds	 \$ 45,668,657	 \$ 10,679,781

Notes Receivable

At December 31, 2018, 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 \$1,592,434 at December 31, 2018. The balance includes 141 loans, which are all required to be secured by a lien on the property. Some loans require installment payments and some 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 \$1,322,980 at December 31, 2018. This balance is comprised of 15 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, 2018

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.

Net Pension Asset

Restricted assets have been reported in connection with the net pension asset balance since this balance must be used to fund employee benefits.

Following is a list of restricted assets at December 31, 2018:

	Governmental Activities	Business-type Activities
Restricted Assets		
Restricted cash and investments		
Redemption account	\$ -	\$ 1,511,676
Reserve account	-	369,090
Depreciation account	-	1,231,000
Equipment replacement account	-	5,850,000
Revolving loan sequestered funds	474,045	-
Construction account	4,846,871	706,223
Insurance claims account	340,171	-
Total Restricted cash and investments	5,661,087	9,667,989
Net pension asset	8,578,143	1,060,215
Total Restricted Assets	\$ 14,239,230	\$ 10,728,204

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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

D. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2018 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
Capital Assets Not Being Depreciated/ Amortized				
Construction in progress	\$ 9,725,399	\$ 8,792,541	\$ 4,401,579	\$ 14,116,361
Land	<u>18,425,858</u>	<u>340,322</u>	<u>249,644</u>	<u>18,516,536</u>
Total Capital Assets Not Being Depreciated/Amortized	<u>\$ 28,151,257</u>	<u>\$ 9,132,863</u>	<u>\$ 4,651,223</u>	<u>\$ 32,632,897</u>
Capital Assets Being Depreciated/ Amortized				
Land improvements	\$ 12,206,281	\$ 1,031,015	\$ -	\$ 13,237,296
Buildings	28,356,951	6,203,689	-	34,560,640
Machinery and equipment	41,020,516	4,070,145	2,288,949	42,801,712
Intangibles	7,939,387	1,315,301	5,085	9,249,603
Infrastructure	<u>206,403,122</u>	<u>7,726,600</u>	<u>1,271,800</u>	<u>212,857,922</u>
Total Capital Assets Being Depreciated/Amortized	<u>295,926,257</u>	<u>20,346,750</u>	<u>3,565,834</u>	<u>312,707,173</u>
Less: Accumulated Depreciation/ Amortization for				
Land improvements	(5,981,522)	(592,896)	-	(6,574,418)
Buildings	(14,720,852)	(665,968)	-	(15,386,820)
Machinery and equipment	(23,610,126)	(3,031,077)	1,760,916	(24,880,287)
Intangibles	(1,142,580)	(349,317)	3,148	(1,488,749)
Infrastructure	<u>(90,027,690)</u>	<u>(5,734,691)</u>	<u>1,001,685</u>	<u>(94,760,696)</u>
Total Accumulated Depreciation/Amortization	<u>(135,482,770)</u>	<u>(10,373,949)</u>	<u>2,765,749</u>	<u>(143,090,970)</u>
Capital Assets, Being Depreciated/Amortized, Net	<u>\$ 160,443,487</u>	<u>\$ 9,972,801</u>	<u>\$ 800,085</u>	<u>\$ 169,616,203</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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	\$ 330,842
Public safety	1,107,353
Public works, which includes the depreciation of infrastructure	7,644,457
Health services	39,984
Culture and recreation	1,237,926
Development	<u>13,387</u>
 Total Governmental Activities Depreciation/Amortization Expense	 <u><u>\$ 10,373,949</u></u>

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-type Activities				
Capital Assets Not Being Depreciated/Amortized				
Construction in progress	\$ 3,794,955	\$ 616,027	\$ 3,776,055	\$ 634,927
Land	<u>17,278,543</u>	<u>16,609</u>	<u>-</u>	<u>17,295,152</u>
 Total Capital Assets Not Being Depreciated/Amortized	 <u><u>\$ 21,073,498</u></u>	 <u><u>\$ 632,636</u></u>	 <u><u>\$ 3,776,055</u></u>	 <u><u>\$ 17,930,079</u></u>
 Capital Assets Being Depreciated/Amortized				
Improvements	\$ 4,074,543	\$ 307,194	\$ -	\$ 4,381,737
Buildings	89,085,969	994,176	5,136	90,075,009
Distribution and collection systems	209,108,440	10,675,415	496,841	219,287,014
Source of supply system	913,336	751,436	8,391	1,656,381
Machinery and equipment	28,360,857	801,942	249,838	28,912,961
Intangibles	<u>251,204</u>	<u>-</u>	<u>20,844</u>	<u>230,360</u>
Total Capital Assets Being Depreciated/Amortized	 <u><u>331,794,349</u></u>	 <u><u>13,530,163</u></u>	 <u><u>781,050</u></u>	 <u><u>344,543,462</u></u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

D. CAPITAL ASSETS (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
Less: Accumulated Depreciation/ Amortization for				
Improvements	\$ (2,772,465)	\$ (88,371)	\$ -	\$ (2,860,836)
Buildings	(25,479,441)	(2,120,877)	5,136	(27,595,182)
Distribution and collection systems	(62,141,101)	(3,837,152)	437,394	(65,540,859)
Source of supply system	(817,447)	(29,663)	8,391	(838,719)
Machinery and equipment	(14,290,418)	(1,447,822)	237,484	(15,500,756)
Intangibles	(24,338)	(13,515)	-	(37,853)
Total Accumulated Depreciation/Amortization	<u>(105,525,210)</u>	<u>(7,537,400)</u>	<u>688,405</u>	<u>(112,374,205)</u>
Total Capital Assets, Being Depreciated/Amortized, Net	<u>\$ 226,269,139</u>	<u>\$ 5,992,763</u>	<u>\$ 92,645</u>	<u>\$ 232,169,257</u>

Depreciation/amortization expense was charged to functions as follows:

Business-type Activities

Water	\$ 2,052,977
Sewer	3,045,389
Storm Water	1,020,732
Hobbs Ice Center	406,712
Outdoor Pool	82,100
Public Transit	377,654
Parking	367,487

Total Business-type Activities Depreciation/Amortization Expense \$ 7,353,051

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, 2018

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	\$ 60,890
General Fund	Special Revenue – Community Enhancement	31,033
General Fund	Enterprise – Public Transit	663,948
General Fund	Enterprise – Hobbs Ice Center	46,629
General Fund	Capital Projects – TIF No. 8	244,215
General Fund	Capital Projects – TIF No. 10	339,780
General Fund	Capital Projects – TIF No. 12	<u>1,150</u>
Subtotal – Fund Financial Statements		1,387,645
Less: Fund eliminations		<u>(677,068)</u>
Total Interfunds		710,577
Government-wide net interfund advances		2,828,635
Adjustment to reflect internal service fund activities related to enterprise funds		<u>55,950</u>
Total Internal Balances – Government-Wide Statement of Net Position		<u>\$ 3,595,162</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.

Advances

The General Fund is advancing funds to the Sewer Utility, Hobbs Ice Center and TIF No. 7. The General Fund is charging the Sewer Utility and Hobbs Ice Center interest on the advances based on the balance outstanding before the principal payment for the current year. The rate being charged on the Sewer Utility advance is 7.25%. The rate being charged on the Hobbs advances is 1.75-4.27%. No interest is currently being charged to TIF No. 7.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

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

Advances (cont.)

The Debt Service – General Fund is advancing funds to TIF No. 7. No interest is currently being charged to TIF No. 7.

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	Sewer Utility	\$ 178,635	\$ 92,442
General Fund	Enterprise – Hobbs Ice Center	2,650,000	2,420,000
General Fund	Capital Projects – TIF No. 7	111,145	111,145
Debt Service – General	Capital Projects – TIF No. 7	301,300	301,300
Special Revenue – Economic Development	Capital Projects – TIF No. 8	400,000	400,000
Capital Projects – Street 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
Subtotal – Fund Financial Statements		6,479,780	
Less: Fund eliminations		<u>(3,651,145)</u>	
Total Net Government-Wide Advances		<u><u>\$ 2,828,635</u></u>	

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.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

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

Advances (cont.)

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:

Years	Advances		
	Principal	Interest	Totals
2019	\$ 316,193	\$ 124,279	\$ 440,472
2020	322,442	108,008	430,450
2021	230,000	92,181	322,181
2022	230,000	82,431	312,431
2023	230,000	72,181	302,181
2024-2028	1,150,000	194,706	1,344,706
2029-2033	275,000	21,194	296,194
2034-2038	75,000	6,441	81,441
Totals	<u>\$ 2,828,635</u>	<u>\$ 701,421</u>	<u>\$ 3,530,056</u>

Transfers

Following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
General Fund	Community Enhancement	\$ 175,800	To fund general fund special events
	Water Utility	1,640,790	Payment in lieu of tax
Internal Service			
Central Equipment	Land, Buildings and Equipment	42,000	Capital equipment purchases
Central Equipment	Storm Water Utility	46,000	Capital equipment purchases
Special Revenue			
Economic Development	General Fund	236,400	General support
Cemetery Maintenance	General Fund	262,894	Operating subsidy
Public Library	General Fund	3,107,100	February tax transfer from City
City-County Health Department	General Fund	1,842,800	February tax transfer from City
Downtown	Economic Development	85,000	Operating subsidy
City-County Health Department	Community Development	97,166	Fund code enforcement project
Debt Service			
Debt Service – General	General Fund	9,405,436	Debt service payments
Debt Service – General	Public Library	40,360	Debt service payments
Debt Service – General	City-County Health Department	28,725	Debt service payments
Debt Service – TIF No. 7	Capital Projects – TIF No. 7	412,414	To reclassify fund as capital projects

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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			
Land, Buildings, and Equipment	General Fund	\$ 1,895,900	Fund various projects
Land, Buildings, and Equipment	Cemetery Maintenance	26,500	Fund various projects
Land, Buildings, and Equipment	Police Department K-9	20,000	K-9 Dog Retirement
Transportation Improvements	General Fund	1,140,000	Fund various projects
Transportation Improvements	Street Projects	900,000	Fund various projects
Transportation Improvements	Bridge Projects	775,000	Fund various projects
Parks and Recreation Projects	Community Enhancement	115,000	Fund park developments
Library Buildings and Equipment	Public Library	100,000	Fund facility improvements
TIF No. 8	Parking Utility	171,810	75% Galloway Ramp profits
Enterprise			
Public Transit	General Fund	922,288	Operating subsidy
Hobbs Ice Center	General Fund	147,162	Operating subsidy
Hobbs Ice Center	Community Enhancement	226,400	Facility improvements
Hobbs Ice Center	Community Enhancement	105,500	Subsidize facilities improvements
Outdoor Pool	General Fund	62,714	Operating subsidy
Outdoor Pool	Community Enhancement	40,000	Subsidize facilities improvements
Subtotal – Fund Financial Statements		24,071,159	
Less: Fund eliminations		(20,708,495)	
Less: Government-wide eliminations		(3,717,200)	
Total – Government-Wide Statement of Activities		<u>\$ (354,536)</u>	
Fund Transferred To	Fund Transferred From	Amount	
Governmental Activities	Business-type Activities	\$ (1,858,600)	
Business-type Activities	Governmental Activities	1,504,064	
Total Government-Wide Financial Statements		<u>\$ (354,536)</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, 2018

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

F. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2018 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
GOVERNMENTAL ACTIVITIES					
Bonds and Notes Payable					
General obligation bonds	\$ 103,717,572	\$ 24,780,000	\$ 18,841,919	\$ 109,655,653	\$ 9,194,710
Add/(Subtract):					
Premiums/(discounts)	1,829,055	971,540	200,914	2,599,681	-
Subtotals	105,546,627	25,751,540	19,042,833	112,255,334	9,194,710
Other Liabilities					
Vested compensated absences	1,881,902	3,465,870	3,338,829	2,008,943	2,008,943
Net pension liability	2,315,508	-	2,315,508	-	-
Other postemployment benefits	41,185,864	1,067,159	110,981	42,142,042	-
Unpaid self-insurance claims	2,788,190	675,169	1,341,426	2,121,933	220,000
Total Other Liabilities	48,171,464	5,208,198	7,106,744	46,272,918	2,228,943
Total Governmental Activities Long-Term Liabilities	\$ 153,718,091	\$ 30,959,738	\$ 26,149,577	\$ 158,528,252	\$ 11,423,653
	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
BUSINESS-TYPE ACTIVITIES					
Bonds and Notes Payable					
General obligation bonds	\$ 17,442,428	\$ 3,005,000	\$ 2,318,081	\$ 18,129,347	\$ 1,750,290
Revenue bonds	39,341,337	-	2,082,186	37,259,151	2,140,657
Add/(Subtract):					
Premiums/(discounts)	317,710	71,446	23,271	365,885	-
Subtotals	57,101,475	3,076,446	4,423,538	55,754,383	3,890,947
Other Liabilities					
Vested compensated absences	307,897	591,734	587,413	312,218	312,218
Net pension liability	295,282	-	295,282	-	-
Other postemployment benefits	3,328,932	86,255	8,971	3,406,216	-
Total Other Liabilities	3,932,111	677,989	891,666	3,718,434	312,218
Total Business-type Activities Long-Term Liabilities	\$ 61,033,586	\$ 3,754,435	\$ 5,315,204	\$ 59,472,817	\$ 4,203,165

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.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

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, 2018 was \$272,698,070. The City has a policy that indebtedness may not exceed 3.5% of the equalized value of taxable property within the City's jurisdiction. That limit as of December 31, 2018 was \$190,888,649. Total general obligation debt outstanding at year-end was \$127,785,000 and resources on hand for payment of debt were \$7,353,463.

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12-31-18
Governmental Activities					
General Obligation Bonds					
Corporate purpose	07/15/09	04/01/29	1.85-6.15%	\$ 8,560,000	\$ 5,735,000
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	845,000
Corporate purpose	08/17/10	04/01/21	1.5-3.0%	4,585,000	1,485,000
Corporate purpose	08/01/11	04/01/31	2.0-4.0%	6,350,000	4,445,000
Corporate purpose	08/01/11	04/01/21	2.0-2.75%	2,160,000	655,000
Corporate purpose	08/28/12	04/01/32	2.0-2.625%	5,640,000	4,230,000
Corporate purpose	08/28/12	04/01/22	0.35-1.65%	4,335,000	1,475,000
Corporate purpose	08/15/13	04/01/33	2.0-4.25%	14,145,000	11,370,000
Corporate purpose	08/15/13	04/01/23	2.0-3.0%	9,380,000	4,940,000
Corporate purpose	09/03/14	04/01/34	3.0-4.0%	4,720,000	3,865,000
Corporate purpose	09/03/14	04/01/24	2.0-3.0%	4,100,000	2,540,000
Corporate purpose	08/18/15	04/01/25	2.0-3.0%	4,340,000	2,290,000
Tax incremental bonds	08/18/15	04/01/25	3.0%	11,810,000	10,310,000
Corporate purpose	08/30/16	04/01/36	2.0-3.0%	13,920,000	12,840,000
Tax incremental bonds	08/30/16	04/01/26	1.8-2.15%	7,585,000	6,990,000
Corporate purpose	08/30/16	04/01/26	2.0-3.0%	2,830,000	2,265,000
Corporate purpose	11/10/16	04/01/26	1.4-2.0%	2,535,000	1,685,000
Corporate purpose	08/17/17	04/01/37	2.0-4.0%	12,395,000	11,630,000
Corporate purpose	08/17/17	04/01/27	2.0-4.0%	8,880,000	7,195,000
Corporate purpose	09/27/18	04/01/38	3.0-5.0%	14,330,000	14,330,000
Corporate purpose	09/27/18	04/01/28	3.0-5.0%	6,260,000	6,260,000
Corporate purpose	09/27/18	04/01/38	3.0-3.9%	7,195,000	7,195,000
Total General Obligation Debt					127,785,000
Less: Business-type Activities portion of G.O. Bonds					(18,129,347)
Total – Governmental Activities – G.O. Bonds					<u>\$ 109,655,653</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt		Business-type Activities General Obligation Debt	
	Principal	Interest	Principal	Interest
2019	\$ 9,194,710	\$ 3,203,978	\$ 1,750,290	\$ 495,478
2020	8,291,554	2,936,424	1,618,446	449,953
2021	8,073,954	2,687,181	1,551,046	405,242
2022	7,866,635	2,436,076	1,323,365	361,758
2023	7,966,800	2,186,739	1,208,200	324,264
2024 - 2028	42,412,000	6,792,475	5,498,000	1,147,418
2029 - 2033	17,495,000	2,629,810	3,570,000	492,405
2034 - 2038	8,355,000	553,695	1,610,000	106,705
Totals	<u>\$ 109,655,653</u>	<u>\$ 23,426,378</u>	<u>\$ 18,129,347</u>	<u>\$ 3,783,223</u>

Revenue Debt

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

The Water Utility has pledged future water revenues, net of specified operating expenses to repay \$3,825,000 in water revenue bonds issued in 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. Annual principal and interest payments are expected to require 4% of Water Utility revenues. 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 \$3,656,958. Principal and interest paid for the current year and total customer net revenues were \$368,290 and \$5,376,780, respectively.

The Sewer Utility has pledged future sewer revenues, net of specified operating expenses to repay \$39,766,956 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. Annual principal and interest payments are expected to require 25% of Sewer Utility revenues. 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 \$41,553,646. Principal and interest paid for the current year and total customer net revenues were \$2,775,992 and \$5,916,294, respectively.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

F. LONG-TERM OBLIGATIONS (cont.)

Revenue Debt (cont.)

Revenue debt payable at December 31, 2018 consists of the following:

Business-type Activities Revenue Debt

	Date of Issue	Final Maturity	Interest Rates	Original Indebted- ness	Balance 12-31-18
<u>Water Utility</u>					
Revenue bonds	07/15/09	10/01/28	3.0-4.8%	\$ 3,825,000	\$ 2,885,000
<u>Sewer Utility</u>					
Revenue bonds	06/12/13	05/01/33	2.617%	39,766,956	34,374,151
Total – Business-type Activities – Revenue Debt					\$ 37,259,151

Debt service requirements to maturity are as follows:

<u>Years</u>	Business-type Activities Revenue Debt		
	Principal	Interest	Totals
2019	\$ 2,140,657	\$ 1,003,791	\$ 3,144,448
2020	2,195,397	943,200	3,138,597
2021	2,256,439	881,078	3,137,517
2022	2,323,817	817,178	3,140,995
2023	2,387,565	751,251	3,138,816
2024 - 2028	12,989,593	2,689,148	15,678,741
2029 - 2033	12,965,683	865,807	13,831,490
Totals	\$ 37,259,151	\$ 7,951,453	\$ 45,210,604

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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

F. LONG-TERM OBLIGATIONS (cont.)

Other Debt Information

Estimated payments of compensated absences and other postemployment benefits are not included in the debt service requirement schedules. The compensated absences and other postemployment 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 27, 2018, the City issued \$2,310,000 in general obligation bonds with an interest rate of 3.0-5.0% to current refund \$2,490,000 of outstanding general obligation notes with an interest rate of 5.1%. The net proceeds were used to prepay the outstanding debt.

The cash flow requirements on the refunded bonds and notes prior to the current refunding was \$2,532,650 in 2019. The cash flow requirements on the refunding bonds are \$2,902,671 from 2019 through 2029. 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 \$29,883.

On September 27, 2018, the City issued \$2,650,000 in general obligation notes with an interest rate of 3.0-5.0% to current refund \$2,780,000 of outstanding general obligation bonds with an interest rate of 3.8-4.2%. Of the proceeds, \$2,180,000 related to governmental activities and \$600,000 to business-type activities. The net proceeds were used to prepay the outstanding debt.

The cash flow requirements on the refunded bonds and notes prior to the current refunding was \$3,387,222 from 2019 through 2028. The cash flow requirements on the refunding bonds are \$3,188,337 from 2019 through 2028. 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 \$173,717.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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

F. LONG-TERM OBLIGATIONS (cont.)

Current Refunding (cont.)

On September 27, 2018, the City issued \$5,335,000 in general obligation notes with an interest rate of 3.0-3.4% to current refund \$5,275,000 of outstanding general obligation bonds with an interest rate of 5.25-6.125%. The net proceeds were used to prepay the outstanding debt.

The cash flow requirements on the refunded bonds and notes prior to the current refunding was \$7,001,381 from 2019 through 2028. The cash flow requirements on the refunding bonds are \$6,255,019 from 2019 through 2028. 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 \$629,612.

G. NET POSITION/FUND BALANCES

Net position reported on the government wide statement of net position at December 31, 2018 includes the following:

Governmental Activities

Net Investment in Capital Assets	
Construction in progress	\$ 14,116,361
Land	18,516,536
Other capital assets, net of accumulated depreciation/amortization	169,616,203
Less: Related long-term debt outstanding (excluding unspent capital related debt proceeds)	<u>(94,371,259)</u>
Total Net Investment in Capital Assets	<u>\$ 107,877,841</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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, 2018 include the following:

	<u>General Fund</u>	<u>Debt Service - General</u>	<u>Nonmajor Funds</u>	<u>Totals</u>
Fund Balances				
Nonspendable:				
Long-term notes receivable	\$ 25,000	\$ -	\$ -	\$ 25,000
Long-term advances to other funds	2,623,587	-	-	2,623,587
Prepaid items and inventories	1,065,214	-	654,682	1,719,896
Restricted for:				
Debt service	-	4,868,393	2,485,070	7,353,463
Capital contracts	-	-	2,273,475	2,273,475
Cemetery maintenance	-	-	147,851	147,851
Hazardous materials	-	-	156,170	156,170
Community development	-	-	109,161	109,161
Home grant	-	-	4,749	4,749
Police department K9	-	-	412,066	412,066
Economic development	-	-	474,045	474,045
Community enhancement	-	-	44,054	44,054
Public library	-	-	880,137	880,137
City-County Health Department	-	-	1,250,141	1,250,141
Downtown	-	-	67,752	67,752
Bond construction	-	-	2,730,655	2,730,655
Committed for:				
Economic development	-	-	602,348	602,348
Assigned for:				
Capital projects	5,547,200	-	10,487,371	16,034,571
Carryover – 2018 budget	29,500	-	-	29,500
Highway 53 maintenance	1,718,312	-	-	1,718,312
Turf financing	172,048	-	-	172,048
Economic development	-	-	1,303,687	1,303,687
Unassigned (deficit):	<u>18,525,450</u>	<u>-</u>	<u>(4,193,275)</u>	<u>14,332,175</u>
Total Fund Balances	<u>\$ 29,706,311</u>	<u>\$ 4,868,393</u>	<u>\$ 19,890,139</u>	<u>\$ 54,464,843</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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	\$ 634,927
Land	17,295,152
Other capital assets, net of accumulated depreciation	232,169,257
Less: Related long-term debt outstanding (excluding unspent capital related debt proceeds)	<u>(55,931,896)</u>
Total Net Investment in Capital Assets	<u>\$ 194,167,440</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 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 \$728,825. The City's investment policy is applied to the custody of the RDA's deposits (see Note III.A.).

Interest income on pooled deposits 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, 2018

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

H. COMPONENT UNITS (cont.)

Redevelopment Authority (cont.)

c. 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.

Property held for resale activity for the year ended December 31, 2018 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Property held for resale	\$ 1,618,178	\$ 1,061,457	\$ 450,606	\$ 2,229,029

d. 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.

e. 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.

f. Related Parties

The City 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.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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>\$ 28,783</u>
North Barstow/Medical	<u>\$ 126,224</u>
West Grand	<u>\$ 30,814</u>
Water Street	<u>\$ 28,981</u>

I. TAX INCREMENTAL FINANCING DISTRICTS

The City currently maintains separate debt service and capital projects funds which account for seven Tax Incremental Financing Districts (TIDs) 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. These costs are recovered 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. Wisconsin statutes allow the municipality to collect tax increments until the net project cost has been fully recovered, or until the termination date, whichever occurs first. The City of Eau Claire must absorb project costs that are not recovered from tax increment by the District's dissolution date.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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. 7	1997	02/24/2004	03/11/2019	03/11/2024
TIF No. 8	2003	09/09/2014	09/24/2024	09/24/2029
TIF No. 9	2008	N/A	09/09/2023	09/09/2028
TIF No. 10	2015	N/A	10/14/2036	10/14/2041
TIF No. 11	2016	N/A	09/22/2030	09/22/2035
TIF No. 12	2017	N/A	09/12/2032	09/12/2037

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 tables summarize the project and expenditures from creation of the districts through December 31, 2018.

Project Costs	TIF No. 5	TIF No. 7	TIF No. 8
Capital expenditures	\$ 8,900,506	\$ 1,557,146	\$ 24,177,295
Interest and fiscal charges	3,391,922	1,193,052	4,890,195
Development, marketing, bond issuance costs	26,542	3,300	385,021
Total Project Costs	<u>12,318,970</u>	<u>2,753,498</u>	<u>29,452,511</u>

Project Revenues			
Tax increments	12,702,423	2,105,125	9,688,359
Interest income and misc. revenue	1,371,617	384,552	2,128,229
Grants and donations	-	-	503,008
Total Project Revenues	<u>14,074,040</u>	<u>2,489,677</u>	<u>12,319,596</u>
Net Recoverable Costs (Refundable)	<u>\$ (1,755,070)</u>	<u>\$ 263,821</u>	<u>\$ 17,132,915</u>

Project Costs (cont.)	TIF No. 9	TIF No. 10	TIF No. 11	TIF No. 12
Capital expenditures	\$ -	\$ 6,041,756	\$ -	\$ -
Interest and fiscal charges	1,050	478,369	7,306	-
Development, marketing, bond issuance costs	1,300	3,017,225	2,540	1,150
Total Project Costs	<u>2,350</u>	<u>9,537,350</u>	<u>9,846</u>	<u>1,150</u>

Project Revenues (cont.)				
Tax increments	447,976	1,055,606	582,211	-
Interest income and misc. revenue	17,297	228,393	30,138	-
Total Project Revenues	<u>465,273</u>	<u>1,283,999</u>	<u>612,349</u>	<u>-</u>
Net Recoverable Costs (Refundable)	<u>\$ (462,923)</u>	<u>\$ 8,253,351</u>	<u>\$ (602,503)</u>	<u>\$ 1,150</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE IV – OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

Plan description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 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.

ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

Vesting. 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.

Benefits provided. Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and State executive participants, if hired on or before December 31, 2016) are entitled to receive an unreduced retirement benefit. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor.

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

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

The WRS also provides death and disability benefits for employees.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE IV – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2008	6.6%	0%
2009	(2.1)	(42)
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4.0

Contributions. Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for General category employees and Executives and Elected Officials. Starting January 1, 2016, the Executives and Elected Officials category merged into the General Employee category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$3,353,631 in contributions from the City.

Contribution rates for the plan year reported as of December 31, 2018 are:

Employee Category	Employee	Employer
General (Executives & Elected Officials)	6.8%	6.8%
Protective with Social Security	6.8%	10.6%
Protective without Social Security	6.8%	14.9%

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE IV – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Pension Asset, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2018, the City reported an asset of \$9,638,358 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2017, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2016 rolled forward to December 31, 2017. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2017, the City's proportion was 0.32462020%, which was an increase of 0.00786854% from its proportion measured as of December 31, 2016.

For the year ended December 31, 2018, the City recognized pension expense of \$4,422,238.

At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 12,245,775	\$ 5,728,167
Changes of actuarial assumptions	1,904,351	-
Net differences between projected and actual earnings on pension plan investments	-	13,247,028
Changes in proportion and differences between employer contributions and proportionate share of contributions	27,947	126,552
Employer contributions subsequent to the measurement date	3,433,203	-
Totals	\$ 17,611,276	\$ 19,101,747

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE IV – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

\$3,433,203 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2019	\$ 1,019,055
2020	(119,705)
2021	(3,327,705)
2022	(2,518,305)
2023	22,986

Actuarial assumptions. The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2016
Measurement Date of Net Pension Liability (Asset)	December 31, 2017
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.2%
Discount Rate:	7.2%
Salary Increases:	
Inflation	3.2%
Seniority/Merit	0.2% - 5.6%
Mortality:	Wisconsin 2012 Mortality Table
Post-retirement Adjustments*:	2.1%

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

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE IV – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Actuarial assumptions are based upon an experience study conducted in 2015 using experience from 2012 – 2014. The total pension liability for December 31, 2017 is based upon a roll-forward of the liability calculated from the December 31, 2016 actuarial valuation.

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

<u>Core Fund Asset Class</u>	<u>Current Asset Allocation %</u>	<u>Long-Term Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return %</u>
Global Equities	50%	8.2%	5.3%
Fixed Income	24.5	4.24	1.4
Inflation Sensitive Assets	15.5	3.8	1.0
Real Estate	8	6.5	3.6
Private Equity/Debt	8	9.4	6.5
Multi-Asset	4	6.5	3.6
Total Core Fund	110	7.3	4.4
 <u>Variable Fund Asset Class</u>			
U.S. Equities	70	7.5	4.6
International Equities	30	7.8	4.9
Total Variable Fund	100	7.9	5.0

New England Pension Consultants Long-Term US CPI (Inflation) Forecast: 2.75%

Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

NOTE IV – OTHER INFORMATION (cont.)

A. EMPLOYEES’ RETIREMENT SYSTEM (cont.)

Single discount rate. A single discount rate of 7.20% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20% and a long-term bond rate of 3.31%. Because of the unique structure of WRS, the 7.20% expected rate of return implies that a dividend of approximately 2.1% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease to Discount Rate (6.20%)	Current Discount Rate (7.20%)	1% Increase to Discount Rate (8.20%)
City’s proportionate share of the net pension liability (asset)	\$ 24,937,724	\$ (9,638,358)	\$ (35,917,252)

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/cafr.htm>.

At December 31, 2018, the City reported a payable to the pension plan, which represents contractually required contributions outstanding as of the end of the year.

B. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets, errors and omissions; worker’s compensation, health care of its employees. 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.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE IV – OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

Self Insurance

For workers' compensation claims, the uninsured risk of loss is \$550,000 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.

The unpaid claims liability of \$2,121,933 at December 31, 2018 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 \$1,512,756 of potential workers compensation claims and \$609,177 for potential liability claims. Changes in unpaid claims liabilities in the current and prior year were:

Claims Liability

	<u>Prior Year</u>	<u>Current Year</u>
Unpaid claims – Beginning of Year	\$ 2,151,486	\$ 2,788,190
Current year claims and changes in estimates	1,794,160	675,169
Claim payments	<u>(1,157,456)</u>	<u>(1,341,426)</u>
Unpaid Claims – End of Year	<u>\$ 2,788,190</u>	<u>\$ 2,121,933</u>

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 2018, 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.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE IV – OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

Public Entity Risk Pool (cont.)

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.

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 2.81% for auto liability and 4.96% 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 2018, 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 3.19%.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE IV – OTHER INFORMATION (cont.)

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.

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, 2018. 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, 2018, 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	\$ 336,455
Bridge Projects	68,248
Transportation Improvements	2,325,989
Land, Buildings and Equipment	905,471
Parks and Recreation Projects	319,105
Environmental Improvements	252
Library Buildings & Equipment	41,902
TIF No. 8 Downtown Development	39,470
TIF No. 10 Confluence Project	1,721,632
TIF No. 11 Downtown Mixed Use	<u>12,000</u>
Total Committed Construction	<u>\$ 5,770,524</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE IV – OTHER INFORMATION (cont.)

C. COMMITMENTS AND CONTINGENCIES (cont.)

<u>Proprietary Funds</u>	
Water Utility	\$ 1,096,179
Sewer Utility	1,537,158
Storm Water Utility	1,166,161
Parking Utility	71,125
Public Transit	6,678,720
Hobbs Ice Center	115,248
Outdoor Pool	16,500
Central Equipment	<u>33,773</u>
 Total Committed Construction and Equipment	 <u>\$ 10,714,864</u>

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.

In addition to the Redevelopment Land Credit granted by the RDA, Phoenix Parkside, LLC shall receive from the City an annual developer incentive payment to stimulate economic development. The incentive is authorized through the TIF #8 project plan. The developer pays property taxes as they become due and, after meeting the criteria established in the development agreement, is entitled to future incentive payments that directly correlate to the taxes paid. PPL's commitment included constructing Phase I improvements to attain a market value of at least \$9.7 million as of January 1, 2010 and for the next ten years thereafter. The incentive payment is 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. Also, the developer incentive payment due to PPL shall be reduced each year by the amount corresponding to the Redevelopment Land Credit discussed in Note III.I.g. PPL shall receive annual developer incentive payments on the Phase I property until they have received a maximum \$900,000 payment or until the termination of the District, whichever occurs first. For the year ended December 31, 2018, the incentive payment to PPL was \$63,081 and the remaining commitment is \$501,985.

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 2018 were \$313,854.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE IV – OTHER INFORMATION (cont.)

C. COMMITMENTS AND CONTINGENCIES (cont.)

During 2018, the City entered into a one year lease commencing July 1, 2018 and continuing through June 30, 2019 to lease space at 2020 Prairie Lane for the temporary relocation of City Hall. After one year, the City may extend the lease on a month to month basis for up to six months at the same rate. The monthly rental rate is \$21,316 per month. Total payments made in 2018 were \$154,283 including security deposit and early occupancy costs.

D. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

General Information About the Plan

Plan description. The City's other postemployment benefit ("OPEB") plan provides medical benefits for eligible retirees and their spouses through the City's health insurance plan which covers both active and retired members. The City administers its single-employer defined benefit healthcare plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits provided. Benefit provisions are established through collective bargaining agreements or the employee handbook; benefits vary but, 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. Administrative costs of the plan are financed by the City.

Employees covered by benefit terms. At December 31, 2018, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	161
Active plan members	<u>433</u>
	<u>594</u>

The plan is closed to new entrants from most employee groups, with the exception of firefighters, transit, patrol and library.

Total OPEB Liability

The City's total OPEB liability of \$45,548,258 was measured as of December 31, 2017, and was determined by an actuarial valuation as of December 31, 2016.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

NOTE IV – OTHER INFORMATION (cont.)

D. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (cont.)

Actuarial assumptions and other inputs. The total OPEB liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.20 percent
Salary increases	3.20 percent, average, plus inflation
Healthcare cost trend rates	4.0% initially for both pre-65 members and post-65 members, increased annually to a maximum of 9.4% for pre-65 members and 10.6% for post-65 members in 2019 before decreasing to an ultimate rate of 4.0% in 2074 and later years.
Retirees' share of benefit related costs	Varies

The discount rate was based on a yield for 20-year Bond Buyer GO Index.

Mortality rates were based on the Wisconsin 2012 Mortality table (with adjustments) as the base table and project future improvements with MP-2015 generational improvement scale (with adjustments), as adopted by the Board in connection with the 2012-2014 Experience Study performed by the actuary for the Wisconsin Retirement System.

The actuarial assumptions used in the December 31, 2016 valuation were based on the results of the Wisconsin Retirement System actuarial valuation as of December 31, 2016.

Changes in the Total OPEB Liability

Balance at December 31, 2017	\$ 44,514,796
Changes for the year:	
Service cost	1,783,225
Interest	1,683,435
Changes in assumptions or other inputs	1,125,211
Benefit payments	<u>(3,558,409)</u>
Net changes	<u>1,033,462</u>
Balance at December 31, 2018	<u>\$ 45,548,258</u>

Changes of assumptions or other inputs reflect an update of demographic assumptions based upon the most recent WRS experience study, a change in the annual claim costs to reflect current medical provisions and premiums, and an update to the medical trend rates to be consistent with the most recent Getzen model application.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

NOTE IV – OTHER INFORMATION (cont.)

D. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (cont.)

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (2.44%)	Discount Rate (3.44%)	1% Increase (4.44%)
Total OPEB Liability	\$ 49,084,653	\$ 45,548,258	\$ 42,342,783

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	\$ 41,035,538	\$ 45,548,258	\$ 50,864,724

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2018, the City recognized OPEB expense of \$3,523,728. At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of actuarial assumptions	\$ 976,962	\$ 509,700
Employer contributions subsequent to the measurement date	3,643,680	-
Totals	\$ 4,620,642	\$ 509,700

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE IV – OTHER INFORMATION (cont.)

D. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (cont.)

\$3,643,680 reported as deferred outflows related to OPEB resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31:	Net Amount
2019	\$ 57,068
2020	57,068
2021	57,068
2022	57,068
2023	57,068
Thereafter	181,922

E. 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, 2018, the outstanding loans under the agreement were \$1,000,000, of which \$500,000 was due the City. Total interest earned by the City was \$22,500 for the year ended December 31, 2018.

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 twenty-one individuals, of which fourteen are elected directors and seven are perpetual directors. Directors represent downtown business improvement districts, the adjacent neighborhoods, and others that 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, 2018

NOTE IV – OTHER INFORMATION (cont.)

E. RELATED PARTIES (cont.)

The seven perpetual directors consist of representatives or appointees of the following: Eau Claire City Manager, Eau Claire City Council, University of Wisconsin- Eau Claire, South Barstow Business Improvement District, North Barstow Business Improvement District, Water Street Business Improvement District, and West Grand Business Improvement District. Downtown Eau Claire, Incorporated is funded in part by the City of Eau Claire, the four business improvement districts, memberships, and festival revenue.

F. 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.

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

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

- > Statement No. 83, *Certain Asset Retirement Obligations*
- > Statement No. 84, *Fiduciary Activities*
- > Statement No. 87, *Leases*
- > Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*
- > Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- > Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*

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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 42,123,200	\$ 42,123,200	\$ 42,059,639	\$ (63,561)
Special assessments	1,788,300	1,788,300	2,744,668	956,368
Intergovernmental	12,207,700	12,699,900	12,365,985	(333,915)
Licenses and permits	1,662,300	1,662,300	1,872,527	210,227
Fines, forfeitures and penalties	519,000	519,000	554,677	35,677
Charges for services - public	4,139,100	4,139,100	4,223,525	84,425
Charges for services - intergovernmental	3,856,100	3,856,100	3,728,920	(127,180)
Investment income	975,000	975,000	1,530,350	555,350
Miscellaneous	291,000	312,677	415,514	102,837
Total Revenues	<u>67,561,700</u>	<u>68,075,577</u>	<u>69,495,805</u>	<u>1,420,228</u>
EXPENDITURES				
Current				
City council	117,800	117,800	88,918	28,882
Administrative services	2,222,200	2,215,200	2,002,537	212,663
Legal	534,200	534,200	524,568	9,632
Finance	2,500,800	2,505,800	2,393,501	112,299
Human resources	985,700	985,700	868,167	117,533
Planning and development	1,292,900	1,751,700	1,385,179	366,521
Police	17,971,400	17,973,077	17,733,429	239,648
Fire	11,786,600	11,800,000	11,798,850	1,150
Public works	9,411,200	9,416,200	9,662,298	(246,098)
Culture and recreation	4,788,200	4,818,200	4,404,447	413,753
Development	-	-	745,000	(745,000)
Miscellaneous	1,378,200	2,968,200	786,389	2,181,811
Debt service				
Interest and fiscal charges	-	-	7,578	(7,578)
Total Expenditures	<u>52,989,200</u>	<u>55,086,077</u>	<u>52,400,861</u>	<u>2,685,216</u>
Excess of revenues over expenditures	<u>14,572,500</u>	<u>12,989,500</u>	<u>17,094,944</u>	<u>4,105,444</u>
OTHER FINANCING SOURCES (USES)				
Long term debt issued	-	-	975,000	975,000
Premium on long-term debt issued	-	-	8,978	8,978
Transfers from other funds	1,870,800	1,870,800	1,816,590	(54,210)
Transfers to other funds	(19,309,200)	(19,316,200)	(19,022,694)	293,506
Proceeds from sale of capital assets	10,000	10,000	7,170	(2,830)
Total Other Financing Sources (Uses)	<u>(17,428,400)</u>	<u>(17,435,400)</u>	<u>(16,214,956)</u>	<u>1,220,444</u>
Net change in fund balances	(2,855,900)	(4,445,900)	879,988	5,325,888
FUND BALANCE - Beginning of Year	<u>28,826,323</u>	<u>28,826,323</u>	<u>28,826,323</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 25,970,423</u>	<u>\$ 24,380,423</u>	<u>\$ 29,706,311</u>	<u>\$ 5,325,888</u>

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

CITY OF EAU CLAIRE

SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) WISCONSIN RETIREMENT SYSTEM (WRS) For the Year Ended December 31, 2018

WRS Fiscal Year End Date (Measurement Date)	City's Proportion of the Net Pension Asset/Liability	City's Proportionate Share of the Net Pension (Asset) Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Asset/Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/17	0.324620200%	\$ (9,638,358)	\$ 37,120,165	25.97%	102.93%
12/31/16	0.316751660%	2,610,790	35,995,011	7.25%	99.12%
12/31/15	0.316787350%	5,147,732	36,336,415	14.17%	98.20%
12/31/14	0.311873610%	(7,660,469)	34,381,449	22.28%	102.74%

SCHEDULE OF EMPLOYER CONTRIBUTIONS WISCONSIN RETIREMENT SYSTEM (WRS) For the Year Ended December 31, 2018

City Year End Date	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/18	\$ 3,433,203	\$ 3,433,203	\$ -	\$ 38,209,333	8.99%
12/31/17	3,352,806	3,352,806	-	37,108,480	9.04%
12/31/16	3,005,095	3,005,095	-	35,995,011	8.35%
12/31/15	3,087,697	3,087,697	-	36,336,415	8.50%

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

CITY OF EAU CLAIRE

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS For the Year Ended December 31, 2018

	2018	2017
Total OPEB Liability		
Service cost	\$ 1,783,225	\$ 1,821,890
Interest	1,683,435	1,612,847
Changes of assumptions	1,125,211	(692,062)
Benefit payments	(3,558,409)	(3,140,000)
Net Change in Total OPEB Liability	1,033,462	(397,325)
Total OPEB Liability - Beginning	44,514,796	44,912,121
Total OPEB Liability - Ending	\$ 45,548,258	\$ 44,514,796
Covered payroll	\$ 37,120,165	\$ 35,995,011
Total OPEB liability as a percentage of covered- employee payroll	122.70%	123.67%

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

CITY OF EAU CLAIRE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION For the Year Ended December 31, 2018

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 fund-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. Capital projects are categorized as recurring or nonrecurring projects, and this categorization determines the length of time funds are appropriated for expenditure. Funding for annual, recurring projects lapses at year-end each year whereas funding for nonrecurring projects lapses at the end of three years. 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 2018 budgets for governmental and proprietary funds on November 14, 2017.

CITY OF EAU CLAIRE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION For the Year Ended December 31, 2018

BUDGETARY INFORMATION (cont.)

During 2017 and 2018, additional appropriations were approved in several funds. A summary of these council actions follows:

Fund	Original Appropriation	Carryover of Appropriations	Grants and Donations	Other	Final Appropriation
General Fund	\$ 72,298,400	\$ 492,200	\$ 20,000	\$ 1,591,677	\$ 74,402,277
Debt Service – General	9,656,400	-	-	10,063,000	19,719,400
Economic Development	380,000	386,600	51,300	120,000	937,900
Community Enhancement	2,030,100	-	-	51,100	2,081,200
Public Library	4,134,200	76,300	246,300	-	4,456,800
City-County Health	6,026,900	(80,100)	299,200	-	6,246,000
Debt Service – TIF No. 5	631,700	-	-	145,900	777,600

WISCONSIN RETIREMENT SYSTEM

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

The City is required to present the last ten fiscal years of data; however, accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

Changes in benefit terms. There were no changes of benefit terms for any participating employer in the Wisconsin Retirement System.

Changes in assumptions. There were no changes in assumptions.

OTHER POSTEMPLOYMENT BENEFIT PLAN

The City is required to present the last ten fiscal years of data; however, accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

Accumulation of assets. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement No. 75.

Changes in benefit terms and assumptions. There were no changes in the benefit terms. The discount rate changed from 3.78% in 2017 to 3.44% in 2018.

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, 2018 and 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash and investments	\$ 26,566,505	\$ 25,966,741
Receivables		
Taxes		
Current	43,868,448	42,927,341
Delinquent personal property, net	<u>15,899</u>	<u>12,266</u>
Total Taxes	<u>43,884,347</u>	<u>42,939,607</u>
Accounts receivable, net	1,912,457	2,088,644
Notes receivable	25,000	25,000
Special assessments		
Installment	4,589,971	4,488,519
Deferred	15,730	24,949
Interest	161,731	106,792
Due from other governments	<u>277,411</u>	<u>223,417</u>
Total Receivables	<u>50,866,647</u>	<u>49,896,928</u>
Due from other funds	1,387,645	944,153
Prepaid items and inventories	1,065,214	1,050,387
Advances to other funds	<u>2,939,780</u>	<u>3,202,056</u>
 TOTAL ASSETS	 <u>\$ 82,825,791</u>	 <u>\$ 81,060,265</u>

	<u>2018</u>	<u>2017</u>
<i>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</i>		
Liabilities		
Accounts payable	\$ 897,675	\$ 596,331
Accrued liabilities	1,508,023	1,670,588
Deposits	454,754	427,822
Due to other governments	<u>117,226</u>	<u>118,996</u>
Total Liabilities	<u>2,977,678</u>	<u>2,813,737</u>
Deferred Inflows of Resources		
Unearned revenues - time requirements	42,821,162	42,007,587
Unavailable revenues	<u>7,320,640</u>	<u>7,412,618</u>
Total Deferred Inflows of Resources	<u>50,141,802</u>	<u>49,420,205</u>
Fund Balance		
Nonspendable	3,713,801	3,785,171
Assigned	7,467,060	4,828,248
Unassigned	<u>18,525,450</u>	<u>20,212,904</u>
Total Fund Balance	<u>29,706,311</u>	<u>28,826,323</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 82,825,791</u>	<u>\$ 81,060,265</u>

CITY OF EAU CLAIRE

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

For the Year Ended December 31, 2018

With Comparative Actual Totals for the Year Ended December 31, 2017

	2018			2017	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
	Original	Final			
REVENUES					
TAXES					
Real and personal property	\$ 41,712,600	\$ 41,712,600	\$ 41,641,087	\$ (71,513)	\$ 40,288,332
Mobile home fees	80,100	80,100	63,883	(16,217)	62,066
Payment in lieu of taxes:					
Other	327,500	327,500	338,094	10,594	363,079
Omitted and corrected taxes	-	-	7,196	7,196	-
Interest on delinquent taxes	3,000	3,000	9,379	6,379	8,670
Total Taxes	<u>42,123,200</u>	<u>42,123,200</u>	<u>42,059,639</u>	<u>(63,561)</u>	<u>40,722,147</u>
SPECIAL ASSESSMENTS					
Current	1,453,900	1,453,900	2,044,901	591,001	1,750,069
Installment	334,400	334,400	699,767	365,367	635,382
Total Special Assessments	<u>1,788,300</u>	<u>1,788,300</u>	<u>2,744,668</u>	<u>956,368</u>	<u>2,385,451</u>
INTERGOVERNMENTAL					
Federal aid	19,000	19,000	23,512	4,512	3,943
State aid					
Shared taxes	6,081,100	6,081,100	6,135,960	54,860	6,144,449
Municipal services	570,700	570,700	533,821	(36,879)	487,961
Utility tax	627,700	627,700	627,707	7	590,160
Local streets	3,242,100	3,242,100	3,239,590	(2,510)	2,976,900
Expenditure restraint program	1,161,000	1,161,000	1,148,342	(12,658)	1,120,321
Fire insurance	167,300	167,300	206,685	39,385	206,666
Underground tank inspections	6,300	6,300	5,656	(644)	-
Police training	15,000	15,000	14,720	(280)	14,560
Other	317,500	809,700	429,992	(379,708)	308,977
Total Intergovernmental	<u>12,207,700</u>	<u>12,699,900</u>	<u>12,365,985</u>	<u>(333,915)</u>	<u>11,853,937</u>
LICENSES AND PERMITS					
Television franchise	701,500	701,500	702,825	1,325	673,358
Licenses	339,000	339,000	374,273	35,273	329,856
Permits	621,800	621,800	795,429	173,629	870,277
Total Licenses and Permits	<u>1,662,300</u>	<u>1,662,300</u>	<u>1,872,527</u>	<u>210,227</u>	<u>1,873,491</u>
FINES, FORFEITURES AND PENALTIES					
Parking violation fines	290,000	290,000	289,056	(944)	237,743
County court fines	225,000	225,000	262,917	37,917	217,203
Other fines or forfeitures	4,000	4,000	2,704	(1,296)	2,704
Total Fines, Forfeitures and Penalties	<u>519,000</u>	<u>519,000</u>	<u>554,677</u>	<u>35,677</u>	<u>457,650</u>

CITY OF EAU CLAIRE

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

For the Year Ended December 31, 2018

With Comparative Actual Totals for the Year Ended December 31, 2017

	2018			2017	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
	Original	Final			
PUBLIC CHARGES FOR SERVICES					
General government	\$ 76,100	\$ 76,100	\$ 73,135	\$ (2,965)	\$ 91,874
Public safety	3,140,200	3,140,200	3,211,281	71,081	2,854,268
Public works	150,000	150,000	157,998	7,998	154,252
Parks and recreation	643,300	643,300	642,371	(929)	630,739
Development	1,000	1,000	16,646	15,646	9,277
Other	128,500	128,500	122,094	(6,406)	108,915
Total Charges for Services	<u>4,139,100</u>	<u>4,139,100</u>	<u>4,223,525</u>	<u>84,425</u>	<u>3,849,325</u>
CHARGES FOR SERVICES - INTERGOVERNMENTAL					
Communication center reimbursement	1,635,900	1,635,900	1,517,179	(118,721)	1,467,482
Police liaison	274,200	274,200	268,636	(5,564)	259,859
Departmental unfunded pension charge	146,600	146,600	146,800	200	146,600
Storm water management charge	441,600	441,600	441,636	36	401,472
Sewer utility charge	527,600	527,600	527,604	4	475,668
Water utility service charge	693,400	693,400	693,276	(124)	626,100
Other service charges	136,800	136,800	133,789	(3,011)	125,965
Total Charges for Services - Intergovernmental	<u>3,856,100</u>	<u>3,856,100</u>	<u>3,728,920</u>	<u>(127,180)</u>	<u>3,503,146</u>
INVESTMENT INCOME					
Investment interest and gains	500,000	500,000	1,138,459	638,459	594,854
Interest on advance to other funds	200,000	200,000	123,292	(76,708)	143,617
Interest on special assessments	275,000	275,000	268,599	(6,401)	271,752
Total Investment Income	<u>975,000</u>	<u>975,000</u>	<u>1,530,350</u>	<u>555,350</u>	<u>1,010,223</u>
MISCELLANEOUS					
Rental					
Rental of land and buildings	63,600	63,600	68,356	4,756	76,292
Total Rental	<u>63,600</u>	<u>63,600</u>	<u>68,356</u>	<u>4,756</u>	<u>76,292</u>
Other					
Donations	-	1,677	55,830	54,153	36,884
Other miscellaneous	227,400	247,400	291,328	43,928	277,439
Total Other	<u>227,400</u>	<u>249,077</u>	<u>347,158</u>	<u>98,081</u>	<u>314,323</u>
Total Miscellaneous	<u>291,000</u>	<u>312,677</u>	<u>415,514</u>	<u>102,837</u>	<u>390,615</u>
Total Revenues	<u>67,561,700</u>	<u>68,075,577</u>	<u>69,495,805</u>	<u>1,420,228</u>	<u>66,045,985</u>

CITY OF EAU CLAIRE

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

For the Year Ended December 31, 2018

With Comparative Actual Totals for the Year Ended December 31, 2017

	2018			2017	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
	Original	Final			
OTHER FINANCING SOURCES					
Transfers from other funds	\$ 175,800	\$ 175,800	\$ 175,800	\$ -	\$ 115,000
Transfer from water utility - PILOT	1,695,000	1,695,000	1,640,790	(54,210)	1,700,559
Long term debt issued	-	-	975,000	975,000	-
Premium on long-term debt issued	-	-	8,978	8,978	-
Proceeds from sale of capital assets	10,000	10,000	7,170	(2,830)	80,783
Total Other Financing Sources	<u>1,880,800</u>	<u>1,880,800</u>	<u>2,807,738</u>	<u>926,938</u>	<u>1,896,342</u>
 TOTAL REVENUES AND OTHER FINANCING SOURCES	 <u>\$ 69,442,500</u>	 <u>\$ 69,956,377</u>	 <u>\$ 72,303,543</u>	 <u>\$ 2,347,166</u>	 <u>\$ 67,942,327</u>

CITY OF EAU CLAIRE

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

For the Year Ended December 31, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	2018			2017	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
	Original	Final			
EXPENDITURES					
GENERAL GOVERNMENT					
City council	\$ 117,800	\$ 117,800	\$ 88,918	\$ 28,882	\$ 91,212
Administrative services					
City manager	466,400	459,400	419,883	39,517	439,557
City clerk/elections	666,200	666,200	552,751	113,449	379,954
Central duplicating	4,600	4,600	539	4,061	1,225
Information services	1,085,000	1,085,000	1,029,364	55,636	938,842
Total Administrative Services	<u>2,222,200</u>	<u>2,215,200</u>	<u>2,002,537</u>	<u>212,663</u>	<u>1,759,578</u>
Legal	<u>534,200</u>	<u>534,200</u>	<u>524,568</u>	<u>9,632</u>	<u>483,067</u>
Finance					
Administration	363,000	363,000	348,300	14,700	395,032
Accounting	740,600	745,600	617,009	128,591	600,798
Assessing	545,900	545,900	626,305	(80,405)	478,683
Customer services	851,300	851,300	801,887	49,413	774,275
Total Finance	<u>2,500,800</u>	<u>2,505,800</u>	<u>2,393,501</u>	<u>112,299</u>	<u>2,248,788</u>
Human resources					
Purchasing	250,700	250,700	236,919	13,781	224,556
Personnel administration	735,000	735,000	631,248	103,752	667,094
Total Human Resources	<u>985,700</u>	<u>985,700</u>	<u>868,167</u>	<u>117,533</u>	<u>891,650</u>
Planning and development					
Community planning	572,100	572,100	519,791	52,309	563,134
Inspection and zoning	720,800	1,179,600	865,388	314,212	726,568
Total Planning and Development	<u>1,292,900</u>	<u>1,751,700</u>	<u>1,385,179</u>	<u>366,521</u>	<u>1,289,702</u>
Total General Government	<u>7,653,600</u>	<u>8,110,400</u>	<u>7,262,870</u>	<u>847,530</u>	<u>6,763,997</u>
PUBLIC SAFETY					
Police					
Administration	1,729,300	1,729,300	1,424,847	304,453	1,279,106
Administrative services	1,004,000	1,004,000	983,849	20,151	1,527,398
Patrol services	9,262,500	9,254,500	9,550,985	(296,485)	9,312,823
Investigative services	3,071,300	3,072,977	3,107,489	(34,512)	2,928,861
Central communications	2,904,300	2,912,300	2,666,259	246,041	2,101,201
Total Police	<u>17,971,400</u>	<u>17,973,077</u>	<u>17,733,429</u>	<u>239,648</u>	<u>17,149,389</u>
Fire					
Administration	1,059,700	1,069,700	1,089,852	(20,152)	1,049,331
Suppression and rescue	10,321,300	10,324,700	10,344,360	(19,660)	10,004,621
Prevention and inspection	405,600	405,600	364,638	40,962	418,195
Total Fire	<u>11,786,600</u>	<u>11,800,000</u>	<u>11,798,850</u>	<u>1,150</u>	<u>11,472,147</u>
Total Public Safety	<u>29,758,000</u>	<u>29,773,077</u>	<u>29,532,279</u>	<u>240,798</u>	<u>28,621,536</u>

CITY OF EAU CLAIRE

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

For the Year Ended December 31, 2018

With Comparative Actual Totals for the Year Ended December 31, 2017

	2018			2017	
	Budgeted Amounts		Actual	Variance with	
	Original	Final		Final Budget	Actual
PUBLIC WORKS					
Administration	\$ 238,100	\$ 243,100	\$ 301,446	\$ (58,346)	\$ 281,807
Parks and recreation administration	248,400	248,400	209,903	38,497	342,502
Operations	6,957,500	6,957,500	7,273,149	(315,649)	6,497,362
Engineering	1,967,200	1,967,200	1,877,800	89,400	1,827,975
Total Public Works	9,411,200	9,416,200	9,662,298	(246,098)	8,949,646
CULTURE AND RECREATION					
Park maintenance	3,131,700	3,161,700	2,892,342	269,358	2,826,385
Forestry	750,500	750,500	716,256	34,244	661,006
Recreation and playgrounds	906,000	906,000	795,849	110,151	718,385
Total Culture and Recreation	4,788,200	4,818,200	4,404,447	413,753	4,205,776
DEVELOPMENT					
Contribution to RDA	-	-	745,000	(745,000)	-
Total Development	-	-	745,000	(745,000)	-
MISCELLANEOUS					
Payments to other organizations	146,300	146,300	146,300	-	146,300
Contractual services	120,300	120,300	49,453	70,847	67,031
Insurance and retirement	777,200	777,200	507,846	269,354	55,675
Special assessments	117,200	117,200	28,058	89,142	165,199
Illegal taxes and refunds	-	-	41,321	(41,321)	627
Annexation rebates	7,200	7,200	7,148	52	7,827
Wellness program	10,000	10,000	6,263	3,737	11,915
Contingency	200,000	1,790,000	-	1,790,000	-
Total Miscellaneous	1,378,200	2,968,200	786,389	2,181,811	454,574
DEBT SERVICE					
Interest and fiscal charges	-	-	7,578	(7,578)	-
Total Debt Service	-	-	7,578	(7,578)	-
Total Expenditures	52,989,200	55,086,077	52,400,861	2,685,216	48,995,529
OTHER FINANCING USES					
Transfers to other funds:					
Special revenue fund	5,475,900	5,475,900	5,449,194	26,706	5,503,311
Debt service fund	9,412,800	9,412,800	9,405,436	7,364	8,694,671
Capital project funds	3,145,900	3,145,900	3,035,900	110,000	2,808,000
Proprietary funds	1,274,600	1,281,600	1,132,164	149,436	1,583,195
Total Other Financing Uses	19,309,200	19,316,200	19,022,694	293,506	18,589,177
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 72,298,400	\$ 74,402,277	\$ 71,423,555	\$ 2,978,722	\$ 67,584,706

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, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	2018			2017	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
	Original	Final			
REVENUES					
Special assessments	\$ 300	\$ 300	\$ 77,716	\$ 77,416	\$ 167,749
Investment income	-	-	10,344	10,344	12,284
Total Revenues	<u>300</u>	<u>300</u>	<u>88,060</u>	<u>87,760</u>	<u>180,033</u>
EXPENDITURES					
Current					
General government	4,200	4,200	3,771	429	3,672
Debt Service					
Principal retirement	6,907,000	16,970,000	16,851,919	118,081	9,452,173
Interest and fiscal charges	<u>2,745,200</u>	<u>2,745,200</u>	<u>2,855,005</u>	<u>(109,805)</u>	<u>2,562,611</u>
Total Expenditures	<u>9,656,400</u>	<u>19,719,400</u>	<u>19,710,695</u>	<u>8,705</u>	<u>12,018,456</u>
Deficiency of revenues over expenditures	<u>(9,656,100)</u>	<u>(19,719,100)</u>	<u>(19,622,635)</u>	<u>96,465</u>	<u>(11,838,423)</u>
OTHER FINANCING SOURCES					
Refunding long-term debt issued	-	9,725,000	9,725,000	-	2,665,000
Premium on long-term debt issued	-	338,000	337,830	(170)	244,155
Transfers from other funds	<u>9,482,000</u>	<u>9,482,000</u>	<u>9,474,521</u>	<u>(7,479)</u>	<u>8,764,422</u>
Total Other Financing Sources	<u>9,482,000</u>	<u>19,545,000</u>	<u>19,537,351</u>	<u>(7,649)</u>	<u>11,673,577</u>
Net change in fund balances	(174,100)	(174,100)	(85,284)	88,816	(164,846)
FUND BALANCE - Beginning of Year	<u>4,953,677</u>	<u>4,953,677</u>	<u>4,953,677</u>	<u>-</u>	<u>5,118,523</u>
FUND BALANCE - END OF YEAR	<u>\$ 4,779,577</u>	<u>\$ 4,779,577</u>	<u>\$ 4,868,393</u>	<u>\$ 88,816</u>	<u>\$ 4,953,677</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** 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 #5** fund accounts for debt funded by taxes resulting from the incremental property values in the industrial development area north and west of the Gateway West Business Park. This district was created in 1997 and terminated in 2017.

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 #7 Soo Line Development Area** fund accounts for public improvements 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.

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 **TIF #10 Confluence Project** fund accounts for assisting the development of the South Barstow Area, including undeveloped sections of TIF #8.

The **TIF #11 Downtown Mixed Use** fund accounts for acquisition and capital improvements in downtown Eau Claire.

The **TIF #12 Water Street** fund accounts for acquisition and capital improvements along Eau Claire's Water Street and the surrounding area.

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

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

The **Transportation Improvements** fund accounts for construction and rebuilding of city streets, bridges, trails, and other transportation-related improvements.

Nonmajor Funds – Governmental (cont.)

Capital Projects Funds (cont.)

The **Land, 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** 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, 2018

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Totals
ASSETS				
Cash and investments	\$ 4,807,969	\$ 2,485,070	\$ 12,005,863	\$ 19,298,902
Receivables				
Taxes	32,410	-	2,847,495	2,879,905
Accounts, net	369,787	-	33,817	403,604
Notes, net	2,915,414	-	-	2,915,414
Due from other governments	587,225	-	155,280	742,505
Prepaid items and inventories	145,763	-	508,919	654,682
Advances to other funds	400,000	-	1,000,000	1,400,000
Restricted Assets				
Revolving loan sequestered funds	474,045	-	-	474,045
Construction account	-	-	4,846,871	4,846,871
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 9,732,613</u>	<u>\$ 2,485,070</u>	<u>\$ 21,398,245</u>	<u>\$ 33,615,928</u>
LIABILITIES				
Accounts payable	\$ 347,205	\$ -	\$ 2,408,063	\$ 2,755,268
Accrued liabilities	407,941	-	-	407,941
Deposits	10,862	-	-	10,862
Due to other governments	40,441	-	3,900	44,341
Due to other funds	91,923	-	585,145	677,068
Advances from other funds	-	-	3,651,145	3,651,145
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>898,372</u>	<u>-</u>	<u>6,648,253</u>	<u>7,546,625</u>
DEFERRED INFLOWS OF RESOURCES				
Unearned revenues - time requirements	-	-	2,847,495	2,847,495
Unavailable revenues	3,236,317	-	95,352	3,331,669
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Deferred Inflows of Resources	<u>3,236,317</u>	<u>-</u>	<u>2,942,847</u>	<u>6,179,164</u>
FUND BALANCES				
Nonspendable	145,763	-	508,919	654,682
Restricted	3,546,126	2,485,070	5,004,130	11,035,326
Committed	602,348	-	-	602,348
Assigned	1,303,687	-	10,487,371	11,791,058
Unassigned (deficit)	-	-	(4,193,275)	(4,193,275)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>5,597,924</u>	<u>2,485,070</u>	<u>11,807,145</u>	<u>19,890,139</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 9,732,613</u>	<u>\$ 2,485,070</u>	<u>\$ 21,398,245</u>	<u>\$ 33,615,928</u>

CITY OF EAU CLAIRE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2018

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Totals
REVENUES				
Taxes	\$ 2,022,688	\$ 1,363,064	\$ 2,711,319	\$ 6,097,071
Intergovernmental	2,154,255	24,928	528,532	2,707,715
Licenses and permits	700,393	-	-	700,393
Fines, forfeitures and penalties	14,371	-	-	14,371
Charges for services - public	483,052	-	-	483,052
Charges for services - intergovernmental	2,249,230	-	150	2,249,380
Investment income	57,244	27,561	171,614	256,419
Miscellaneous				
Loan repayments	323,298	-	-	323,298
Gifts and donations	125,393	-	113,580	238,973
Other	783,365	-	254,889	1,038,254
Total Revenues	<u>8,913,289</u>	<u>1,415,553</u>	<u>3,780,084</u>	<u>14,108,926</u>
EXPENDITURES				
Current				
General government	-	4,200	313,492	317,692
Public safety	144,172	-	175,579	319,751
Public works	120,702	-	211,259	331,961
Health services	6,302,886	-	-	6,302,886
Culture and recreation	4,091,119	-	3,857	4,094,976
Development	2,905,608	-	1,575,700	4,481,308
Capital Outlay	195,179	-	20,088,767	20,283,946
Debt Service				
Principal retirement	-	595,000	1,395,000	1,990,000
Interest and fiscal charges	-	28,831	743,563	772,394
Total Expenditures	<u>13,759,666</u>	<u>628,031</u>	<u>24,507,217</u>	<u>38,894,914</u>
Excess (deficiency) of revenues over expenditures	<u>(4,846,377)</u>	<u>787,522</u>	<u>(20,727,133)</u>	<u>(24,785,988)</u>
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	-	-	14,080,000	14,080,000
Premium on long-term debt issued	-	-	624,732	624,732
Transfers from other funds	5,631,360	412,414	5,144,210	11,187,984
Transfers to other funds	(1,060,451)	-	(2,129,414)	(3,189,865)
Proceeds from sale of capital assets	2,425	-	-	2,425
Total Other Financing Sources (Uses)	<u>4,573,334</u>	<u>412,414</u>	<u>17,719,528</u>	<u>22,705,276</u>
Net changes in fund balances	(273,043)	1,199,936	(3,007,605)	(2,080,712)
FUND BALANCES - Beginning of Year	<u>5,870,967</u>	<u>1,285,134</u>	<u>14,814,750</u>	<u>21,970,851</u>
FUND BALANCES - END OF YEAR	<u>\$ 5,597,924</u>	<u>\$ 2,485,070</u>	<u>\$ 11,807,145</u>	<u>\$ 19,890,139</u>

CITY OF EAU CLAIRE

COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS
As of December 31, 2018

	<u>Cemetery Maintenance</u>	<u>Hazardous Materials Response</u>	<u>Community Development</u>	<u>Home Grant</u>	<u>Police Department K9</u>
ASSETS					
Cash and investments	\$ 156,155	\$ 158,299	\$ 30,991	\$ 125	\$ 412,266
Receivables					
Taxes	-	-	-	-	-
Accounts, net	3,360	-	-	-	-
Notes, net	-	-	1,592,434	-	-
Due from other governments	-	37,066	164,248	82,178	-
Prepaid items and inventories	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Restricted Assets					
Revolving loan sequestered funds	-	-	-	-	-
TOTAL ASSETS	<u>\$ 159,515</u>	<u>\$ 195,365</u>	<u>\$ 1,787,673</u>	<u>\$ 82,303</u>	<u>\$ 412,266</u>
LIABILITIES					
Accounts payable	\$ 2,405	\$ 10,206	\$ 63,894	\$ 7,837	\$ -
Accrued liabilities	5,899	-	6,136	231	200
Deposits	-	-	30	-	-
Due to other governments	-	-	1,401	-	-
Due to other funds	-	-	-	60,890	-
Total Liabilities	<u>8,304</u>	<u>10,206</u>	<u>71,461</u>	<u>68,958</u>	<u>200</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues	<u>3,360</u>	<u>28,989</u>	<u>1,607,051</u>	<u>8,596</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>3,360</u>	<u>28,989</u>	<u>1,607,051</u>	<u>8,596</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	147,851	156,170	109,161	4,749	412,066
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Total Fund Balances	<u>147,851</u>	<u>156,170</u>	<u>109,161</u>	<u>4,749</u>	<u>412,066</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 159,515</u>	<u>\$ 195,365</u>	<u>\$ 1,787,673</u>	<u>\$ 82,303</u>	<u>\$ 412,266</u>

Economic Development	Community Enhancement	Public Library	City-County Health Department	Downtown	Former Landfill Escrow	Totals
\$ 1,513,916	\$ -	\$ 1,073,999	\$ 1,376,823	\$ 70,012	\$ 15,383	\$ 4,807,969
-	-	-	32,410	-	-	32,410
-	127,967	116,668	94,347	549	26,896	369,787
1,322,980	-	-	-	-	-	2,915,414
-	-	-	303,733	-	-	587,225
-	-	54,973	90,790	-	-	145,763
400,000	-	-	-	-	-	400,000
474,045	-	-	-	-	-	474,045
<u>\$ 3,710,941</u>	<u>\$ 127,967</u>	<u>\$ 1,245,640</u>	<u>\$ 1,898,103</u>	<u>\$ 70,561</u>	<u>\$ 42,279</u>	<u>\$ 9,732,613</u>
\$ 1,924	\$ 52,880	\$ 61,658	\$ 140,827	\$ 33	\$ 5,541	\$ 347,205
4,960	-	145,622	242,117	2,776	-	407,941
990	-	-	-	-	9,842	10,862
7	-	-	39,033	-	-	40,441
-	31,033	-	-	-	-	91,923
<u>7,881</u>	<u>83,913</u>	<u>207,280</u>	<u>421,977</u>	<u>2,809</u>	<u>15,383</u>	<u>898,372</u>
<u>1,322,980</u>	<u>-</u>	<u>103,250</u>	<u>135,195</u>	<u>-</u>	<u>26,896</u>	<u>3,236,317</u>
<u>1,322,980</u>	<u>-</u>	<u>103,250</u>	<u>135,195</u>	<u>-</u>	<u>26,896</u>	<u>3,236,317</u>
-	-	54,973	90,790	-	-	145,763
474,045	44,054	880,137	1,250,141	67,752	-	3,546,126
602,348	-	-	-	-	-	602,348
<u>1,303,687</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,303,687</u>
<u>2,380,080</u>	<u>44,054</u>	<u>935,110</u>	<u>1,340,931</u>	<u>67,752</u>	<u>-</u>	<u>5,597,924</u>
<u>\$ 3,710,941</u>	<u>\$ 127,967</u>	<u>\$ 1,245,640</u>	<u>\$ 1,898,103</u>	<u>\$ 70,561</u>	<u>\$ 42,279</u>	<u>\$ 9,732,613</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, 2018

	Cemetery Maintenance	Hazardous Materials Response	Community Development	Home Grant	Police Department K9
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	125,185	665,243	198,391	-
Licenses and permits	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-
Charges for services - public	155,483	-	-	-	-
Charges for services - intergovernmental	-	-	-	-	-
Investment income	-	1,899	-	-	5,112
Miscellaneous					
Loan repayments	-	-	167,849	11,740	-
Gifts and donations	-	-	-	-	-
Other	-	-	-	-	-
Total Revenues	<u>155,483</u>	<u>127,084</u>	<u>833,092</u>	<u>210,131</u>	<u>5,112</u>
EXPENDITURES					
Current					
Public safety	-	115,786	-	-	28,386
Public works	-	-	-	-	-
Health services	418,377	-	-	-	-
Culture and recreation	-	-	-	-	-
Development	-	-	721,789	206,475	-
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>418,377</u>	<u>115,786</u>	<u>721,789</u>	<u>206,475</u>	<u>28,386</u>
Excess (deficiency) of revenues over expenditures	<u>(262,894)</u>	<u>11,298</u>	<u>111,303</u>	<u>3,656</u>	<u>(23,274)</u>
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	262,894	-	-	-	-
Transfers to other funds	(26,500)	-	(97,166)	-	(20,000)
Proceeds from sale of capital assets	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>236,394</u>	<u>-</u>	<u>(97,166)</u>	<u>-</u>	<u>(20,000)</u>
Net change in fund balances	(26,500)	11,298	14,137	3,656	(43,274)
FUND BALANCES - Beginning of Year	<u>174,351</u>	<u>144,872</u>	<u>95,024</u>	<u>1,093</u>	<u>455,340</u>
FUND BALANCES - END OF YEAR	<u>\$ 147,851</u>	<u>\$ 156,170</u>	<u>\$ 109,161</u>	<u>\$ 4,749</u>	<u>\$ 412,066</u>

Economic Development	Community Enhancement	Public Library	City-County Health Department	Downtown	Former Landfill Escrow	Totals
\$ -	\$ 2,022,688	\$ -	\$ -	\$ -	\$ -	\$ 2,022,688
-	-	6,337	1,159,099	-	-	2,154,255
-	-	-	700,393	-	-	700,393
-	-	14,371	-	-	-	14,371
-	-	15,758	194,038	-	117,773	483,052
-	-	643,641	1,605,589	-	-	2,249,230
49,986	235	(217)	-	-	229	57,244
143,709	-	-	-	-	-	323,298
-	-	73,224	39,169	13,000	-	125,393
<u>150,022</u>	<u>-</u>	<u>274,944</u>	<u>355,699</u>	<u>-</u>	<u>2,700</u>	<u>783,365</u>
<u>343,717</u>	<u>2,022,923</u>	<u>1,028,058</u>	<u>4,053,987</u>	<u>13,000</u>	<u>120,702</u>	<u>8,913,289</u>
-	-	-	-	-	-	144,172
-	-	-	-	-	120,702	120,702
-	-	-	5,884,509	-	-	6,302,886
-	-	4,091,119	-	-	-	4,091,119
489,631	1,418,500	-	-	69,213	-	2,905,608
-	-	<u>19,391</u>	<u>175,788</u>	-	-	<u>195,179</u>
<u>489,631</u>	<u>1,418,500</u>	<u>4,110,510</u>	<u>6,060,297</u>	<u>69,213</u>	<u>120,702</u>	<u>13,759,666</u>
<u>(145,914)</u>	<u>604,423</u>	<u>(3,082,452)</u>	<u>(2,006,310)</u>	<u>(56,213)</u>	<u>-</u>	<u>(4,846,377)</u>
236,400	-	3,107,100	1,939,966	85,000	-	5,631,360
(85,000)	(662,700)	(140,360)	(28,725)	-	-	(1,060,451)
-	-	2,425	-	-	-	2,425
<u>151,400</u>	<u>(662,700)</u>	<u>2,969,165</u>	<u>1,911,241</u>	<u>85,000</u>	<u>-</u>	<u>4,573,334</u>
5,486	(58,277)	(113,287)	(95,069)	28,787	-	(273,043)
<u>2,374,594</u>	<u>102,331</u>	<u>1,048,397</u>	<u>1,436,000</u>	<u>38,965</u>	<u>-</u>	<u>5,870,967</u>
<u>\$ 2,380,080</u>	<u>\$ 44,054</u>	<u>\$ 935,110</u>	<u>\$ 1,340,931</u>	<u>\$ 67,752</u>	<u>\$ -</u>	<u>\$ 5,597,924</u>

CITY OF EAU CLAIRE

COMBINING BALANCE SHEET -
NONMAJOR DEBT SERVICE FUNDS
As of December 31, 2018

	Debt Service - TIF No. 5	Debt Service - TIF No. 7	Totals
ASSETS			
Cash and investments	\$ 2,485,070	\$ -	\$ 2,485,070
TOTAL ASSETS	<u>\$ 2,485,070</u>	<u>\$ -</u>	<u>\$ 2,485,070</u>
FUND BALANCES			
Restricted	\$ 2,485,070	\$ -	\$ 2,485,070
TOTAL FUND BALANCES	<u>\$ 2,485,070</u>	<u>\$ -</u>	<u>\$ 2,485,070</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, 2018

	Debt Service - TIF No. 5	Debt Service - TIF No. 7	Totals
REVENUES			
Taxes	\$ 1,363,064	\$ -	\$ 1,363,064
Intergovernmental	24,928	-	24,928
Investment income	27,561	-	27,561
Total Revenues	<u>1,415,553</u>	<u>-</u>	<u>1,415,553</u>
EXPENDITURES			
Current			
General government	4,200	-	4,200
Debt Service			
Principal retirement	595,000	-	595,000
Interest and fiscal charges	28,831	-	28,831
Total Expenditures	<u>628,031</u>	<u>-</u>	<u>628,031</u>
Excess of revenues over expenditures	787,522	-	787,522
OTHER FINANCING SOURCES			
Transfers from other funds	<u>-</u>	<u>412,414</u>	<u>412,414</u>
Net change in fund balances	787,522	412,414	1,199,936
FUND BALANCES (DEFICIT) - Beginning of Year	<u>1,697,548</u>	<u>(412,414)</u>	<u>1,285,134</u>
FUND BALANCES - END OF YEAR	<u>\$ 2,485,070</u>	<u>\$ -</u>	<u>\$ 2,485,070</u>

CITY OF EAU CLAIRE

COMBINING BALANCE SHEET -
NONMAJOR CAPITAL PROJECTS FUNDS
As of December 31, 2018

	TIF No. 7 Soo Line Development Area	TIF No. 8 Downtown Development	TIF No. 9 Gateway NW Business Park Overlay	TIF No. 10 Confluence Project	TIF No. 11 Downtown Mixed Use	TIF No. 12 Water Street
ASSETS						
Cash and investments	\$ 148,623	\$ -	\$ 462,923	\$ -	\$ 574,871	\$ -
Receivables						
Taxes	125,506	1,344,174	68,370	634,014	299,889	375,542
Accounts	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-
Restricted assets						
Construction account	-	-	-	1,258,438	212,632	-
TOTAL ASSETS	<u>\$ 274,129</u>	<u>\$ 1,344,174</u>	<u>\$ 531,293</u>	<u>\$ 1,892,452</u>	<u>\$ 1,087,392</u>	<u>\$ 375,542</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ 72,009	\$ -	\$ -
Due to other governments	-	-	-	-	-	-
Due to other funds	-	244,215	-	339,780	-	1,150
Advances from other funds	412,445	3,238,700	-	-	-	-
Total Liabilities	<u>412,445</u>	<u>3,482,915</u>	<u>-</u>	<u>411,789</u>	<u>-</u>	<u>1,150</u>
DEFERRED INFLOWS OF RESOURCES						
Unearned revenues - time requirements	125,506	1,344,174	68,370	634,014	299,889	375,542
Unavailable revenues	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>125,506</u>	<u>1,344,174</u>	<u>68,370</u>	<u>634,014</u>	<u>299,889</u>	<u>375,542</u>
FUND BALANCES (DEFICIT)						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	462,923	1,186,429	787,503	-
Assigned	-	-	-	-	-	-
Unassigned (deficit)	(263,822)	(3,482,915)	-	(339,780)	-	(1,150)
Total Fund Balances (Deficit)	<u>(263,822)</u>	<u>(3,482,915)</u>	<u>462,923</u>	<u>846,649</u>	<u>787,503</u>	<u>(1,150)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 274,129</u>	<u>\$ 1,344,174</u>	<u>\$ 531,293</u>	<u>\$ 1,892,452</u>	<u>\$ 1,087,392</u>	<u>\$ 375,542</u>

Bridge Projects	Street Projects	Transportation Improvements	Land, Buildings and Equipment	Parks and Recreation Projects	Environmental Improvements	Library Buildings & Equipment	Totals
\$ 221,027	\$ 947,469	\$ 4,167,629	\$ 3,388,288	\$ 27,657	\$ 1,849,163	\$ 218,213	\$ 12,005,863
-	-	-	-	-	-	-	2,847,495
-	-	33,814	-	3	-	-	33,817
-	-	26,687	13,394	115,199	-	-	155,280
-	-	-	508,919	-	-	-	508,919
-	1,000,000	-	-	-	-	-	1,000,000
-	-	2,864,113	387,680	124,008	-	-	4,846,871
<u>\$ 221,027</u>	<u>\$ 1,947,469</u>	<u>\$ 7,092,243</u>	<u>\$ 4,298,281</u>	<u>\$ 266,867</u>	<u>\$ 1,849,163</u>	<u>\$ 218,213</u>	<u>\$ 21,398,245</u>
\$ 12,548	\$ 123,204	\$ 1,639,682	\$ 514,597	\$ 20,753	\$ 1,400	\$ 23,870	\$ 2,408,063
-	-	-	3,900	-	-	-	3,900
-	-	-	-	-	-	-	585,145
-	-	-	-	-	-	-	3,651,145
<u>12,548</u>	<u>123,204</u>	<u>1,639,682</u>	<u>518,497</u>	<u>20,753</u>	<u>1,400</u>	<u>23,870</u>	<u>6,648,253</u>
-	-	-	-	-	-	-	2,847,495
-	-	26,687	13,394	55,271	-	-	95,352
-	-	26,687	13,394	55,271	-	-	2,942,847
-	-	-	508,919	-	-	-	508,919
68,249	336,455	1,224,052	447,473	296,451	252	194,343	5,004,130
140,230	1,487,810	4,201,822	2,809,998	-	1,847,511	-	10,487,371
-	-	-	-	(105,608)	-	-	(4,193,275)
<u>208,479</u>	<u>1,824,265</u>	<u>5,425,874</u>	<u>3,766,390</u>	<u>190,843</u>	<u>1,847,763</u>	<u>194,343</u>	<u>11,807,145</u>
<u>\$ 221,027</u>	<u>\$ 1,947,469</u>	<u>\$ 7,092,243</u>	<u>\$ 4,298,281</u>	<u>\$ 266,867</u>	<u>\$ 1,849,163</u>	<u>\$ 218,213</u>	<u>\$ 21,398,245</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, 2018

	TIF No. 7 Soo Line Development Area	TIF No. 8 Downtown Development	TIF No. 9 Gateway NW Business Park Overlay	TIF No. 10 Confluence Project	TIF No. 11 Downtown Mixed Use	TIF No. 12 Water Street
REVENUES						
Taxes	\$ 148,742	\$ 1,449,784	\$ 70,881	\$ 703,013	\$ 338,899	\$ -
Intergovernmental	-	72,020	2,204	126	4,312	-
Charges for services - intergovernmental	-	-	-	-	-	-
Investment income	-	-	5,208	46,261	11,291	-
Miscellaneous	-	-	-	-	-	-
Gifts and donations	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Revenues	<u>148,742</u>	<u>1,521,804</u>	<u>78,293</u>	<u>749,400</u>	<u>354,502</u>	<u>-</u>
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Development	150	66,329	150	1,508,771	150	150
Capital Outlay	-	901,218	-	2,495,695	-	-
Debt Service						
Principal retirement	-	1,040,000	-	340,000	15,000	-
Interest and fiscal charges	-	390,625	-	216,320	7,306	-
Total Expenditures	<u>150</u>	<u>2,398,172</u>	<u>150</u>	<u>4,560,786</u>	<u>22,456</u>	<u>150</u>
Excess (deficiency) of revenues over expenditures	<u>148,592</u>	<u>(876,368)</u>	<u>78,143</u>	<u>(3,811,386)</u>	<u>332,046</u>	<u>(150)</u>
OTHER FINANCING SOURCES (USES)						
Long-term debt issued	-	885,000	-	2,375,000	-	-
Premium on long-term debt issued	-	68,776	-	86,589	-	-
Transfers from other funds	-	171,810	-	-	-	-
Transfer to other funds	(412,414)	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>(412,414)</u>	<u>1,125,586</u>	<u>-</u>	<u>2,461,589</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(263,822)	249,218	78,143	(1,349,797)	332,046	(150)
FUND BALANCES (DEFICIT) - Beginning of Year	-	(3,732,133)	384,780	2,196,446	455,457	(1,000)
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ (263,822)</u>	<u>\$ (3,482,915)</u>	<u>\$ 462,923</u>	<u>\$ 846,649</u>	<u>\$ 787,503</u>	<u>\$ (1,150)</u>

Bridge Projects	Street Projects	Transportation Improvements	Land, Buildings and Equipment	Parks and Recreation Projects	Environmental Improvements	Library Buildings & Equipment	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,711,319
-	45,000	259,832	85,107	59,931	-	-	528,532
-	-	-	150	-	-	-	150
10,139	-	37,156	38,376	817	22,225	141	171,614
-	-	110,000	3,580	-	-	-	113,580
-	-	199,473	36,654	18,762	-	-	254,889
<u>10,139</u>	<u>45,000</u>	<u>606,461</u>	<u>163,867</u>	<u>79,510</u>	<u>22,225</u>	<u>141</u>	<u>3,780,084</u>
-	-	-	313,492	-	-	-	313,492
-	-	-	175,579	-	-	-	175,579
-	38,167	94,953	-	-	78,139	-	211,259
-	-	-	-	-	-	3,857	3,857
-	-	-	-	-	-	-	1,575,700
169,474	319,362	8,988,280	6,327,199	711,543	2,973	173,023	20,088,767
-	-	-	-	-	-	-	1,395,000
-	-	88,011	35,677	5,039	-	585	743,563
<u>169,474</u>	<u>357,529</u>	<u>9,171,244</u>	<u>6,851,947</u>	<u>716,582</u>	<u>81,112</u>	<u>177,465</u>	<u>24,507,217</u>
<u>(159,335)</u>	<u>(312,529)</u>	<u>(8,564,783)</u>	<u>(6,688,080)</u>	<u>(637,072)</u>	<u>(58,887)</u>	<u>(177,324)</u>	<u>(20,727,133)</u>
-	-	7,805,000	2,780,000	145,000	-	90,000	14,080,000
-	-	320,588	143,017	39	-	5,723	624,732
-	-	2,815,000	1,942,400	115,000	-	100,000	5,144,210
<u>(775,000)</u>	<u>(900,000)</u>	<u>-</u>	<u>(42,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,129,414)</u>
<u>(775,000)</u>	<u>(900,000)</u>	<u>10,940,588</u>	<u>4,823,417</u>	<u>260,039</u>	<u>-</u>	<u>195,723</u>	<u>17,719,528</u>
(934,335)	(1,212,529)	2,375,805	(1,864,663)	(377,033)	(58,887)	18,399	(3,007,605)
<u>1,142,814</u>	<u>3,036,794</u>	<u>3,050,069</u>	<u>5,631,053</u>	<u>567,876</u>	<u>1,906,650</u>	<u>175,944</u>	<u>14,814,750</u>
<u>\$ 208,479</u>	<u>\$ 1,824,265</u>	<u>\$ 5,425,874</u>	<u>\$ 3,766,390</u>	<u>\$ 190,843</u>	<u>\$ 1,847,763</u>	<u>\$ 194,343</u>	<u>\$ 11,807,145</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, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	Cemetery Maintenance				
	2018			2017	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
Original	Final				
REVENUES					
Charges for services - public	\$ 173,700	\$ 173,700	\$ 155,483	\$ (18,217)	\$ 195,528
Miscellaneous					
Other	-	-	-	-	27
Total Revenues	<u>173,700</u>	<u>173,700</u>	<u>155,483</u>	<u>(18,217)</u>	<u>195,555</u>
EXPENDITURES					
Current					
Health services	<u>463,300</u>	<u>463,300</u>	<u>418,377</u>	<u>44,923</u>	<u>470,190</u>
Deficiency of revenues over expenditures	<u>(289,600)</u>	<u>(289,600)</u>	<u>(262,894)</u>	<u>26,706</u>	<u>(274,635)</u>
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	289,600	289,600	262,894	(26,706)	274,635
Transfers to other funds	<u>(26,500)</u>	<u>(26,500)</u>	<u>(26,500)</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>263,100</u>	<u>263,100</u>	<u>236,394</u>	<u>(26,706)</u>	<u>274,635</u>
Net change in fund balances	(26,500)	(26,500)	(26,500)	-	-
FUND BALANCES - Beginning of Year	<u>174,351</u>	<u>174,351</u>	<u>174,351</u>	<u>-</u>	<u>174,351</u>
FUND BALANCES - END OF YEAR	<u>\$ 147,851</u>	<u>\$ 147,851</u>	<u>\$ 147,851</u>	<u>\$ -</u>	<u>\$ 174,351</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, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	Hazardous Materials Response				
	2018			2017	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
Original	Final				
REVENUES					
Intergovernmental	\$ 116,000	\$ 116,000	\$ 125,185	\$ 9,185	\$ 95,160
Charges for services - public	2,000	2,000	-	(2,000)	-
Investment income	300	300	1,899	1,599	931
Total Revenues	<u>118,300</u>	<u>118,300</u>	<u>127,084</u>	<u>8,784</u>	<u>96,091</u>
EXPENDITURES					
Current					
Public safety	<u>125,300</u>	<u>125,300</u>	<u>115,786</u>	<u>9,514</u>	<u>121,694</u>
Excess (deficiency) of revenues over expenditures	(7,000)	(7,000)	11,298	18,298	(25,603)
OTHER FINANCING SOURCES					
Transfers from other funds	-	-	-	-	26,476
Net change in fund balances	(7,000)	(7,000)	11,298	18,298	873
FUND BALANCES - Beginning of Year	<u>144,872</u>	<u>144,872</u>	<u>144,872</u>	-	<u>143,999</u>
FUND BALANCES - END OF YEAR	<u>\$ 137,872</u>	<u>\$ 137,872</u>	<u>\$ 156,170</u>	<u>\$ 18,298</u>	<u>\$ 144,872</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, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	Police Department K9				
	2018			2017	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
Original	Final				
REVENUES					
Investment income	\$ 1,200	\$ 1,200	\$ 5,112	\$ 3,912	\$ 3,165
EXPENDITURES					
Current					
Public safety	30,500	30,500	28,386	2,114	51,115
Deficiency of revenues over expenditures	(29,300)	(29,300)	(23,274)	6,026	(47,950)
OTHER FINANCING USES					
Transfers to other funds	(20,000)	(20,000)	(20,000)	-	-
Net change in fund balances	(49,300)	(49,300)	(43,274)	6,026	(47,950)
FUND BALANCES - Beginning of Year	455,340	455,340	455,340	-	503,290
FUND BALANCES - END OF YEAR	\$ 406,040	\$ 406,040	\$ 412,066	\$ 6,026	\$ 455,340

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, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	Economic Development				
	2018			2017	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
Original	Final				
REVENUES					
Intergovernmental	\$ -	\$ 34,000	\$ -	\$ (34,000)	\$ -
Investment income	29,200	36,100	49,986	13,886	33,496
Miscellaneous					
Loan repayments	92,700	131,900	143,709	11,809	52,723
Other	100	17,400	150,022	132,622	350,015
Total Revenues	<u>122,000</u>	<u>219,400</u>	<u>343,717</u>	<u>124,317</u>	<u>436,234</u>
EXPENDITURES					
Current					
Development	<u>295,000</u>	<u>852,900</u>	<u>489,631</u>	<u>363,269</u>	<u>504,788</u>
Deficiency of revenues over expenditures	<u>(173,000)</u>	<u>(633,500)</u>	<u>(145,914)</u>	<u>487,586</u>	<u>(68,554)</u>
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	236,400	236,400	236,400	-	453,680
Transfers to other funds	(85,000)	(85,000)	(85,000)	-	(85,000)
Proceeds from sale of capital assets	-	-	-	-	85
Total Other Financing Sources (Uses)	<u>151,400</u>	<u>151,400</u>	<u>151,400</u>	<u>-</u>	<u>368,765</u>
Net change in fund balances	(21,600)	(482,100)	5,486	487,586	300,211
FUND BALANCES - Beginning of Year	<u>2,374,594</u>	<u>2,374,594</u>	<u>2,374,594</u>	<u>-</u>	<u>2,074,383</u>
FUND BALANCES - END OF YEAR	<u>\$ 2,352,994</u>	<u>\$ 1,892,494</u>	<u>\$ 2,380,080</u>	<u>\$ 487,586</u>	<u>\$ 2,374,594</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, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	Community Enhancement				
	2018			2017	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
Original	Final				
REVENUES					
Taxes	\$ 1,950,000	\$ 2,001,100	\$ 2,022,688	\$ 21,588	\$ 2,006,478
Investment income	100	100	235	135	121
Total Revenues	<u>1,950,100</u>	<u>2,001,200</u>	<u>2,022,923</u>	<u>21,723</u>	<u>2,006,599</u>
EXPENDITURES					
Current					
Development	<u>1,367,400</u>	<u>1,418,500</u>	<u>1,418,500</u>	-	<u>1,406,989</u>
Excess of revenues over expenditures	582,700	582,700	604,423	21,723	599,610
OTHER FINANCING USES					
Transfers to other funds	<u>(662,700)</u>	<u>(662,700)</u>	<u>(662,700)</u>	-	<u>(584,400)</u>
Net change in fund balances	(80,000)	(80,000)	(58,277)	21,723	15,210
FUND BALANCES - Beginning of Year	<u>102,331</u>	<u>102,331</u>	<u>102,331</u>	-	<u>87,121</u>
FUND BALANCES - END OF YEAR	<u>\$ 22,331</u>	<u>\$ 22,331</u>	<u>\$ 44,054</u>	<u>\$ 21,723</u>	<u>\$ 102,331</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, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	Public Library				
	2018			2017	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
Original	Final				
REVENUES					
Intergovernmental	\$ -	\$ -	\$ 6,337	\$ 6,337	\$ -
Fines and forfeitures	7,300	7,300	14,371	7,071	70,898
Charges for services - public	16,200	16,200	15,758	(442)	7,528
Charges for services - intergovernmental	642,100	642,100	643,641	1,541	627,632
Investment income	600	600	(217)	(817)	4,244
Miscellaneous					
Gifts and donations	18,000	96,000	73,224	(22,776)	47,455
Other	269,100	276,400	274,944	(1,456)	256,702
Total Revenues	<u>953,300</u>	<u>1,038,600</u>	<u>1,028,058</u>	<u>(10,542)</u>	<u>1,014,459</u>
EXPENDITURES					
Current					
Culture and recreation	4,084,300	4,306,900	4,091,119	215,781	3,883,330
Capital Outlay	9,500	9,500	19,391	(9,891)	31,526
Total Expenditures	<u>4,093,800</u>	<u>4,316,400</u>	<u>4,110,510</u>	<u>205,890</u>	<u>3,914,856</u>
Deficiency of revenues over expenditures	<u>(3,140,500)</u>	<u>(3,277,800)</u>	<u>(3,082,452)</u>	<u>195,348</u>	<u>(2,900,397)</u>
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	3,107,100	3,107,100	3,107,100	-	3,233,200
Transfers to other funds	(40,400)	(140,400)	(140,360)	40	(100,248)
Proceeds from sale of capital assets	500	500	2,425	1,925	3,589
Total Other Financing Sources (Uses)	<u>3,067,200</u>	<u>2,967,200</u>	<u>2,969,165</u>	<u>1,965</u>	<u>3,136,541</u>
Net change in fund balances	(73,300)	(310,600)	(113,287)	197,313	236,144
FUND BALANCES - Beginning of Year	<u>1,048,397</u>	<u>1,048,397</u>	<u>1,048,397</u>	<u>-</u>	<u>812,253</u>
FUND BALANCES - END OF YEAR	<u>\$ 975,097</u>	<u>\$ 737,797</u>	<u>\$ 935,110</u>	<u>\$ 197,313</u>	<u>\$ 1,048,397</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, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	City-County Health Department				
	2018			2017	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
	Original	Final			
REVENUES					
Intergovernmental	\$ 1,122,700	\$ 1,171,000	\$ 1,159,099	\$ (11,901)	\$ 1,334,986
Licenses and permits	695,400	695,400	700,393	4,993	662,541
Charges for services - public	265,000	265,000	194,038	(70,962)	128,916
Charges for services - intergovernmental	1,612,400	1,612,400	1,605,589	(6,811)	1,591,654
Miscellaneous					
Gifts and donations	1,600	38,400	39,169	769	11,047
Other	200,000	332,300	355,699	23,399	468,020
Total Revenues	<u>3,897,100</u>	<u>4,114,500</u>	<u>4,053,987</u>	<u>(60,513)</u>	<u>4,197,164</u>
EXPENDITURES					
Current					
Health services	5,938,100	6,157,200	5,884,509	272,691	5,625,970
Capital Outlay	60,000	60,000	175,788	(115,788)	55,342
Total Expenditures	<u>5,998,100</u>	<u>6,217,200</u>	<u>6,060,297</u>	<u>156,903</u>	<u>5,681,312</u>
Deficiency of revenues over expenditures	<u>(2,101,000)</u>	<u>(2,102,700)</u>	<u>(2,006,310)</u>	<u>96,390</u>	<u>(1,484,148)</u>
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	1,938,200	1,939,900	1,939,966	66	1,896,194
Transfers to other funds	(28,800)	(28,800)	(28,725)	75	(29,503)
Total Other Financing Sources (Uses)	<u>1,909,400</u>	<u>1,911,100</u>	<u>1,911,241</u>	<u>141</u>	<u>1,866,691</u>
Net change in fund balances	(191,600)	(191,600)	(95,069)	96,531	382,543
FUND BALANCES - Beginning of Year	<u>1,436,000</u>	<u>1,436,000</u>	<u>1,436,000</u>	<u>-</u>	<u>1,053,457</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,244,400</u>	<u>\$ 1,244,400</u>	<u>\$ 1,340,931</u>	<u>\$ 96,531</u>	<u>\$ 1,436,000</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, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	Downtown				
	2018			2017	
	Budgeted Amounts		Actual	Variance with	
Original	Final	Final Budget		Actual	
REVENUES					
Miscellaneous					
Gifts and donations	\$ 13,000	\$ 13,000	\$ 13,000	\$ -	\$ 13,000
EXPENDITURES					
Current					
Development	133,500	133,500	69,213	64,287	113,481
Deficiency of revenues over expenditures	(120,500)	(120,500)	(56,213)	64,287	(100,481)
OTHER FINANCING SOURCES					
Transfers from other funds	85,000	85,000	85,000	-	85,000
Net change in fund balances	(35,500)	(35,500)	28,787	64,287	(15,481)
FUND BALANCES - Beginning of Year	38,965	38,965	38,965	-	54,446
FUND BALANCES - END OF YEAR	\$ 3,465	\$ 3,465	\$ 67,752	\$ 64,287	\$ 38,965

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, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	Former Landfill Escrow				
	2018			2017	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
Original	Final				
REVENUES					
Charges for services - public	\$ 150,000	\$ 150,000	\$ 117,773	\$ (32,227)	\$ 97,648
Investment income	-	-	229	229	122
Miscellaneous					
Other	-	-	2,700	2,700	-
Total Revenues	<u>150,000</u>	<u>150,000</u>	<u>120,702</u>	<u>(29,298)</u>	<u>97,770</u>
EXPENDITURES					
Current					
Public works	<u>150,000</u>	<u>150,000</u>	<u>120,702</u>	<u>29,298</u>	<u>97,770</u>
Net change in fund balances	-	-	-	-	-
FUND BALANCES - Beginning of Year	-	-	-	-	-
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	Debt Service - TIF No. 5				
	2018			2017	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
Original	Final				
REVENUES					
Taxes	\$ 1,373,300	\$ 1,373,300	\$ 1,363,064	\$ (10,236)	\$ 1,355,798
Intergovernmental	22,900	22,900	24,928	2,028	23,501
Investment income	8,200	8,200	27,561	19,361	10,298
Total Revenues	<u>1,404,400</u>	<u>1,404,400</u>	<u>1,415,553</u>	<u>11,153</u>	<u>1,389,597</u>
EXPENDITURES					
Current					
General government	2,700	2,700	4,200	(1,500)	-
Development	200	146,100	-	146,100	150
Debt Service					
Principal retirement	595,000	595,000	595,000	-	1,070,000
Interest and fiscal charges	<u>33,800</u>	<u>33,800</u>	<u>28,831</u>	<u>4,969</u>	<u>58,626</u>
Total Expenditures	<u>631,700</u>	<u>777,600</u>	<u>628,031</u>	<u>149,569</u>	<u>1,128,776</u>
Excess (deficiency) of revenues over expenditures	<u>772,700</u>	<u>626,800</u>	<u>787,522</u>	<u>160,722</u>	<u>260,821</u>
OTHER FINANCING SOURCES (USES)					
Refunding long-term debt issued	-	-	-	-	340,000
Premium on long-term debt issued	-	-	-	-	5,518
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>345,518</u>
Net change in fund balances	772,700	626,800	787,522	160,722	606,339
FUND BALANCES - Beginning of Year	<u>1,697,548</u>	<u>1,697,548</u>	<u>1,697,548</u>	<u>-</u>	<u>1,091,209</u>
FUND BALANCES - END OF YEAR	<u>\$ 2,470,248</u>	<u>\$ 2,324,348</u>	<u>\$ 2,485,070</u>	<u>\$ 160,722</u>	<u>\$ 1,697,548</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, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	Debt Service - TIF No. 7				
	2018			2017	
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
REVENUES					
Taxes	\$ 153,000	\$ 153,000	\$ -	\$ (153,000)	\$ 137,091
Intergovernmental	1,000	1,000	-	(1,000)	1,065
Investment income	-	-	-	-	44
Total Revenues	<u>154,000</u>	<u>154,000</u>	<u>-</u>	<u>(154,000)</u>	<u>138,200</u>
EXPENDITURES					
Current					
General government	100	-	-	-	-
Development	200	-	-	-	150
Debt Service					
Principal retirement	-	-	-	-	150,000
Interest and fiscal charges	-	-	-	-	3,000
Total Expenditures	<u>300</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>153,150</u>
Excess (deficiency) of revenues over expenditures	153,700	154,000	-	(154,000)	(14,950)
OTHER FINANCING SOURCES					
Transfers from other funds	-	-	412,414	412,414	-
Net change in fund balances	153,700	154,000	412,414	258,414	(14,950)
FUND BALANCES (DEFICIT) - Beginning of Year	<u>(412,414)</u>	<u>(412,414)</u>	<u>(412,414)</u>	<u>-</u>	<u>(397,464)</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ (258,714)</u>	<u>\$ (258,414)</u>	<u>\$ -</u>	<u>\$ 258,414</u>	<u>\$ (412,414)</u>

Nonmajor Enterprise Funds

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.

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

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

CITY OF EAU CLAIRE

COMBINING STATEMENT OF NET POSITION -
NONMAJOR ENTERPRISE FUNDS
As of December 31, 2018

	Hobbs Ice Center	Outdoor Pool	Public Transit	Parking Utility	Total Nonmajor Enterprise Funds
ASSETS					
Current Assets					
Cash and investments	\$ 248,804	\$ 114,903	\$ 23,301	\$ 1,075,795	\$ 1,462,803
Accounts receivable, net	98,009	1,965	25,136	13,026	138,136
Due from other governments	42,329	-	862,143	-	904,472
Inventories	-	-	209,573	-	209,573
Prepaid items	-	-	1,503	-	1,503
Total Current Assets	<u>389,142</u>	<u>116,868</u>	<u>1,121,656</u>	<u>1,088,821</u>	<u>2,716,487</u>
Noncurrent Assets					
Restricted assets					
Cash and investments	-	-	-	706,223	706,223
Net pension asset	25,628	8,920	365,040	15,830	415,418
Capital assets					
Construction in progress	108,661	-	-	-	108,661
Land	5,000	-	-	645,196	650,196
Capital assets	9,180,082	3,592,023	6,507,384	18,495,342	37,774,831
Less: Accumulated depreciation	<u>(4,336,418)</u>	<u>(1,288,814)</u>	<u>(5,094,083)</u>	<u>(5,765,914)</u>	<u>(16,485,229)</u>
Total Capital Assets (Net of Accumulated Depreciation)	<u>4,957,325</u>	<u>2,303,209</u>	<u>1,413,301</u>	<u>13,374,624</u>	<u>22,048,459</u>
Total Noncurrent Assets	<u>4,982,953</u>	<u>2,312,129</u>	<u>1,778,341</u>	<u>14,096,677</u>	<u>23,170,100</u>
Total Assets	<u>5,372,095</u>	<u>2,428,997</u>	<u>2,899,997</u>	<u>15,185,498</u>	<u>25,886,587</u>
DEFERRED OUTFLOWS OF RESOURCES					
Other postemployment benefit related amounts	4,204	-	101,283	3,352	108,839
Pension related amounts	44,876	14,693	685,207	26,124	770,900
Total Deferred Outflows of Resources	<u>49,080</u>	<u>14,693</u>	<u>786,490</u>	<u>29,476</u>	<u>879,739</u>
LIABILITIES					
Current Liabilities					
Accounts payable	72,320	1,817	208,635	62,423	345,195
Accrued payroll and payroll taxes	9,956	2,233	99,736	5,235	117,160
Accrued compensated absences	7,223	3,259	84,061	7,117	101,660
Accrued interest	29,244	-	-	10,086	39,330
Deposits	603	13,656	42,100	15,279	71,638
Due to other governments	132	83	-	-	215
Due to other funds	46,629	-	663,948	-	710,577
Current portion of advances	230,000	-	-	-	230,000
Current portion of general obligation debt	-	-	-	47,000	47,000
Total Current Liabilities	<u>396,107</u>	<u>21,048</u>	<u>1,098,480</u>	<u>147,140</u>	<u>1,662,775</u>
Noncurrent Liabilities					
Advances from other funds	2,420,000	-	-	-	2,420,000
General obligation debt payable	-	-	-	1,199,600	1,199,600
Other postemployment benefits	41,439	-	998,402	33,032	1,072,873
Total Noncurrent Liabilities	<u>2,461,439</u>	<u>-</u>	<u>998,402</u>	<u>1,232,632</u>	<u>4,692,473</u>
Total Liabilities	<u>2,857,546</u>	<u>21,048</u>	<u>2,096,882</u>	<u>1,379,772</u>	<u>6,355,248</u>
DEFERRED INFLOWS OF RESOURCES					
Other postemployment benefit related amounts	465	-	11,173	370	12,008
Pension related amounts	55,706	20,389	693,205	33,224	802,524
Total Deferred Inflows of Resources	<u>56,171</u>	<u>20,389</u>	<u>704,378</u>	<u>33,594</u>	<u>814,532</u>
NET POSITION					
Net investment in capital assets	4,933,456	2,303,209	1,413,301	12,774,872	21,424,838
Restricted for pension	25,628	8,920	365,040	15,830	415,418
Unrestricted (deficit)	<u>(2,451,626)</u>	<u>90,124</u>	<u>(893,114)</u>	<u>1,010,906</u>	<u>(2,243,710)</u>
TOTAL NET POSITION	<u>\$ 2,507,458</u>	<u>\$ 2,402,253</u>	<u>\$ 885,227</u>	<u>\$ 13,801,608</u>	<u>\$ 19,596,546</u>

CITY OF EAU CLAIRE

COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
For the Year Ended December 31, 2018

	Hobbs Ice Center	Outdoor Pool	Public Transit	Parking Utility	Total Nonmajor Enterprise Funds
OPERATING REVENUES					
Charges for services	\$ 712,446	\$ 286,312	\$ 1,205,752	\$ 654,043	\$ 2,858,553
Other	70,396	46,871	46,228	2,355	165,850
Total Operating Revenues	<u>782,842</u>	<u>333,183</u>	<u>1,251,980</u>	<u>656,398</u>	<u>3,024,403</u>
OPERATING EXPENSES					
Personal services	304,605	257,492	3,011,139	149,528	3,722,764
Contractual services	80,772	31,617	1,583,896	110,106	1,806,391
Supplies and materials	65,759	65,936	792,852	21,820	946,367
Utilities	266,331	37,686	8,959	64,204	377,180
Depreciation	406,712	82,100	377,654	367,487	1,233,953
Administrative	9,400	7,416	165,151	81,323	263,290
Total Operating Expenses	<u>1,133,579</u>	<u>482,247</u>	<u>5,939,651</u>	<u>794,468</u>	<u>8,349,945</u>
Operating loss	<u>(350,737)</u>	<u>(149,064)</u>	<u>(4,687,671)</u>	<u>(138,070)</u>	<u>(5,325,542)</u>
NONOPERATING REVENUES (EXPENSES)					
Operating grants	-	-	3,387,460	-	3,387,460
Investment income	39	-	-	4,432	4,471
Net gain (loss) on disposal of capital assets	-	-	(10,341)	-	(10,341)
Interest and fiscal charges	(96,742)	-	-	(23,222)	(119,964)
Total Nonoperating Revenues (Expenses)	<u>(96,703)</u>	<u>-</u>	<u>3,377,119</u>	<u>(18,790)</u>	<u>3,261,626</u>
Loss before transfers	(447,440)	(149,064)	(1,310,552)	(156,860)	(2,063,916)
Transfers from other funds	479,062	102,714	922,288	-	1,504,064
Transfers to other funds	-	-	-	(171,810)	(171,810)
Total Transfers	<u>479,062</u>	<u>102,714</u>	<u>922,288</u>	<u>(171,810)</u>	<u>1,332,254</u>
Change in net position	31,622	(46,350)	(388,264)	(328,670)	(731,662)
NET POSITION - Beginning of Year	<u>2,475,836</u>	<u>2,448,603</u>	<u>1,273,491</u>	<u>14,130,278</u>	<u>20,328,208</u>
NET POSITION - END OF YEAR	<u>\$ 2,507,458</u>	<u>\$ 2,402,253</u>	<u>\$ 885,227</u>	<u>\$ 13,801,608</u>	<u>\$ 19,596,546</u>

CITY OF EAU CLAIRE

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Year Ended December 31, 2018

	Hobbs Ice Center	Outdoor Pool	Public Transit	Parking Utility	Total Nonmajor Enterprise Funds
CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES					
Cash received from customers	\$ 774,050	\$ 341,431	\$ 1,230,206	\$ 647,952	\$ 2,993,639
Cash paid to suppliers for goods and services	(420,810)	(141,515)	(2,508,624)	(275,663)	(3,346,612)
Cash paid to employees for services	(301,500)	(252,742)	(3,001,586)	(143,477)	(3,699,305)
Administrative charges	-	-	(62,347)	-	(62,347)
Net Cash Flows From (Used By) Operating Activities	<u>51,740</u>	<u>(52,826)</u>	<u>(4,342,351)</u>	<u>228,812</u>	<u>(4,114,625)</u>
CASH FLOWS FROM (USED BY) NONCAPITAL FINANCING ACTIVITIES					
Operating grants received	-	-	2,852,143	-	2,852,143
Negative cash implicitly financed	-	-	597,639	-	597,639
Transfers from other funds	479,062	62,714	922,288	-	1,464,064
Transfers to other funds	-	-	-	(171,810)	(171,810)
Net Cash Flows From (Used By) Noncapital Financing Activities	<u>479,062</u>	<u>62,714</u>	<u>4,372,070</u>	<u>(171,810)</u>	<u>4,742,036</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income	39	-	-	4,432	4,471
CASH FLOWS FROM (USED BY) CAPITAL AND RELATED FINANCING ACTIVITIES					
Debt issued	-	-	-	970,000	970,000
Debt retired	-	-	-	(12,000)	(12,000)
Interest and fiscal charges paid	-	-	-	(15,903)	(15,903)
Capital related transfers from other funds	-	40,000	-	-	40,000
Acquisition and construction of capital assets	(430,992)	(102,068)	(9,044)	(257,746)	(799,850)
Capital related advance received from other funds	230,000	-	-	-	230,000
Principal paid on capital advances from other funds	(215,000)	-	-	-	(215,000)
Interest paid on capital advances from other funds	(89,352)	-	-	-	(89,352)
Net Cash Flows From (Used By) Capital and Related Financing Activities	<u>(505,344)</u>	<u>(62,068)</u>	<u>(9,044)</u>	<u>684,351</u>	<u>107,895</u>
Net Change in Cash and Cash Equivalents	25,497	(52,180)	20,675	745,785	739,777
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>223,307</u>	<u>167,083</u>	<u>2,626</u>	<u>1,036,233</u>	<u>1,429,249</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 248,804</u>	<u>\$ 114,903</u>	<u>\$ 23,301</u>	<u>\$ 1,782,018</u>	<u>\$ 2,169,026</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS					
Cash and cash equivalents per Statement of Net Position	\$ 248,804	\$ 114,903	\$ 23,301	\$ 1,075,795	\$ 1,462,803
Restricted cash and cash equivalents	-	-	-	706,223	706,223
CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS	<u>\$ 248,804</u>	<u>\$ 114,903</u>	<u>\$ 23,301</u>	<u>\$ 1,782,018</u>	<u>\$ 2,169,026</u>

	Hobbs Ice Center	Outdoor Pool	Public Transit	Parking Utility	Total Nonmajor Enterprise Funds
RECONCILIATION OF OPERATING LOSS TO NET CASH FLOWS FROM OPERATING ACTIVITIES					
Operating loss	\$ (350,737)	\$ (149,064)	\$ (4,687,671)	\$ (138,070)	\$ (5,325,542)
Adjustments to Reconcile Operating Loss to Net Cash Flows From Operating Activities					
Noncash items included in income					
Depreciation	406,712	82,100	377,654	367,487	1,233,953
Change in assets, deferred outflows, liabilities and deferred inflows					
Accounts receivable	(8,792)	2,392	(8,380)	(4,735)	(19,515)
Inventories	-	-	(24,052)	-	(24,052)
Prepaid items	-	-	(1,503)	-	(1,503)
Accounts payable	43,485	1,558	5,442	2,635	53,120
Due to other funds	(40,458)	-	-	-	(40,458)
Other liabilities	(1,575)	2,410	(20,436)	41	(19,560)
Other postemployment benefit related deferrals and liability	(109)	-	(2,629)	(88)	(2,826)
Pension related deferrals and asset/liability	3,214	1,922	32,618	5,253	43,007
Deposits	-	5,856	(13,394)	(3,711)	(11,249)
NET CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES	\$ 51,740	\$ (52,826)	\$ (4,342,351)	\$ 228,812	\$ (4,114,625)

NONCASH CAPITAL, INVESTING AND FINANCING ACTIVITIES

The following funds had accrued accounts payable for capital assets acquired prior to December 31, 2018:

Hobbs Ice Center	\$ 23,869
Parking Utility	59,375

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, 2018

	Risk Management	Central Equipment	Totals
ASSETS			
Current Assets			
Cash and investments	\$ 6,866,867	\$ 5,670,202	\$ 12,537,069
Accounts receivable, net	81,141	-	81,141
Due from other governments	12,832	1,569	14,401
Inventories	-	682,729	682,729
Prepaid items	-	1,659	1,659
Total Current Assets	<u>6,960,840</u>	<u>6,356,159</u>	<u>13,316,999</u>
Noncurrent Assets			
Restricted assets			
Escrow account	340,171	-	340,171
Net pension asset	20,129	142,402	162,531
Deposit in insurance pools	766,496	-	766,496
Advances to other funds	1,838,700	-	1,838,700
Capital assets			
Construction in progress	-	111,644	111,644
Land	-	247,199	247,199
Land improvements	-	32,009	32,009
Intangible assets	-	217,528	217,528
Buildings	-	7,018,186	7,018,186
Equipment	-	768,737	768,737
Rental equipment	-	20,353,380	20,353,380
Less: Accumulated depreciation	-	<u>(15,509,820)</u>	<u>(15,509,820)</u>
Total Capital Assets (Net of Accumulated Depreciation)	<u>-</u>	<u>13,238,863</u>	<u>13,238,863</u>
Total Noncurrent Assets	<u>2,965,496</u>	<u>13,381,265</u>	<u>16,346,761</u>
Total Assets	<u>9,926,336</u>	<u>19,737,424</u>	<u>29,663,760</u>
DEFERRED OUTFLOWS OF RESOURCES			
Other postemployment benefit related amounts	3,668	13,675	17,343
Pension related amounts	37,179	254,223	291,402
Total Deferred Outflows of Resources	<u>40,847</u>	<u>267,898</u>	<u>308,745</u>
LIABILITIES			
Current Liabilities			
Accounts payable	66,997	183,941	250,938
Accrued payroll and payroll taxes	4,997	36,727	41,724
Accrued compensated absences	2,804	53,118	55,922
Current portion of unpaid claims	220,000	-	220,000
Total Current Liabilities	<u>294,798</u>	<u>273,786</u>	<u>568,584</u>
Noncurrent Liabilities			
Other postemployment benefits	36,158	134,801	170,959
Unpaid claims	1,901,933	-	1,901,933
Total Noncurrent Liabilities	<u>1,938,091</u>	<u>134,801</u>	<u>2,072,892</u>
Total Liabilities	<u>2,232,889</u>	<u>408,587</u>	<u>2,641,476</u>
DEFERRED INFLOWS OF RESOURCES			
Other postemployment benefit related amounts	405	1,508	1,913
Pension related amounts	40,454	291,047	331,501
Total Deferred Inflows of Resources	<u>40,859</u>	<u>292,555</u>	<u>333,414</u>
NET POSITION			
Net investment in capital assets	-	13,132,059	13,132,059
Restricted for:			
Pension	20,129	142,402	162,531
Insurance deposits	1,106,667	-	1,106,667
Unrestricted	6,566,639	6,029,719	12,596,358
TOTAL NET POSITION	<u>\$ 7,693,435</u>	<u>\$ 19,304,180</u>	<u>\$ 26,997,615</u>

CITY OF EAU CLAIRE

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION INTERNAL SERVICE FUNDS For the Year Ended December 31, 2018

	<u>Risk Management</u>	<u>Central Equipment</u>	<u>Totals</u>
OPERATING REVENUES			
Charges for services	\$ 1,775,388	\$ 1,644,409	\$ 3,419,797
Rental of equipment	-	3,244,272	3,244,272
Total Charges for Services	<u>1,775,388</u>	<u>4,888,681</u>	<u>6,664,069</u>
Other			
Repayment of insurance claims	378,845	-	378,845
Building rental	-	248,945	248,945
Miscellaneous	-	15,155	15,155
Total Operating Revenues	<u>2,154,233</u>	<u>5,152,781</u>	<u>7,307,014</u>
OPERATING EXPENSES			
Personal services	159,436	1,175,689	1,335,125
Contractual services	155,544	443,295	598,839
Supplies and materials	4,732	1,425,531	1,430,263
Utilities	289	222,441	222,730
Depreciation	-	1,833,902	1,833,902
Administrative	468,125	115,504	583,629
Claims	1,224,117	-	1,224,117
Total Operating Expenses	<u>2,012,243</u>	<u>5,216,362</u>	<u>7,228,605</u>
Operating income (loss)	<u>141,990</u>	<u>(63,581)</u>	<u>78,409</u>
NONOPERATING REVENUES			
Investment income	86,372	15	86,387
Net gain on disposal of capital assets	-	54,618	54,618
Total Nonoperating Revenues	<u>86,372</u>	<u>54,633</u>	<u>141,005</u>
Income (loss) before transfers	228,362	(8,948)	219,414
Transfers from other funds	-	88,000	88,000
Change in net position	228,362	79,052	307,414
NET POSITION - Beginning of Year	<u>7,465,073</u>	<u>19,225,128</u>	<u>26,690,201</u>
NET POSITION - END OF YEAR	<u>\$ 7,693,435</u>	<u>\$ 19,304,180</u>	<u>\$ 26,997,615</u>

CITY OF EAU CLAIRE

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2018

	Risk Management	Central Equipment	Totals
CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES			
Cash received from customers	\$ 1,760,737	\$ 5,151,730	\$ 6,912,467
Cash payments to suppliers for goods and services	(620,952)	(2,250,073)	(2,871,025)
Cash payments to employees for services	(158,447)	(1,156,224)	(1,314,671)
Claims paid	(1,890,374)	-	(1,890,374)
Repayment of insurance claims	378,845	-	378,845
Net Cash Flows From (Used By) Operating Activities	<u>(530,191)</u>	<u>1,745,433</u>	<u>1,215,242</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income	<u>86,372</u>	<u>15</u>	<u>86,387</u>
CASH FLOWS FROM (USED BY) CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital related transfers from other funds	-	88,000	88,000
Acquisition and construction of capital assets	-	(2,390,836)	(2,390,836)
Proceeds from sale of capital assets	<u>-</u>	<u>187,297</u>	<u>187,297</u>
Net Cash Flows From (Used By) Capital and Related Financing Activities	<u>-</u>	<u>(2,115,539)</u>	<u>(2,115,539)</u>
Net change in cash and cash equivalents	(443,819)	(370,091)	(813,910)
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>7,650,857</u>	<u>6,040,293</u>	<u>13,691,150</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 7,207,038</u>	<u>\$ 5,670,202</u>	<u>\$ 12,877,240</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Cash and cash equivalents per Statement of Net Position	\$ 6,866,867	\$ 5,670,202	\$ 12,537,069
Restricted cash and cash equivalents	<u>340,171</u>	<u>-</u>	<u>340,171</u>
CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS	<u>\$ 7,207,038</u>	<u>\$ 5,670,202</u>	<u>\$ 12,877,240</u>

	<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)	\$ 141,990	\$ (63,581)	\$ 78,409
Adjustments to reconcile operating income (loss) to net cash flows from operating activities			
Depreciation	-	1,833,902	1,833,902
Change in assets, deferred outflows, liabilities and deferred inflows			
Accounts receivable	(14,651)	(1,051)	(15,702)
Inventories	-	(44,665)	(44,665)
Prepaid items	-	1,732	1,732
Accounts payable	7,738	(283)	7,455
Accrued liabilities	(197)	713	516
Other postemployment benefit related deferrals and liability	(95)	(355)	(450)
Unpaid claims	(666,257)	-	(666,257)
Pension related deferrals and asset/liability	1,281	19,021	20,302
	<u>1,281</u>	<u>19,021</u>	<u>20,302</u>
NET CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES	<u>\$ (530,191)</u>	<u>\$ 1,745,433</u>	<u>\$ 1,215,242</u>

NONCASH CAPITAL, INVESTING AND FINANCING ACTIVITIES

Central Equipment had accrued \$106,804 of accounts payable for capital assets acquired prior to December 31, 2018.

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, 2018

<u>Tax Collection Fund</u>	<u>Balance Jan. 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Dec. 31, 2018</u>
ASSETS				
Cash and investments	\$ 24,622,723	\$ 113,203,265	\$ 114,793,729	\$ 23,032,259
Taxes receivable	<u>44,952,220</u>	<u>94,869,628</u>	<u>92,607,202</u>	<u>47,214,646</u>
 TOTAL ASSETS	 <u>\$ 69,574,943</u>	 <u>\$ 208,072,893</u>	 <u>\$ 207,400,931</u>	 <u>\$ 70,246,905</u>
 LIABILITIES				
Due to other taxing units	<u>\$ 69,574,943</u>	<u>\$ 70,246,905</u>	<u>\$ 69,574,943</u>	<u>\$ 70,246,905</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, 2018

	South Barstow Business Improvement District	North Barstow/ Medical Business Improvement District	Totals
ASSETS			
Cash and investments	\$ 28,783	\$ 126,224	\$ 155,007
Receivables			
Special assessments	<u>115,000</u>	<u>95,350</u>	<u>210,350</u>
TOTAL ASSETS	<u>\$ 143,783</u>	<u>\$ 221,574</u>	<u>\$ 365,357</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 1,362	\$ -	\$ 1,362
Total Liabilities	<u>1,362</u>	<u>-</u>	<u>1,362</u>
Deferred Inflows of Resources			
Unearned revenue - time requirements	<u>115,000</u>	<u>95,350</u>	<u>210,350</u>
Total Deferred Inflows of Resources	<u>115,000</u>	<u>95,350</u>	<u>210,350</u>
Fund Balances			
Restricted	<u>27,421</u>	<u>126,224</u>	<u>153,645</u>
Total Fund Balances	<u>27,421</u>	<u>126,224</u>	<u>153,645</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 143,783</u>	<u>\$ 221,574</u>	<u>\$ 365,357</u>

CITY OF EAU CLAIRE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE MAJOR GOVERNMENTAL COMPONENT UNITS For the Year Ended December 31, 2018

	South Barstow Business Improvement District	North Barstow/ Medical Business Improvement District	Totals
REVENUES			
Special assessments	\$ 105,000	\$ 44,000	\$ 149,000
Investment income	553	1,448	2,001
Total Revenues	105,553	45,448	151,001
EXPENDITURES			
Current			
Contractual services	73,560	41,768	115,328
Supplies and materials	27,216	-	27,216
Total Expenditures	100,776	41,768	142,544
Net change in fund balances	4,777	3,680	8,457
FUND BALANCES - Beginning of Year	22,644	122,544	145,188
FUND BALANCES - END OF YEAR	\$ 27,421	\$ 126,224	\$ 153,645

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, 2018

	West Grand Business Improvement District	Water Street Business Improvement District	Totals
ASSETS			
Cash and investments	\$ 30,814	\$ 28,981	\$ 59,795
Receivables			
Special assessments	15,000	11,000	26,000
Notes	4,167	-	4,167
Total Assets	<u>49,981</u>	<u>39,981</u>	<u>89,962</u>
LIABILITIES			
Accounts payable	<u>2,077</u>	<u>318</u>	<u>2,395</u>
Total Liabilities	<u>2,077</u>	<u>318</u>	<u>2,395</u>
DEFERRED INFLOWS OF RESOURCES			
Unearned revenues - time requirements	<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			
Restricted for business improvement	<u>32,904</u>	<u>28,663</u>	<u>61,567</u>
TOTAL NET POSITION	<u>\$ 32,904</u>	<u>\$ 28,663</u>	<u>\$ 61,567</u>

CITY OF EAU CLAIRE

COMBINING STATEMENT OF ACTIVITIES
NONMAJOR COMPONENT UNITS
For the Year Ended December 31, 2018

				Net (Expense) Revenue and Changes in Net Position			
	Program Revenues			West Grand	Water Street		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Business Improvement District	Business Improvement District	Totals
West Grand Business Improvement District							
Contractual services	\$ 7,070	\$ -	\$ -	\$ -	\$ (7,070)	\$ -	\$ (7,070)
Water Street Business Improvement District							
Contractual services	<u>7,001</u>	-	-	-	-	(7,001)	(7,001)
Total Nonmajor Component Units	<u>\$ 14,071</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(7,070)</u>	<u>(7,001)</u>	<u>(14,071)</u>
			General Revenues				
			Special assessments	15,000	11,000	26,000	
			Investment income	<u>358</u>	<u>345</u>	<u>703</u>	
			Total General Revenues	<u>15,358</u>	<u>11,345</u>	<u>26,703</u>	
			Change in net position	8,288	4,344	12,632	
			NET POSITION - Beginning of Year	<u>24,616</u>	<u>24,319</u>	<u>48,935</u>	
			NET POSITION - END OF YEAR	<u>\$ 32,904</u>	<u>\$ 28,663</u>	<u>\$ 61,567</u>	

CITY OF EAU CLAIRE

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL COMPONENT UNITS As of December 31, 2018

	<u>West Grand Business Improvement District</u>	<u>Water Street Business Improvement District</u>	<u>Totals</u>
ASSETS			
Cash and investments	\$ 30,814	\$ 28,981	\$ 59,795
Receivables			
Special assessments	15,000	11,000	26,000
Notes	<u>4,167</u>	<u>-</u>	<u>4,167</u>
 TOTAL ASSETS	 <u>\$ 49,981</u>	 <u>\$ 39,981</u>	 <u>\$ 89,962</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 2,077	\$ 318	\$ 2,395
Total Liabilities	<u>2,077</u>	<u>318</u>	<u>2,395</u>
Deferred Inflows of Resources			
Unearned revenues - time requirements	15,000	11,000	26,000
Unavailable revenues	<u>4,167</u>	<u>-</u>	<u>4,167</u>
Total Deferred Inflows of Resources	<u>19,167</u>	<u>11,000</u>	<u>30,167</u>
Fund Balances			
Restricted	<u>28,737</u>	<u>28,663</u>	<u>57,400</u>
Total Fund Balances	<u>28,737</u>	<u>28,663</u>	<u>57,400</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	 <u>\$ 49,981</u>	 <u>\$ 39,981</u>	 <u>\$ 89,962</u>
AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION ARE DIFFERENT BECAUSE			
Fund balance at year end	\$ 28,737	\$ 28,663	\$ 57,400
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>4,167</u>	<u>-</u>	<u>4,167</u>
 NET POSITION AT YEAR END	 <u>\$ 32,904</u>	 <u>\$ 28,663</u>	 <u>\$ 61,567</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, 2018

	<u>West Grand Business Improvement District</u>	<u>Water Street Business Improvement District</u>	<u>Totals</u>
REVENUES			
Special assessments	\$ 15,000	\$ 11,000	\$ 26,000
Investment income	358	345	703
Miscellaneous			
Other	<u>833</u>	<u>-</u>	<u>833</u>
Total Revenues	<u>16,191</u>	<u>11,345</u>	<u>27,536</u>
EXPENDITURES			
Current			
Contractual services	<u>12,070</u>	<u>7,001</u>	<u>19,071</u>
Total Expenditures	<u>12,070</u>	<u>7,001</u>	<u>19,071</u>
Net change in fund balances	4,121	4,344	8,465
FUND BALANCES - Beginning of Year	<u>24,616</u>	<u>24,319</u>	<u>48,935</u>
FUND BALANCES - END OF YEAR	<u>\$ 28,737</u>	<u>\$ 28,663</u>	<u>\$ 57,400</u>
RECONCILIATION OF NET CHANGE IN FUND BALANCES TO CHANGE IN NET POSITION			
Net change in fund balances	\$ 4,121	\$ 4,344	\$ 8,465
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>(833)</u>	<u>-</u>	<u>(833)</u>
CHANGE IN NET POSITION	<u>\$ 8,288</u>	<u>\$ 4,344</u>	<u>\$ 12,632</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 31-36

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
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Governmental activities										
Net investment in capital assets	\$ 107,877,841	\$ 108,081,249	\$ 106,818,444	\$ 106,095,598	\$ 100,938,789	\$ 95,534,363	\$ 97,125,034	\$ 98,427,662	\$ 90,572,719	\$ 88,485,022
Restricted	25,221,878	16,147,710	20,826,392	24,838,403	22,366,545	24,351,108	24,967,847	26,402,223	14,905,845	17,257,799
Unrestricted	1,652,859	6,608,975	21,304,621	24,420,646	24,765,242	27,680,816	32,209,137	34,201,343	50,715,707	51,074,170
Total governmental activities net position	134,752,578	130,837,934	148,949,457	155,354,647	148,070,576	147,566,287	154,302,018	159,031,228	156,194,271	156,816,991
Business-type activities										
Net investment in capital assets	194,167,440	189,245,423	186,039,230	171,288,239	164,710,447	161,838,061	154,554,974	149,683,001	144,754,595	142,147,587
Restricted	9,839,779	7,045,463	6,236,620	6,432,015	3,290,640	3,457,280	1,734,280	1,738,780	1,756,280	1,720,280
Unrestricted	17,408,821	18,312,890	19,057,783	19,392,440	17,570,033	15,359,319	17,163,338	16,269,324	14,596,965	14,752,404
Total business-type activities net position	221,416,040	214,603,776	211,333,633	197,112,694	185,571,120	180,654,660	173,452,592	167,691,105	161,107,840	158,620,271
Primary government										
Net investment in capital assets (1)	293,490,686	287,970,103	282,585,357	275,290,419	263,199,244	254,463,127	248,657,334	244,774,021	231,714,628	226,794,574
Restricted	35,061,657	23,193,173	27,063,012	31,270,418	25,657,185	27,808,388	26,702,127	28,141,003	16,662,125	18,978,079
Unrestricted (1)	27,616,275	34,278,434	50,634,721	45,906,504	44,785,267	45,949,432	52,395,149	53,807,309	68,925,358	69,664,609
Total primary government net position	\$ 356,168,618	\$ 345,441,710	\$ 360,283,090	\$ 352,467,341	\$ 333,641,696	\$ 328,220,947	\$ 327,754,610	\$ 326,722,333	\$ 317,302,111	\$ 315,437,262

(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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Governmental activities:										
General government	\$ 9,249,124	\$ 8,302,415	\$ 8,488,859	\$ 7,437,428	\$ 8,057,579	\$ 7,304,201	\$ 7,784,358	\$ 7,688,891	\$ 7,413,879	\$ 6,914,248
Public safety	31,792,969	29,988,626	32,848,940	29,280,552	29,094,423	28,084,089	28,215,577	28,078,889	27,320,440	25,574,799
Public works	15,984,033	17,212,553	16,989,105	19,636,363	15,025,070	16,208,836	14,777,016	12,092,862	14,006,148	14,203,614
Health services	6,372,757	6,336,338	6,604,167	5,966,318	6,555,268	8,376,282	5,177,080	5,296,571	5,128,740	5,079,081
Culture and recreation	9,995,611	10,158,159	9,717,841	9,577,588	9,393,095	9,277,789	10,957,742	9,990,949	8,993,462	8,745,604
Development	5,494,366	6,802,760	3,489,797	3,996,569	3,756,001	3,082,492	3,598,455	5,347,354	3,329,286	3,111,437
Interest and fiscal charges	3,445,326	3,307,915	3,140,230	2,924,436	2,919,561	3,096,357	2,984,386	3,070,331	2,985,972	2,814,770
Total governmental activities expenses	<u>82,334,186</u>	<u>82,108,766</u>	<u>81,278,939</u>	<u>78,819,254</u>	<u>74,800,997</u>	<u>75,430,046</u>	<u>73,494,614</u>	<u>71,565,847</u>	<u>69,177,927</u>	<u>66,443,553</u>
Business-type activities										
Water Utility	6,856,005	6,966,768	6,458,676	6,030,093	6,733,490	6,148,766	6,231,089	6,336,311	6,561,935	6,403,962
Sewer Utility	9,165,896	9,731,121	8,185,254	7,692,253	7,512,146	6,994,271	6,832,166	6,328,716	6,451,288	5,987,480
Storm Water Utility	3,519,018	3,298,068	3,398,280	3,306,591	3,163,028	3,752,368	2,888,377	2,944,824	2,153,306	2,117,002
Public Transit	5,936,953	6,138,377	6,017,649	5,608,443	5,980,184	5,545,632	5,531,514	5,745,719	5,194,260	4,795,731
Parking Utility	816,753	663,853	534,105	533,452	528,347	483,670	429,501	408,272	496,319	484,008
Hobbs Ice Center	1,229,614	1,234,173	1,201,063	1,172,166	1,181,985	1,193,577	1,128,084	1,116,011	991,013	703,386
Outdoor Pool	481,879	443,666	560,575	467,192	393,815	350,115	344,940	346,058	350,890	369,257
Total business-type activities expenses	<u>28,006,118</u>	<u>28,476,026</u>	<u>26,355,602</u>	<u>24,810,190</u>	<u>25,492,995</u>	<u>24,468,399</u>	<u>23,385,671</u>	<u>23,225,911</u>	<u>22,199,011</u>	<u>20,860,826</u>
Total primary government expenses	<u>\$ 110,340,304</u>	<u>\$ 110,584,792</u>	<u>\$ 107,634,541</u>	<u>\$ 103,629,444</u>	<u>\$ 100,293,992</u>	<u>\$ 99,898,445</u>	<u>\$ 96,880,285</u>	<u>\$ 94,791,758</u>	<u>\$ 91,376,938</u>	<u>\$ 87,304,379</u>

CITY OF EAU CLAIRE

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

Program Revenues	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Governmental activities:										
Charges for services										
General government	\$ 3,836,505	\$ 3,872,997	\$ 3,777,404	\$ 3,584,223	\$ 3,349,936	\$ 3,329,885	\$ 3,289,407	\$ 3,665,540	\$ 3,750,638	\$ 3,873,184
Public safety	5,460,252	5,291,466	5,240,453	5,262,806	5,149,859	4,882,213	4,874,142	4,945,608	4,779,379	4,807,007
Public works	493,506	404,999	345,341	416,844	335,389	336,719	355,763	368,467	391,199	299,656
Health services	2,425,274	2,298,715	2,351,774	2,086,170	2,032,850	1,844,279	2,095,515	2,073,356	2,088,397	1,887,058
Culture and recreation	1,595,498	1,566,513	1,563,919	1,529,852	1,556,224	1,444,807	1,635,845	1,641,235	1,599,091	1,603,176
Development	419,060	378,370	278,881	658,419	689,675	362,644	525,008	726,293	375,568	99,137
Operating grants and contributions										
General government	192,556	82,194	211,463	48,631	43,662	28,862	14,405	43,279	34,331	13,723
Public safety	568,043	540,282	543,599	483,459	1,489,262	687,735	1,049,144	585,005	525,055	475,948
Public works	4,826	-	35,049	158,435	16,193	163,569	162,106	6,658	-	1,011,157
Health services	1,763,511	2,002,217	1,435,871	1,584,354	1,398,881	1,164,409	1,336,168	1,028,604	1,231,045	1,209,737
Culture and recreation	86,866	47,455	131,521	140,754	47,988	70,304	36,528	100,489	50,888	32,337
Development	785,434	690,384	1,165,839	391,658	812,867	1,294,798	1,513,340	1,497,532	711,533	1,741,828
Interest and fiscal charges	168,650	176,885	184,590	190,624	197,028	208,540	222,811	230,884	-	-
Capital grants and contributions										
General government	308,105	187,327	-	9,831	35,000	166,000	-	-	-	301,393
Public safety	13,254	349,736	392,960	346,504	-	-	-	102,038	97,089	110,099
Public works	8,226,690	5,042,902	13,114,212	6,147,391	5,883,864	5,291,184	4,739,362	5,633,183	4,060,881	4,744,942
Health services	-	-	-	11,400	16,378	-	-	-	-	-
Culture and recreation	436,280	100,273	979,963	349,053	424,468	103,330	406,739	521,094	503,022	804,943
Development	-	-	-	25,000	-	74,500	3,107	17,144	53,750	-
Total governmental activities program revenues	26,784,310	23,032,715	31,752,839	23,425,408	23,479,524	21,453,778	22,259,390	23,186,409	20,251,866	23,015,325
Business-type activities										
Charges for services										
Water Utility	9,916,024	9,647,682	9,731,499	9,653,806	9,443,359	9,369,910	9,347,490	8,649,397	8,388,766	8,379,381
Sewer Utility	10,771,781	10,483,196	9,781,687	9,356,855	9,380,247	9,721,206	8,520,852	7,659,365	6,955,547	6,617,211
Storm Water Utility	4,675,233	4,530,613	4,500,514	4,370,957	4,247,032	4,084,504	3,915,685	3,739,357	3,522,074	3,245,820
Public Transit	1,205,752	1,100,817	1,091,397	781,665	739,331	709,843	682,133	705,102	655,056	689,595
Parking Utility	654,043	627,623	312,313	172,589	166,299	163,655	194,258	217,547	201,233	219,392
Hobbs Ice Center	712,446	721,781	698,789	723,920	721,323	703,816	695,623	620,916	574,986	485,956
Outdoor Pool	286,312	275,429	294,208	270,325	240,191	230,722	242,323	231,326	217,258	205,898
Operating grants and contributions										
Water Utility	-	-	-	-	(67,960)	-	-	-	-	-
Sewer Utility	-	3,230	3,230	-	-	-	-	-	-	-
Storm Water Utility	38,737	39,545	41,085	42,049	42,797	44,078	47,836	62,447	-	-
Public Transit	3,387,460	3,377,676	3,311,823	3,327,135	3,757,723	3,499,753	3,079,067	3,269,479	3,139,414	2,907,050
Capital grants and contributions										
Water Utility	1,436,521	307,508	378,348	528,227	682,033	261,659	172,770	927,308	870,815	378,597
Sewer Utility	751,700	190,153	226,918	289,797	483,456	332,833	106,577	409,621	247,327	58,364
Storm Water Utility	751,904	37,793	244,105	430,683	292,510	192,513	137,994	379,626	96,737	19,470
Public Transit	-	-	-	-	-	1,311,862	5,238	1,928,001	-	-
Parking Utility	-	-	110,000	-	-	-	-	50,000	-	-
Hobbs Ice Center	-	-	-	10,000	-	-	-	8,437	343,592	-
Total business-type activities program revenues	34,587,913	31,343,046	30,725,916	29,958,008	30,128,341	30,626,354	27,147,846	28,857,929	25,212,805	23,206,734
Total primary government program revenues	61,372,223	54,375,761	62,478,755	53,383,416	53,607,865	52,080,132	49,407,236	52,044,338	45,464,671	46,222,059
Net (Expense) Revenue										
Governmental activities	(55,549,876)	(59,076,051)	(49,526,100)	(55,393,846)	(51,321,473)	(53,976,268)	(51,235,224)	(48,379,438)	(48,926,061)	(43,428,228)
Business-type activities	6,581,795	2,867,020	4,370,314	5,147,818	4,635,346	6,157,955	3,762,175	5,632,018	3,013,794	2,345,908
Total primary government net expenses	\$ (48,968,081)	\$ (56,209,031)	\$ (45,155,786)	\$ (50,246,028)	\$ (46,686,127)	\$ (47,818,313)	\$ (47,473,049)	\$ (42,747,420)	\$ (45,912,267)	\$ (41,082,320)

CITY OF EAU CLAIRE

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

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Revenues and Other Changes in Net Position										
Governmental activities										
Taxes	\$ 48,202,857	\$ 45,956,354	\$ 43,188,274	\$ 42,416,655	\$ 41,232,091	\$ 39,386,203	\$ 38,406,838	\$ 36,973,482	\$ 35,566,702	\$ 33,555,043
Intergovernmental revenues	8,703,519	8,636,848	8,592,189	8,896,147	8,472,470	8,476,861	8,410,416	9,457,785	9,695,627	10,069,736
Investment income	1,926,995	1,185,182	699,230	1,188,703	1,368,713	518,206	1,032,748	1,381,465	1,429,077	1,045,243
Gain on disposal of capital assets	9,595	82,605	47,216	375,358	386,773	18,066	-	-	-	34,589
Miscellaneous	267,018	503,737	117,443	55,956	121,329	159,353	64,586	29,585	274,145	184,711
Transfers	354,536	(424,403)	(9,523,442)	(3,752,900)	244,386	(750,521)	(1,408,574)	(309,026)	1,337,790	298,000
Total governmental activities	59,464,520	55,940,323	43,120,910	49,179,919	51,825,762	47,808,168	46,506,014	47,533,291	48,303,341	45,187,322
Business-type activities										
Investment income	297,630	169,025	85,104	53,151	112,878	81,087	80,733	160,168	136,594	208,680
Gain on sale of capital assets	-	627,835	-	-	83	12,134	34,699	-	-	-
Miscellaneous	287,375	292,285	242,079	643,985	412,539	445,618	475,306	482,053	674,971	864,303
Transfers	(354,536)	424,403	9,523,442	3,752,900	(244,386)	750,521	1,408,574	309,026	(1,337,790)	(298,000)
Total business-type activities	230,469	1,513,548	9,850,625	4,450,036	281,114	1,289,360	1,999,312	951,247	(526,225)	774,983
Total primary government	59,694,989	57,453,871	52,971,535	53,629,955	52,106,876	49,097,528	48,505,326	48,484,538	47,777,116	45,962,305
Change in Net Position										
Governmental activities	3,914,644	(3,135,728)	(6,405,190)	(6,213,927)	504,289	(6,168,100)	(4,729,210)	(846,147)	(622,720)	1,759,094
Business-type activities	6,812,264	4,380,568	14,220,939	9,597,854	4,916,460	7,447,315	5,761,487	6,583,265	2,487,569	3,120,891
Total primary government	\$ 10,726,908	\$ 1,244,840	\$ 7,815,749	\$ 3,383,927	\$ 5,420,749	\$ 1,279,215	\$ 1,032,277	\$ 5,737,118	\$ 1,864,849	\$ 4,879,985

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)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Fund										
Nonspendable	\$ 3,713,801	\$ 3,785,171	\$ 4,221,466	\$ 4,649,638	\$ 5,234,391	\$ 4,859,049	\$ 6,368,186	\$ 6,833,801	\$ 7,511,280	\$ 8,124,878
Restricted	-	-	-	75,000	-	-	-	-	-	-
Assigned	7,467,060	4,828,248	5,442,677	4,615,065	5,321,453	5,596,353	6,774,678	6,873,403	3,767,065	3,250,173
Unassigned	<u>18,525,450</u>	<u>20,212,904</u>	<u>18,804,559</u>	<u>15,802,442</u>	<u>14,230,236</u>	<u>13,735,102</u>	<u>12,524,213</u>	<u>13,099,710</u>	<u>14,087,620</u>	<u>12,549,834</u>
Total General Fund	<u>29,706,311</u>	<u>28,826,323</u>	<u>28,468,702</u>	<u>25,142,145</u>	<u>24,786,080</u>	<u>24,190,504</u>	<u>25,667,077</u>	<u>26,806,914</u>	<u>25,365,965</u>	<u>23,924,885</u>
All Other Governmental Funds										
Nonspendable										
Special revenue funds	145,763	140,216	126,597	124,461	114,298	126,907	111,421	81,089	65,071	65,766
Capital projects funds	508,919	697	-	-	-	-	-	31,654	-	-
Restricted										
Special revenue funds	3,546,126	3,742,695	3,372,897	5,714,980	6,194,555	5,903,534	5,792,285	5,571,228	5,647,550	5,479,406
Debt service funds	7,353,463	6,651,225	6,551,687	6,652,653	6,235,878	7,084,958	7,651,161	8,251,980	8,909,211	8,888,011
Capital projects funds	5,004,130	10,815,184	13,885,769	4,720,117	5,180,083	8,244,329	5,615,218	6,902,429	6,868,734	6,003,611
Committed										
Special revenue funds	602,348	254,586	1,248,997	-	-	-	-	-	-	-
Assigned										
Special revenue funds	1,303,687	1,733,470	283,908	-	-	-	-	-	-	-
Capital projects funds	10,487,371	8,002,894	4,895,101	6,237,008	11,395,947	11,446,114	9,931,969	8,733,925	16,177,093	17,267,084
Unassigned (deficit)										
Special revenue funds	-	-	-	(25,663)	(18,469)	-	-	-	(1,709)	-
Debt service funds	-	(412,414)	(397,464)	(379,250)	(356,357)	(174,629)	(96,237)	(26,145)	-	-
Capital projects funds	<u>(4,193,275)</u>	<u>(4,004,025)</u>	<u>(3,963,282)</u>	<u>(3,513,561)</u>	<u>(3,251,270)</u>	<u>(2,943,258)</u>	<u>(2,485,767)</u>	<u>(2,385,867)</u>	<u>(2,235,123)</u>	<u>(2,134,426)</u>
Total All Other Governmental Funds	<u>24,758,532</u>	<u>26,924,528</u>	<u>26,004,210</u>	<u>19,530,745</u>	<u>25,494,665</u>	<u>29,687,955</u>	<u>26,520,050</u>	<u>27,160,293</u>	<u>35,430,827</u>	<u>35,569,452</u>
Total All Governmental Funds	<u>\$ 54,464,843</u>	<u>\$ 55,750,851</u>	<u>\$ 54,472,912</u>	<u>\$ 44,672,890</u>	<u>\$ 50,280,745</u>	<u>\$ 53,878,459</u>	<u>\$ 52,187,127</u>	<u>\$ 53,967,207</u>	<u>\$ 60,796,792</u>	<u>\$ 59,494,337</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)

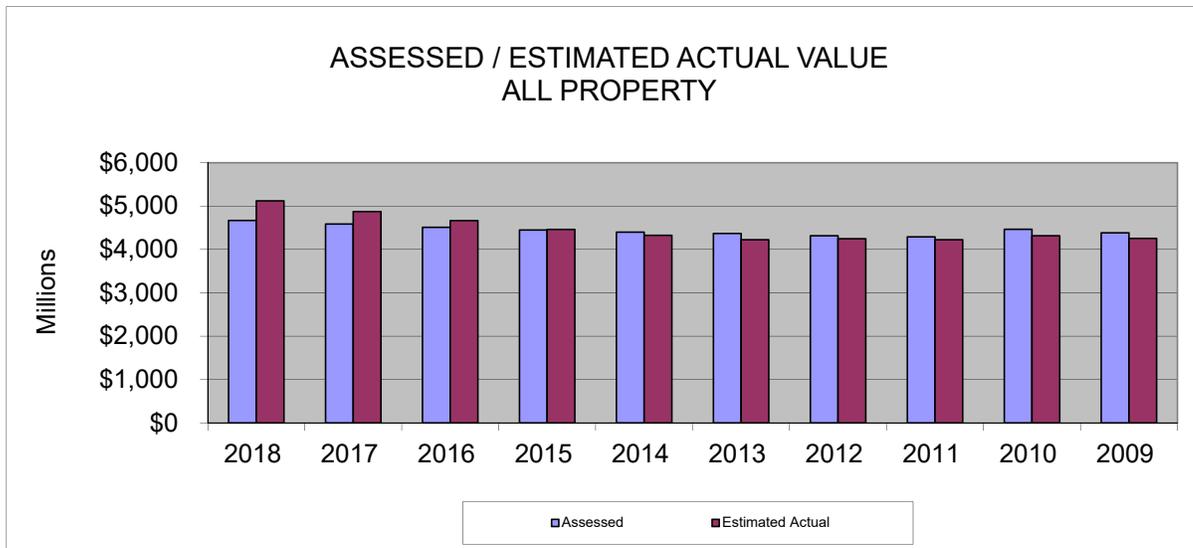
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Revenues										
Taxes	\$ 48,157	\$ 46,223	\$ 43,210	\$ 42,377	\$ 41,308	\$ 39,093	\$ 38,374	\$ 37,319	\$ 35,477	\$ 33,526
Special assessments	2,822	2,553	2,180	2,549	2,499	2,313	1,930	1,888	1,853	1,989
Intergovernmental	15,074	14,265	15,305	14,465	13,960	14,290	14,507	15,287	16,033	15,958
Licenses and permits	2,573	2,536	2,456	2,265	2,093	1,966	1,996	1,821	1,936	1,993
Fines, forfeitures and penalties	569	529	605	793	753	749	758	865	866	897
Charges for services	10,685	10,003	9,937	10,265	9,292	8,678	8,990	9,316	9,049	9,878
Investment income	1,797	1,090	564	1,063	1,192	432	977	1,249	1,296	1,430
Miscellaneous	2,016	2,307	1,885	1,678	2,189	1,803	1,675	2,282	1,879	2,218
Total revenues	83,693	79,506	76,142	75,455	73,286	69,324	69,207	70,027	68,389	67,889
Expenditures										
General government	7,584	6,771	7,071	6,367	6,585	6,238	6,343	6,135	6,136	5,888
Public safety	29,852	28,794	27,916	26,880	26,234	26,467	25,653	25,909	25,362	24,739
Public works	9,994	10,152	8,798	8,732	9,145	9,002	8,112	8,106	8,723	8,545
Health services	6,303	6,096	5,719	5,453	5,457	4,913	4,983	5,026	5,026	4,959
Culture and recreation	8,500	8,096	8,062	7,993	7,821	8,268	8,328	8,220	8,062	7,935
Development	5,226	6,733	3,686	3,774	3,667	3,106	3,369	2,701	2,738	3,096
Miscellaneous	786	455	369	392	541	435	382	474	612	451
Capital outlay	20,284	14,046	14,439	22,714	14,233	15,730	10,689	17,593	9,179	9,685
Debt service										
Principal	18,842	12,732	9,506	11,193	8,200	12,577	7,276	5,740	4,930	4,983
Interest	3,635	3,354	3,248	2,907	3,118	3,002	3,063	3,034	3,134	2,907
Total expenditures	111,006	97,229	88,814	96,405	85,001	89,738	78,198	82,938	73,902	73,188
Other financing sources (uses)										
Debt issued	24,780	18,045	22,360	16,150	7,184	21,580	7,757	6,060	7,707	11,618
Premium on debt issued	971	803	321	322	37	295	52	30	27	-
Discount on debt issued	-	-	-	-	-	-	-	-	-	(79)
Payment to refunding agent	-	-	-	-	-	-	-	-	(2,293)	-
Pay-off of unfunded retirement liability	-	-	-	-	-	-	-	-	-	-
Transfers in	22,479	20,478	11,954	14,582	13,134	11,402	11,906	10,318	10,141	10,390
Transfers out	(22,213)	(20,409)	(12,281)	(16,385)	(12,689)	(11,189)	(12,531)	(10,398)	(8,832)	(11,494)
Proceeds from sale of capital assets	10	84	118	673	451	18	26	72	65	578
Total other financing sources (uses)	26,027	19,001	22,472	15,342	8,117	22,106	7,210	6,082	6,815	11,013
Net change in fund balances	\$ (1,286)	\$ 1,278	\$ 9,800	\$ (5,608)	\$ (3,598)	\$ 1,692	\$ (1,781)	\$ (6,829)	\$ 1,302	\$ 5,714
Debt service as a percentage of noncapital expenditures	24.7%	19.4%	16.5%	17.9%	16.2%	20.6%	15.3%	13.5%	12.4%	12.4%

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
ALL PROPERTY										
Real property:										
Assessed value	\$4,501,005	\$4,418,314	\$4,341,114	\$4,268,982	\$4,219,220	\$4,205,728	\$4,164,172	\$4,129,685	\$4,298,042	\$4,229,806
Estimated actual value (1)	4,935,157	4,694,709	4,489,828	4,279,412	4,149,675	4,065,232	4,098,830	4,062,866	4,154,706	4,100,813
Personal property:										
Assessed value	\$166,467	\$167,290	\$169,474	\$178,769	\$179,945	\$162,039	\$151,299	\$160,043	\$167,057	\$152,927
Estimated actual value	184,559	178,013	174,624	182,188	175,990	158,492	148,638	161,758	161,241	154,122
Total:										
Assessed value	\$4,667,472	\$4,585,604	\$4,510,587	\$4,447,751	\$4,399,165	\$4,367,767	\$4,315,471	\$4,289,728	\$4,465,099	\$4,382,733
Estimated actual value	\$5,119,716	\$4,872,722	\$4,664,452	4,461,599	4,325,664	4,223,724	4,247,468	4,224,624	4,315,947	4,254,935
Ratio of total assessed to total estimated actual value	91.17%	94.11%	96.70%	99.69%	101.70%	103.41%	101.60%	101.54%	103.46%	103.00%
Direct tax rate:										
Eau Claire County	\$9.26	\$9.08	\$8.73	\$8.74	\$8.60	\$8.24	\$8.22	\$8.01	\$7.34	\$7.12
Chippewa County	\$9.27	\$9.04	\$8.77	\$8.96	\$8.72	\$8.24	\$8.30	\$8.19	\$7.51	\$7.18



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.

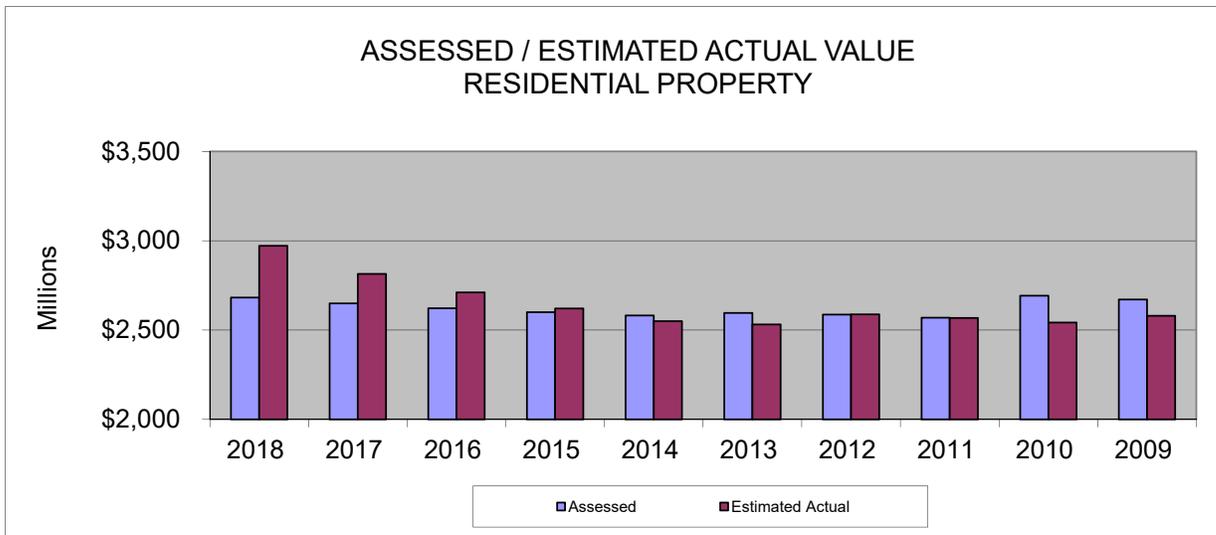
(1) NOTE: Equalized valuation (est. market value) is set by the Wisconsin Department of Revenue.

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
RESIDENTIAL										
Real property:										
Assessed value	\$2,682,003	\$2,649,404	\$2,622,135	\$2,600,068	\$2,581,699	\$2,595,948	\$2,586,846	\$2,569,325	\$2,692,408	\$2,670,924
Estimated actual value	2,971,571	2,814,296	2,710,764	2,620,864	2,549,958	2,531,431	2,587,946	2,567,621	2,542,048	2,579,753
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	\$2,682,003	\$2,649,404	\$2,622,135	\$2,600,068	\$2,581,699	\$2,595,948	\$2,586,846	\$2,569,325	\$2,692,408	\$2,670,924
Estimated actual value	2,971,571	2,814,296	2,710,764	2,620,864	2,549,958	2,531,431	2,587,946	2,567,621	2,542,048	2,579,753
Total all classes:										
Assessed value	\$4,667,472	\$4,585,604	\$4,510,587	\$4,447,751	\$4,399,165	\$4,367,767	\$4,315,471	\$4,289,728	\$4,465,099	\$4,382,733
Estimated actual value	5,119,716	4,872,722	4,664,452	4,461,599	4,325,664	4,223,724	4,247,468	4,224,624	4,315,947	4,254,935
Residential property as a percentage of total:										
Assessed value	57.46%	57.78%	58.13%	58.46%	58.69%	59.43%	59.94%	59.89%	60.30%	60.94%
Estimated actual value	58.04%	57.76%	58.12%	58.74%	58.95%	59.93%	60.93%	60.78%	58.90%	60.63%
Number of parcels	20,204	20,167	20,056	19,995	19,976	19,974	19,960	19,941	19,922	19,829
Number of parcels with improvements	19,145	19,050	18,953	18,892	18,845	18,752	18,737	18,668	18,590	18,445



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.

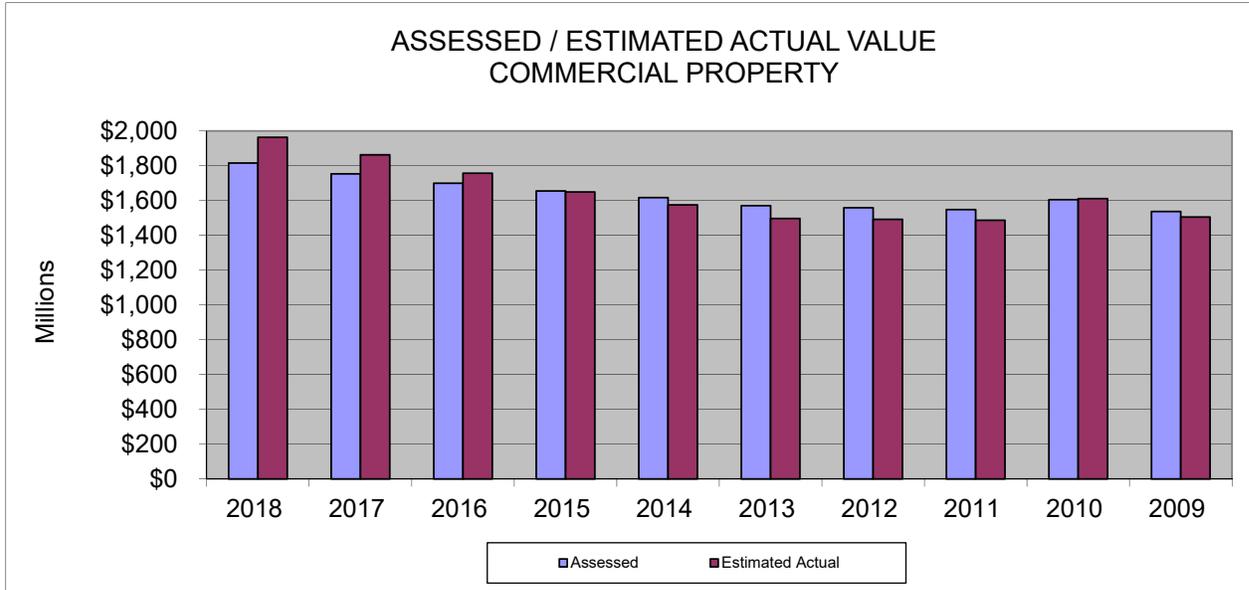
(1) NOTE: Chapter 70 of the Wisconsin State Statutes exempts residential personal property from taxation.

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
COMMERCIAL										
Real property:										
Assessed value	\$1,678,227	\$1,617,932	\$1,564,450	\$1,512,479	\$1,478,093	\$1,442,120	\$1,427,191	\$1,409,526	\$1,459,862	\$1,406,379
Estimated actual value	1,810,392	1,718,628	1,617,532	1,503,139	1,440,058	1,370,911	1,362,726	1,346,057	1,471,159	1,372,777
Personal property:										
Assessed value	\$137,673	\$135,708	\$135,265	\$142,521	\$139,062	\$128,431	\$131,570	\$138,680	\$145,125	\$130,769
Estimated actual value	152,971	144,155	139,781	146,120	135,234	126,004	129,175	140,642	139,976	132,663
Total commercial:										
Assessed value	\$1,815,901	\$1,753,640	\$1,699,715	\$1,655,000	\$1,617,156	\$1,570,551	\$1,558,761	\$1,548,206	\$1,604,987	\$1,537,148
Estimated actual value	1,963,363	1,862,783	1,757,313	1,649,259	1,575,292	1,496,915	1,491,901	1,486,699	1,611,135	1,505,440
Total all classes:										
Assessed value	\$4,667,472	\$4,585,604	\$4,510,587	\$4,447,751	\$4,399,165	\$4,367,767	\$4,315,471	\$4,289,728	\$4,465,099	\$4,382,733
Estimated actual value	5,119,716	4,872,722	4,664,452	4,461,599	4,325,664	4,223,724	4,247,468	4,224,624	4,315,947	4,254,935
Commercial property as a percentage of total:										
Assessed value	38.91%	38.24%	37.68%	37.21%	36.76%	35.96%	36.12%	36.09%	35.95%	35.07%
Estimated actual value	38.35%	38.23%	37.67%	36.97%	36.42%	35.44%	35.12%	35.19%	37.33%	35.38%
Number of parcels										
Number of parcels with improvements	2,218	2,203	2,199	2,192	3,241	3,139	3,174	3,236	3,224	3,200
	1,968	1,966	1,958	1,948	1,944	1,933	1,918	1,913	1,904	1,881



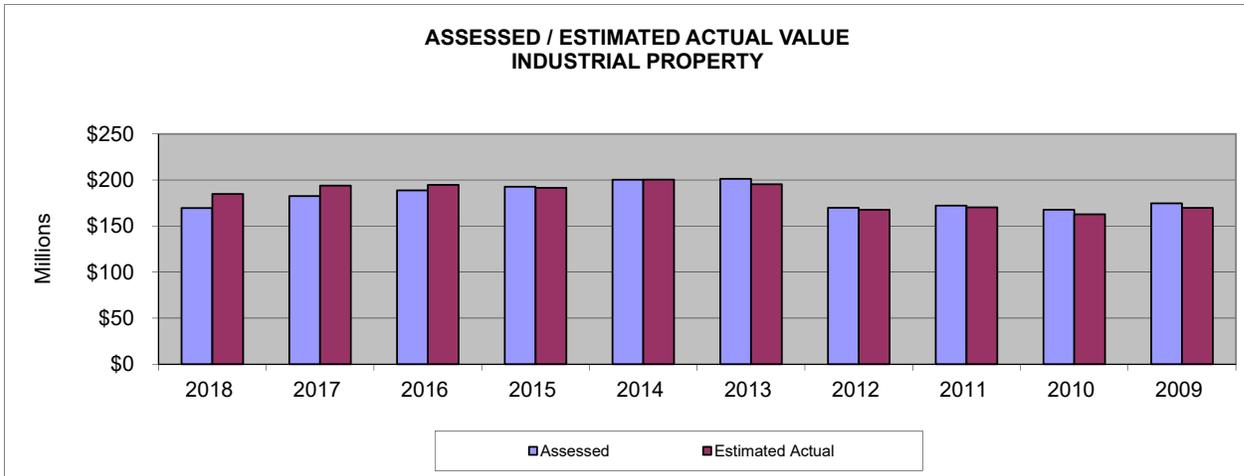
NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year. Values are for both Eau Claire and Chippewa Counties. Tax incr

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
INDUSTRIAL										
Real property:										
Assessed value	\$140,775	\$150,978	\$154,529	\$156,437	\$159,428	\$167,661	\$150,135	\$150,835	\$145,773	\$152,504
Estimated actual value	153,194	160,375	159,337	155,409	159,660	162,891	148,158	149,188	141,499	148,282
Personal property:										
Assessed value	\$28,794	\$31,582	\$34,209	\$36,247	\$40,883	\$33,608	\$19,729	\$21,363	\$21,932	\$22,159
Estimated actual value	31,589	33,547	35,349	36,068	40,755	32,488	19,463	21,116	21,264	21,459
Total industrial:										
Assessed value	\$169,568	\$182,560	\$188,738	\$192,684	\$200,310	\$201,269	\$169,864	\$172,198	\$167,705	\$174,663
Estimated actual value	184,783	193,922	194,686	191,477	200,416	195,379	167,621	170,304	162,763	169,741
Total all classes:										
Assessed value	\$4,667,472	\$4,585,604	\$4,510,587	\$4,447,751	\$4,399,165	\$4,367,767	\$4,315,471	\$4,289,728	\$4,465,099	\$4,382,733
Estimated actual value	5,119,716	4,872,722	4,664,452	4,461,599	4,325,664	4,223,724	4,247,468	4,224,624	4,315,947	4,254,935
Industrial property as a percentage of total:										
Assessed value	3.63%	3.98%	4.18%	4.33%	4.55%	4.61%	3.94%	4.01%	3.76%	3.99%
Estimated actual value	3.61%	3.98%	4.17%	4.29%	4.63%	4.63%	3.95%	4.03%	3.77%	3.99%
Number of parcels	84	91	91	90	92	93	96	94	95	97
Number of parcels with improvements	71	77	77	76	77	78	80	79	80	82



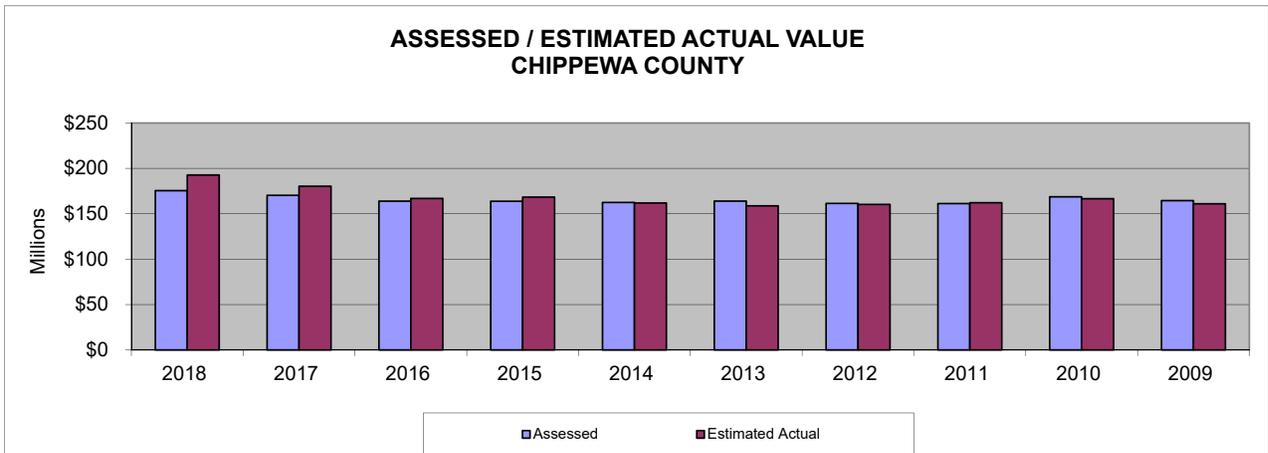
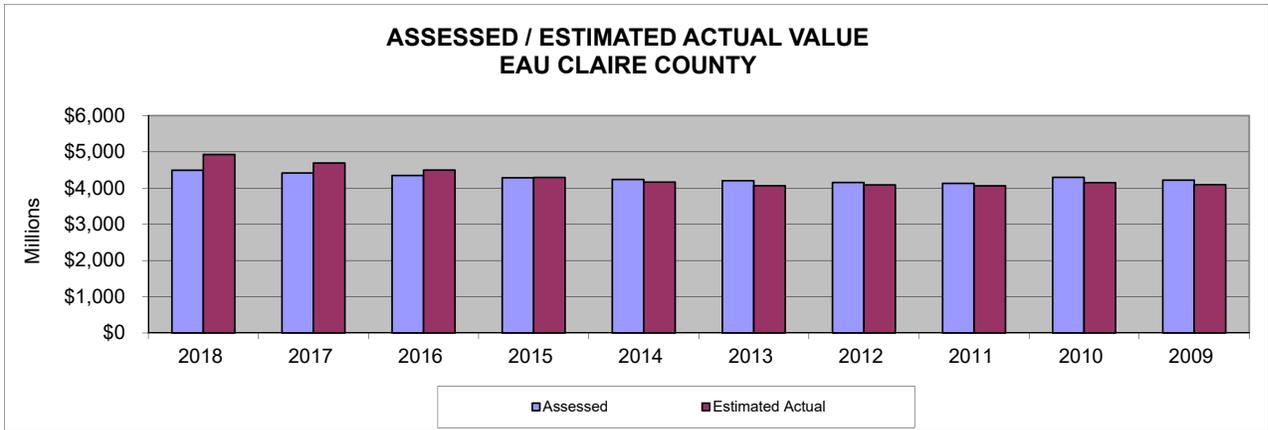
NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year. Values are for both Eau Claire and Chippewa Counties. Tax incremental districts have been included.

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:	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
EAU CLAIRE COUNTY										
Assessed value	\$4,491,967	\$4,415,228	\$4,346,679	\$4,283,958	\$4,236,710	\$4,203,777	\$4,154,056	\$4,128,456	\$4,296,383	\$4,218,200
Estimated actual value	4,927,011	4,690,667	4,495,853	4,293,242	4,163,778	4,064,974	4,087,132	4,062,445	4,149,314	4,093,908
Ratio of assessment	91.17%	94.13%	96.68%	99.78%	101.75%	103.41%	101.64%	101.62%	103.54%	103.04%
CHIPPEWA COUNTY										
Assessed value	\$175,504	\$170,376	\$163,908	\$163,793	\$162,455	\$163,990	\$161,416	\$161,273	\$168,716	\$164,533
Estimated actual value	192,705	180,333	166,910	168,357	161,886	158,750	160,335	162,179	166,633	161,027
Ratio of assessment	91.07%	94.48%	98.20%	97.29%	100.35%	103.30%	100.67%	99.44%	101.25%	102.18%



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)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
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	60,475	58,803	45,968	48,498	46,556	39,284	30,122	29,187	23,258	22,901
Total TID #5	\$61,475	\$59,803	\$46,968	\$49,498	\$47,556	\$40,284	\$31,122	\$30,187	\$24,258	\$23,901
TID #6 equalized valuation:										
Base	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$986	\$986
Increment	0	0	0	0	0	0	0	0	11,383	11,404
Total TID #6	\$0	\$12,369	\$12,390							
TID #7 equalized valuation:										
Base	\$329	\$329	\$329	\$329	\$329	\$329	\$329	\$329	\$329	\$329
Increment	6,599	5,946	5,631	5,172	5,963	5,507	5,265	6,007	6,467	6,193
Total TID #7	\$6,928	\$6,275	\$5,960	\$5,501	\$6,292	\$5,836	\$5,594	\$6,336	\$6,796	\$6,522
TID #8 equalized valuation:										
Base	\$12,418	\$12,418	\$12,418	\$10,845	\$10,845	\$10,441	\$10,441	\$10,441	\$10,441	\$10,441
Increment	64,322	58,659	57,174	35,945	36,349	29,055	26,805	25,813	22,362	18,523
Total TID #8	\$76,740	\$71,077	\$69,592	\$46,790	\$47,194	\$39,496	\$37,246	\$36,254	\$32,803	\$28,964
TID #9 equalized valuation:										
Base	\$11,239	\$11,239	\$11,239	\$11,239	\$11,239	\$11,239	\$11,239	\$11,239	\$11,239	\$0
Increment	3,145	2,326	1,476	167	355	2,201	2,310	5,117	2,222	0
Total TID #9	\$14,384	\$13,565	\$12,715	\$11,406	\$11,594	\$13,440	\$13,549	\$16,356	\$13,461	\$0
TID #10 equalized valuation:										
Base	\$9,794	\$9,794	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increment	31,190	15,293	0	0	0	0	0	0	0	0
Total TID #10	\$40,984	\$25,087	\$0							
TID #11 equalized valuation:										
Base	\$16,625	\$16,625	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increment	15,036	10,553	0	0	0	0	0	0	0	0
Total TID #11	\$31,661	\$27,178	\$0							
ALL PROPERTY										
All property - w/o TIDs	\$4,887,544	\$4,669,737	\$4,529,217	\$4,348,404	\$4,213,028	\$4,124,668	\$4,159,957	\$4,135,491	\$4,226,260	\$4,183,157
Base valuation - TIDs	51,405	51,405	24,986	23,413	23,413	23,009	23,009	23,009	23,995	12,756
All property - w/o TID increment	4,938,949	4,721,142	4,554,203	4,371,817	4,236,441	4,147,677	4,182,966	4,158,500	4,250,255	4,195,913
Increment valuation - TIDs	180,767	151,580	110,249	89,782	89,223	76,047	64,502	66,124	65,692	59,022
Equalized valuation - all property	\$5,119,716	\$4,872,722	\$4,664,452	\$4,461,599	\$4,325,664	\$4,223,724	\$4,247,468	\$4,224,624	\$4,315,947	\$4,254,935

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.

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
City Property Located in Eau Claire County (Eau Claire Area School District)										
City	\$8.160	\$7.989	\$7.652	\$7.670	\$7.532	\$7.168	\$7.141	\$6.934	\$6.321	\$6.084
Library	0.690	0.685	0.679	0.671	0.673	0.674	0.680	0.679	0.644	0.653
Health	0.409	0.406	0.401	0.395	0.396	0.394	0.399	0.401	0.379	0.383
Total Direct Rate	9.259	9.080	8.732	8.736	8.601	8.236	8.220	8.014	7.344	7.120
Eau Claire School Dist.	10.263	10.383	9.715	9.879	9.410	9.772	10.012	9.876	9.219	8.714
Vocational District	0.947	0.933	0.916	0.900	1.706	1.707	1.714	1.728	1.606	1.535
Eau Claire County	4.253	4.108	3.927	3.782	3.608	3.511	3.518	3.499	3.379	3.316
State Forestry	0.000	0.180	0.175	0.170	0.167	0.164	0.167	0.167	0.164	0.165
Gross Tax Rate	24.722	24.684	23.465	23.467	23.492	23.390	23.631	23.284	21.712	20.850
Less State Credit	(1.834)	(1.640)	(1.677)	(1.495)	(1.526)	(1.535)	(1.534)	(1.558)	(1.527)	(1.630)
Net Tax Rate	\$ 22.888	\$ 23.044	\$ 21.788	\$ 21.972	\$ 21.966	\$ 21.855	\$ 22.097	\$ 21.726	\$ 20.185	\$ 19.220
City Property Located in Eau Claire County (Altoona School District)										
City	\$8.160	\$7.989	\$7.652	\$7.670	\$7.532	\$7.168	\$7.141	\$6.934	\$6.321	\$6.084
Library	0.690	0.685	0.679	0.671	0.673	0.674	0.680	0.679	0.644	0.653
Health	0.409	0.406	0.401	0.395	0.396	0.394	0.399	0.401	0.379	0.383
Total Direct Rate	9.259	9.080	8.732	8.736	8.601	8.236	8.220	8.014	7.344	7.120
Altoona School Dist.	11.652	12.055	12.609	11.747	9.568	9.344	9.271	8.859	8.931	8.533
Vocational District	0.947	0.933	0.916	0.900	1.706	1.707	1.714	1.728	1.606	1.535
Eau Claire County	4.253	4.108	3.927	3.782	3.608	3.511	3.518	3.499	3.379	3.316
State Forestry	0.000	0.180	0.175	0.170	0.167	0.164	0.167	0.167	0.164	0.165
Gross Tax Rate	26.111	26.356	26.359	25.335	23.650	22.962	22.890	22.267	21.423	20.669
Less State Credit	(1.834)	(1.640)	(1.677)	(1.495)	(1.526)	(1.535)	(1.534)	(1.558)	(1.527)	(1.630)
Net Tax Rate	\$ 24.277	\$ 24.716	\$ 24.682	\$ 23.840	\$ 22.124	\$ 21.427	\$ 21.356	\$ 20.709	\$ 19.896	\$ 19.039

Source: City of Eau Claire Annual Operating Budget

CITY OF EAU CLAIRE

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
City Property Located in Chippewa County (Eau Claire Area School District)										
City	\$8.167	\$7.956	\$7.682	\$7.866	\$7.637	\$7.175	\$7.210	\$7.086	\$6.464	\$6.135
Library	0.691	0.682	0.683	0.689	0.682	0.675	0.687	0.693	0.658	0.659
Health	0.410	0.404	0.402	0.405	0.402	0.395	0.402	0.410	0.388	0.386
Total Direct Rate	9.268	9.042	8.767	8.959	8.721	8.245	8.299	8.189	7.510	7.180
Eau Claire School Dist.	10.274	10.341	9.755	10.132	9.561	9.749	10.108	10.081	9.428	8.787
Vocational District	0.948	0.929	0.920	0.922	1.730	1.709	1.730	1.765	1.642	1.549
Chippewa County	3.846	3.697	3.686	3.732	3.611	3.461	3.357	3.307	3.166	3.044
State Forestry	0.000	0.179	0.176	0.174	0.169	0.164	0.168	0.171	0.168	0.166
Gross Tax Rate	24.336	24.188	23.304	23.921	23.792	23.328	23.662	23.513	21.914	20.726
Less State Credit	(1.850)	(1.677)	(1.769)	(1.554)	(1.589)	(1.547)	(1.516)	(1.496)	(1.455)	(1.586)
Net Tax Rate	\$ 22.486	\$ 22.511	\$ 21.535	\$ 22.367	\$ 22.203	\$ 21.781	\$ 22.146	\$ 22.017	\$ 20.459	\$ 19.140
City Property Located in Chippewa County (Chippewa Falls Area School District)										
City	\$8.167	\$7.956	\$7.682	\$7.866	\$7.637	\$7.175	\$7.210	\$7.086	\$6.464	\$6.135
Library	0.691	0.682	0.683	0.689	0.682	0.675	0.687	0.693	0.658	0.659
Health	0.410	0.404	0.402	0.405	0.402	0.395	0.402	0.410	0.388	0.386
Total Direct Rate	9.268	9.042	8.767	8.959	8.721	8.245	8.299	8.189	7.510	7.180
Chippewa Falls School Dist.	9.013	9.119	9.408	9.506	8.793	10.285	9.079	8.957	8.335	7.403
Vocational District	0.948	0.929	0.920	0.922	1.730	1.709	1.730	1.765	1.642	1.549
Chippewa County	3.846	3.697	3.686	3.732	3.611	3.461	3.357	3.307	3.166	3.044
State Forestry	0.000	0.179	0.176	0.174	0.169	0.164	0.168	0.171	0.168	0.166
Gross Tax Rate	23.075	22.966	22.957	23.294	23.024	23.864	22.633	22.389	20.821	19.341
Less State Credit	(1.850)	(1.677)	(1.769)	(1.554)	(1.589)	(1.547)	(1.516)	(1.496)	(1.455)	(1.586)
Net Tax Rate	\$ 21.225	\$ 21.289	\$ 21.188	\$ 21.741	\$ 21.435	\$ 22.317	\$ 21.117	\$ 20.893	\$ 19.366	\$ 17.755

Source: City of Eau Claire Annual Operating Budget

CITY OF EAU CLAIRE

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

Taxpayer	2018 Equalized Value	2018 Rank	2018 Percentage of Total Equalized Value	2009 Equalized Value	2009 Rank	2009 Percentage of Total Equalized Value
Oakwood Hills Mall	\$ 79,579	1	1.55%	\$ 71,139	1	1.67%
Mayo Clinic Health System	79,543	2	1.55%	-		
Nestle Foods	72,727	3	1.42%	25,365	6	0.60%
Menard Inc.	56,307	4	1.10%	20,950	9	0.49%
Keystone Corporation	53,127	5	1.04%	38,444	3	0.90%
Marshfield Clinic	52,749	6	1.03%	32,597	4	0.77%
Haymarket Concepts	35,379	7	0.69%	-		
Royal Credit Union	23,025	8	0.45%	22,780	7	0.54%
Hutchinson Technology, Inc.	19,309	9	0.38%	39,486	2	0.93%
Ch Valley Partners	16,843	10	0.33%	-		
Phillips Properties	-			17,092	10	0.40%
F&L II & JHP Eau Claire	-			-		
Luther Hospital	-			32,158	5	0.76%
Midelfort Clinic	-			21,773	8	0.51%
Principal Taxpayers total	<u>\$ 488,588</u>			<u>\$ 321,784</u>		
TOTAL CITY EQUALIZED VALUE	<u>\$ 5,119,716</u>			<u>\$ 4,254,935</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.

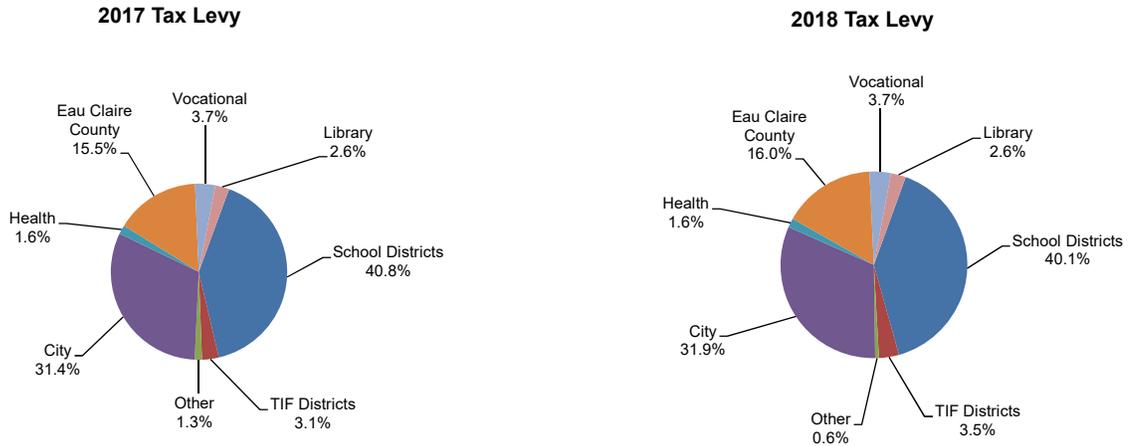
Sources: City of Eau Claire Assessor's Office, Clerk's Statement of Assessments, Statistical Report:
Eau Claire and Chippewa Counties

CITY OF EAU CLAIRE

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
City	\$ 36,738	\$ 35,487	\$ 33,701	\$ 33,455	\$ 32,465	\$ 30,742	\$ 30,360	\$ 29,303	\$ 27,815	\$ 26,301
TIF Districts	4,074	3,495	2,484	2,087	2,118	1,827	1,538	1,553	1,460	1,251
Library	3,107	3,041	2,995	2,929	2,901	2,891	2,891	2,867	2,834	2,825
Health	1,843	1,804	1,765	1,723	1,707	1,691	1,695	1,696	1,671	1,656
Eau Claire School District	46,011	45,925	42,603	42,903	40,390	41,723	42,373	41,545	40,408	37,511
Chippewa Falls School District										
District	48	47	49	51	42	51	50	49	31	33
Altoona School District	169	171	178	166	134	130	127	121	126	121
Vocational District	4,263	4,144	4,037	3,923	7,355	7,323	7,285	7,300	7,065	6,639
Eau Claire County	18,409	17,553	16,654	15,866	14,959	14,486	14,386	14,213	14,330	13,824
Chippewa County	675	630	604	611	587	567	542	533	498	465
State Forestry- Eau Claire County	0	796	763	729	707	690	694	689	704	695
State Forestry- Chippewa County	0	31	29	29	27	27	27	28	28	27
Total tax levy	\$ 115,337	\$ 113,124	\$ 105,862	\$ 104,472	\$ 103,392	\$ 102,148	\$ 101,968	\$ 99,897	\$ 96,970	\$ 91,348
City percent of total levy	31.85%	31.37%	31.83%	32.02%	31.40%	30.10%	29.77%	29.33%	28.68%	28.79%

CHANGES IN PROPORTIONS - TAX LEVIES BY ENTITY



Sources: City of Eau Claire Annual Operating Budget, 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)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Tax Levy	\$ 45,762	\$ 43,827	\$ 40,945	\$ 40,195	\$ 39,191	\$ 35,324	\$ 34,946	\$ 33,865	\$ 32,319	\$ 30,782
Current tax collections	\$ 45,437	\$ 43,581	\$ 40,766	\$ 39,925	\$ 38,989	\$ 35,177	\$ 34,801	\$ 33,612	\$ 32,142	\$ 30,633
Percentage of Levy	99.3%	99.4%	99.6%	99.3%	99.5%	99.6%	99.6%	99.3%	99.5%	99.5%
Collection of delinquent personal property taxes	\$ 252	\$ 169	\$ 149	\$ 252	\$ 187	\$ 122	\$ 116	\$ 192	\$ 134	\$ 132
Total tax collections (1)	<u>\$ 45,689</u>	<u>\$ 43,750</u>	<u>\$ 40,915</u>	<u>\$ 40,177</u>	<u>\$ 39,176</u>	<u>\$ 35,299</u>	<u>\$ 34,917</u>	<u>\$ 33,804</u>	<u>\$ 32,276</u>	<u>\$ 30,765</u>
Percentage of Levy	99.8%	99.8%	99.9%	100.0%	99.9%	99.9%	99.9%	99.8%	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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Total assessments levied each fiscal period: (1)										
General fund	\$1,247	\$1,276	\$1,110	\$1,413	\$1,334	\$1,036	\$808	\$383	\$271	\$120
Business Improvement										
Districts	175	175	150	150	150	147	147	145	145	152
Debt Service	78	164	292	378	468	596	711	1,126	1,373	1,546
Water Utility	25	28	42	48	49	64	70	82	83	87
Sewer Utility	22	20	29	29	39	51	51	77	82	90
Storm Water Utility	1	1	1	1	6	0	0	0	0	0
Health	4	5	7	3	4	6	5	6	8	8
Delinquent utility bills	763	780	801	833	777	774	776	774	809	656
Total assessments levied	\$2,315	\$2,449	\$2,432	\$2,855	\$2,827	\$2,674	\$2,568	\$2,593	\$2,771	\$2,659
Current collections	\$2,315	\$2,449	\$2,432	\$2,855	\$2,827	\$2,674	\$2,568	\$2,593	\$2,771	\$2,659
Total collections	\$2,315	\$2,449	\$2,432	\$2,855	\$2,827	\$2,674	\$2,568	\$2,593	\$2,771	\$2,659

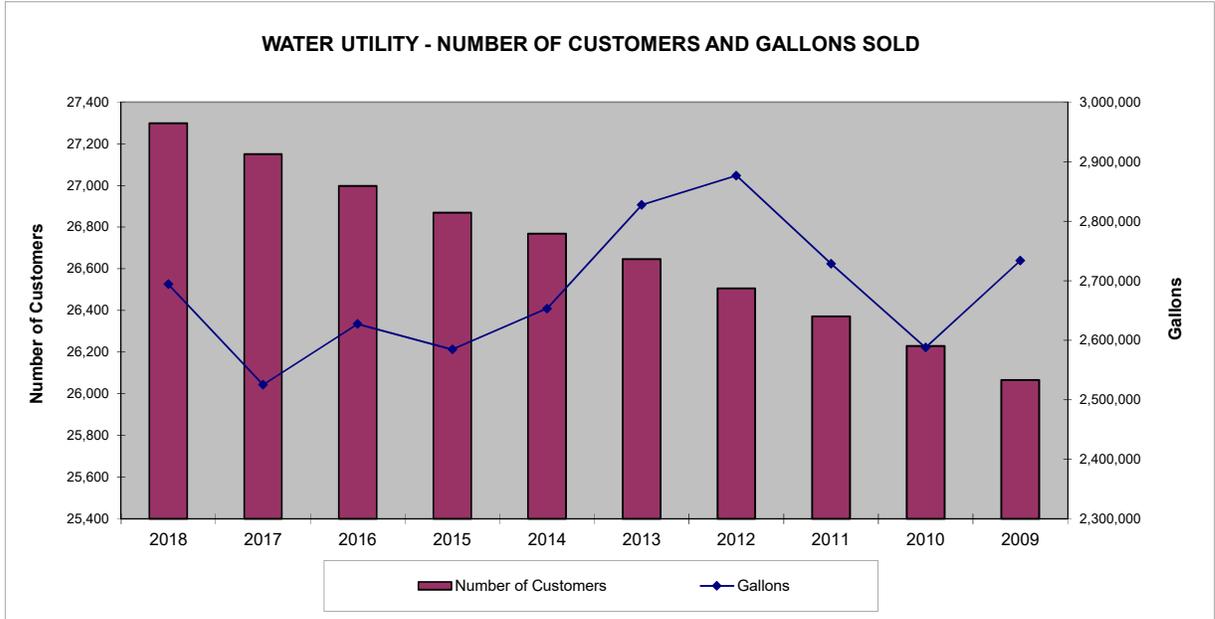
(1) NOTE: Includes current interest due on installment special assessments.

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Number of customers										
Residential	24,466	24,825	24,589	24,376	24,281	23,931	23,556	23,417	23,293	23,152
Commercial	2,503	1,997	2,079	2,163	2,158	2,390	2,625	2,628	2,612	2,593
Industrial	104	104	104	106	109	109	109	109	109	109
Public	225	224	225	225	221	217	216	217	216	212
Total	27,298	27,150	26,997	26,870	26,769	26,647	26,506	26,371	26,230	26,066
Gallons (thousands)										
Residential	1,330,806	1,243,196	1,260,199	1,224,855	1,265,265	1,350,816	1,297,806	1,210,111	1,182,343	1,288,528
Commercial	506,931	483,572	537,566	530,879	555,737	650,697	701,560	673,138	656,846	667,586
Industrial	648,667	585,756	593,008	594,629	607,864	571,655	612,696	604,273	505,853	517,711
Public	207,631	212,693	236,506	234,094	224,465	254,054	264,612	241,090	242,820	259,869
Total	2,694,035	2,525,217	2,627,279	2,584,457	2,653,331	2,827,222	2,876,674	2,728,612	2,587,862	2,733,694



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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
General Metered Service										
Quarterly Service Charge										
5/8 inch meter	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00	\$ 18.17	\$ 17.61	\$ 17.61	\$ 17.10	\$ 17.10
3/4 inch meter	21.00	21.00	21.00	21.00	21.00	18.17	17.61	17.61	17.10	17.10
1 inch meter	30.00	30.00	30.00	30.00	30.00	28.38	27.50	27.50	26.70	26.70
1 1/4 inch meter	39.00	39.00	39.00	39.00	39.00	37.63	36.46	36.46	35.40	35.40
1 1/2 inch meter	51.00	51.00	51.00	51.00	51.00	46.55	45.11	45.11	43.80	43.80
2 inch meter	75.00	75.00	75.00	75.00	75.00	69.52	67.36	67.36	65.40	65.40
3 inch meter	120.00	120.00	120.00	120.00	120.00	111.61	108.15	108.15	105.00	105.00
4 inch meter	180.00	180.00	180.00	180.00	180.00	165.82	160.68	160.68	156.00	156.00
6 inch meter	312.00	312.00	312.00	312.00	312.00	290.19	281.19	281.19	273.00	273.00
8 inch meter	474.00	474.00	474.00	474.00	474.00	436.88	423.33	423.33	411.00	411.00
10 inch meter	660.00	660.00	660.00	660.00	660.00	628.21	608.73	608.73	591.00	591.00
12 inch meter	825.00	825.00	825.00	825.00	825.00	819.54	794.13	794.13	771.00	771.00
Volume rate (per 100 cubic feet)										
First 7,500 cubic feet	\$ 1.70	\$ 1.70	\$ 1.70	\$ 1.70	\$ 1.70	\$ 1.58	\$ 1.53	\$ 1.53	\$ 1.49	\$ 1.49
Next 742,500 cubic feet	1.45	1.45	1.45	1.45	1.45	1.36	1.32	1.32	1.28	1.28
Over 750,000 cubic feet	1.10	1.10	1.10	1.10	1.10	0.95	0.92	0.92	0.89	0.89
Public Fire Protection										
Quarterly Service Charge										
5/8 inch meter	\$ 10.80	\$ 10.80	\$ 10.80	\$ 10.80	\$ 10.80	\$ 10.21	\$ 9.89	\$ 9.89	\$ 9.60	\$ 9.60
3/4 inch meter	10.80	10.80	10.80	10.80	10.80	10.21	9.89	9.89	9.60	9.60
1 inch meter	27.00	27.00	27.00	27.00	27.00	25.51	24.72	24.72	24.00	24.00
1 1/4 inch meter	39.00	39.00	39.00	39.00	39.00	37.63	36.46	36.46	35.40	35.40
1 1/2 inch meter	54.00	54.00	54.00	54.00	54.00	51.02	49.44	49.44	48.00	48.00
2 inch meter	87.00	87.00	87.00	87.00	87.00	81.63	79.10	79.10	76.80	76.80
3 inch meter	165.00	165.00	165.00	165.00	165.00	153.07	148.32	148.32	144.00	144.00
4 inch meter	270.00	270.00	270.00	270.00	270.00	255.11	247.20	247.20	240.00	240.00
6 inch meter	540.00	540.00	540.00	540.00	540.00	510.22	494.40	494.40	480.00	480.00
8 inch meter	870.00	870.00	870.00	870.00	870.00	816.35	791.04	791.04	768.00	768.00
10 inch meter	1,350.00	1,350.00	1,350.00	1,350.00	1,350.00	1,224.53	1,186.56	1,186.56	1,152.00	1,152.00
12 inch meter	1,740.00	1,740.00	1,740.00	1,740.00	1,740.00	1,632.71	1,582.08	1,582.08	1,536.00	1,536.00

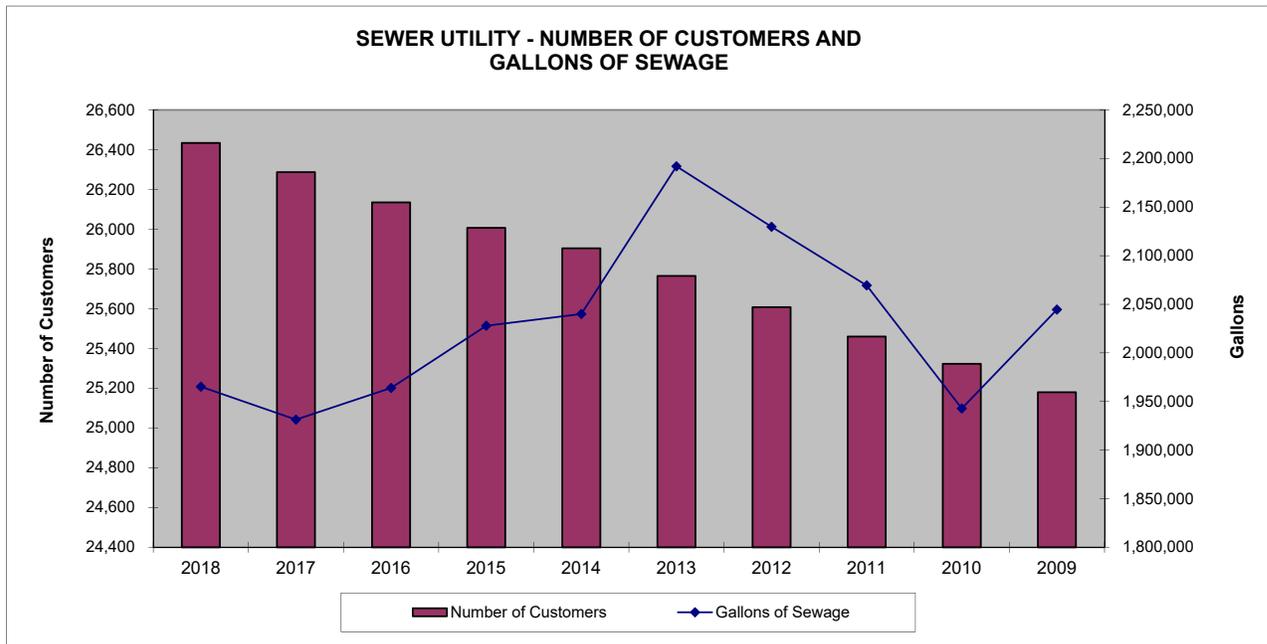
Source: Customer Services - City of Eau Claire

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

CITY OF EAU CLAIRE

TABLE 19
SEWER UTILITY CUSTOMER SUMMARY
LAST TEN FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Number of customers										
Residential	23,828	24,185	23,951	23,729	23,625	23,272	22,895	22,753	22,626	22,495
Commercial	2,346	1,842	1,924	2,012	2,012	2,231	2,451	2,445	2,435	2,424
Industrial	93	93	93	97	98	95	95	95	94	93
Public	167	167	167	169	169	167	167	167	168	168
Total	26,434	26,287	26,135	26,007	25,904	25,765	25,608	25,460	25,323	25,180
Gallons (thousands)										
Residential	1,121,051	1,137,083	1,122,278	1,144,500	1,164,036	1,184,590	1,087,106	1,080,152	1,035,729	1,082,255
Commercial	463,060	447,873	497,141	516,095	511,521	615,338	632,874	600,681	566,088	599,731
Industrial	286,281	249,516	245,028	263,422	262,107	274,097	302,251	285,293	235,880	252,218
Public	94,883	96,898	99,496	103,959	102,396	117,949	107,545	103,340	105,089	110,403
Total	1,965,275	1,931,370	1,963,943	2,027,976	2,040,060	2,191,974	2,129,776	2,069,466	1,942,786	2,044,607



Sources: Customer Services - City of Eau Claire

CITY OF EAU CLAIRE

TABLE 20
SEWER UTILITY CUSTOMER RATES
LAST TEN FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
General Metered Service										
Quarterly Minimum Charge *	\$ 5.80	\$ 5.60	\$ 5.50	\$ 5.40	\$ 5.31	\$ 5.19	\$ 22.56	\$ 21.12	\$ 19.76	\$ 18.48
Volume rate (per 100 cubic feet)	\$ 3.49	\$ 3.34	\$ 3.20	\$ 3.05	\$ 2.97	\$ 2.89	\$ 2.82	\$ 2.64	\$ 2.47	\$ 2.31

* 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>	2018		
	<u>Gallons Billed</u>	<u>Amount Billed</u>	<u>% of Total</u>
Nestle USA	139,671,796	\$ 651,932	7.1%
Hutchinson Technology	96,312,480	449,488	4.9%
University of Wisconsin - Eau Claire	42,131,561	197,293	2.1%
Mayo Clinic Health System	36,814,316	171,953	1.9%
Sacred Heart Hospital	21,943,759	102,547	1.1%
Silver Spring Foods	18,248,208	85,165	0.9%
Eau Claire Area School District	17,634,771	82,889	0.9%
Oak Ridge Village	16,774,972	78,291	0.9%
Kwil Trip Inc	15,286,533	71,535	0.8%
John Mogensen	10,388,503	51,194	0.5%
Subtotal (ten largest)	415,206,899	1,942,287	21.1%
All other customers	1,550,069,101	7,949,126	78.9%
Grand Totals	1,965,276,000	\$ 9,891,412	100.0%

<u>Customer</u>	2009		
	<u>Gallons Billed</u>	<u>Amount Billed</u>	<u>% of Total</u>
Hutchinson Technology	123,396,812	\$ 379,819	6.0%
Nestles Food Company	89,585,321	276,661	4.4%
University of Wisconsin-Eau Claire	60,014,103	185,338	2.9%
Sacred Heart Hospital	38,778,949	119,759	1.9%
Luther Midelfort-Mayo Health	31,120,932	96,109	1.5%
Eau Claire Area School District	15,351,716	47,410	0.8%
American Phoenix	13,268,098	40,975	0.6%
Oak Ridge Villa	12,035,320	36,589	0.6%
Huebsch Laundry	11,466,092	35,410	0.6%
Silver Spring Gardens	8,602,295	26,566	0.4%
Subtotal (ten largest)	403,619,638	1,244,636	20.2%
All other customers	1,640,987,362	4,670,756	79.8%
Grand Totals	2,044,607,000	\$ 5,915,392	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/Notes	State Trust Fund Loans	General Obligation Bonds/Notes	State Trust Fund Loans	Revenue Bonds			
2018	\$ 112,255	\$ -	\$ 18,485	\$ -	\$ 37,269	\$ 168,009	5.61%	\$ 2,469
2017	105,547	-	17,749	-	39,353	162,649	5.44%	2,395
2016	99,659	-	17,941	-	42,347	159,947	5.52%	2,374
2015	86,643	-	15,738	-	43,605	145,986	5.08%	2,184
2014	80,594	-	18,166	-	39,466	138,226	5.30%	2,068
2013	81,919	-	18,616	-	22,037	122,572	4.73%	1,844
2012	72,916	-	18,959	43	7,925	99,843	4.31%	1,509
2011	72,002	433	18,673	84	8,700	99,892	4.28%	1,512
2010	71,647	468	17,253	124	9,445	98,937	4.40%	1,502
2009	71,060	468	16,405	162	10,070	98,165	4.42%	1,488

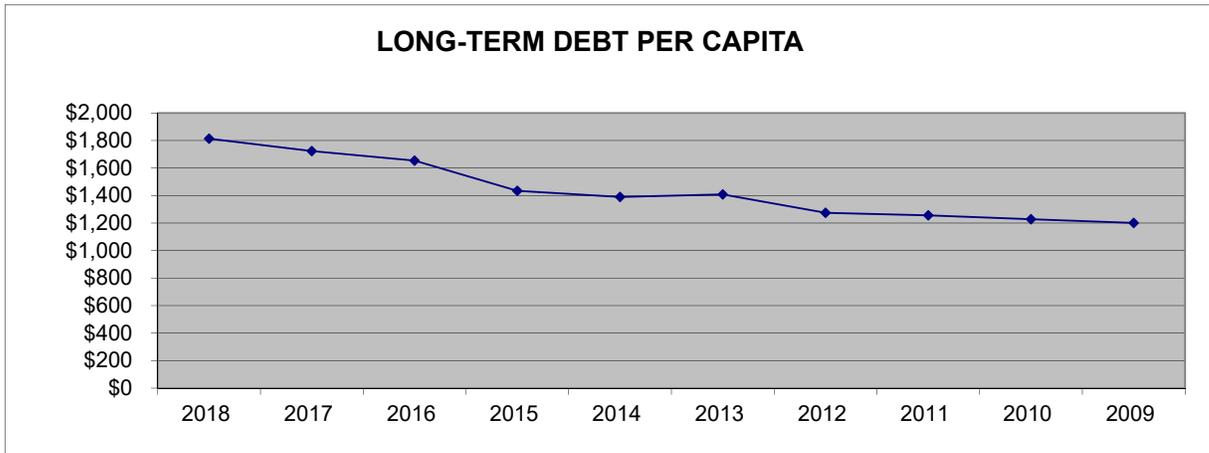
Source: City of Eau Claire Comprehensive Annual Financial Reports

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)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Population	68,043	67,926	67,381	67,006	66,834	66,480	66,170	66,060	65,883	65,950
Equalized valuation	\$5,453,961	\$5,119,716	\$4,872,722	\$4,664,452	\$4,461,599	\$4,325,665	\$4,223,724	\$4,247,468	\$4,224,624	\$4,315,947
General obligation bonds/notes	130,740	123,296	117,600	102,381	98,760	100,535	91,875	90,675	88,900	87,465
State trust fund loans	-	-	-	-	-	-	-	517	592	630
Total long-term debt (1)	130,740	123,296	117,600	102,381	98,760	100,535	91,875	91,192	89,492	88,095
Resources on hand for payment of debt	(7,353)	(6,239)	(6,154)	(6,273)	(5,880)	(6,910)	(7,555)	(8,226)	(8,609)	(8,888)
Net long-term debt	\$ 123,387	\$ 117,057	\$ 111,446	\$ 96,108	\$ 92,880	\$ 93,625	\$ 84,320	\$ 82,966	\$ 80,883	\$ 79,207
Percent of net long-term debt to equalized value	2.26%	2.29%	2.29%	2.06%	2.08%	2.16%	2.00%	1.95%	1.91%	1.84%
Net long-term debt per capita (not in thousands)	\$1,813	\$1,723	\$1,654	\$1,434	\$1,390	\$1,408	\$1,274	\$1,256	\$1,228	\$1,201



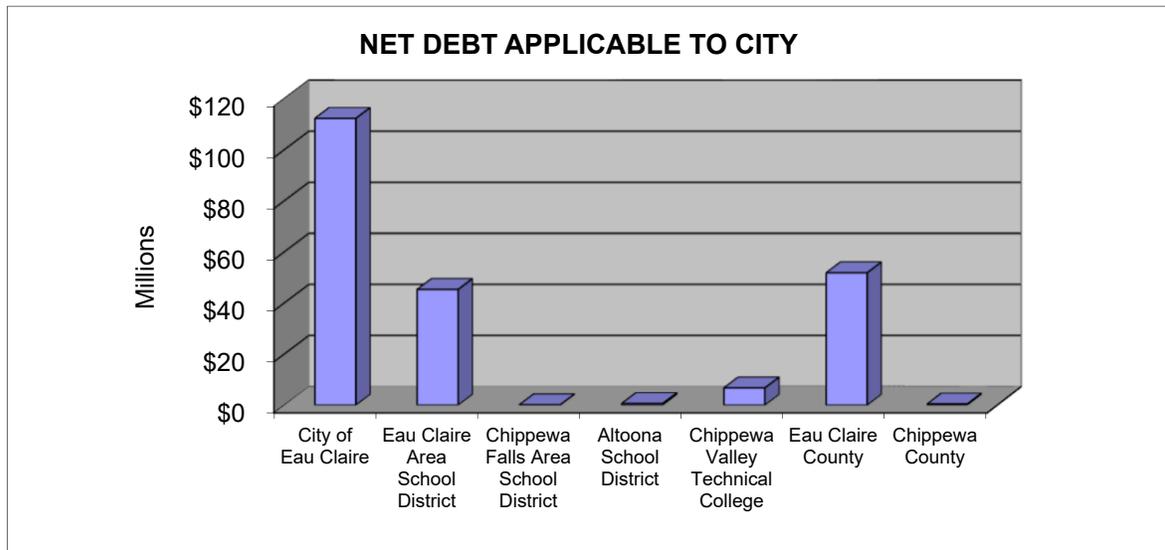
(1) NOTE: Includes General Long-Term Debt and Enterprise General Obligation Debt. Other enterprise debt and accrued employee absences are not included.

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, 2018

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>\$ 112,255,000</u>	100.00%	<u>\$ 112,255,000</u>
Indirect debt:			
Eau Claire Area School District	61,270,000	73.87%	45,259,442
Chippewa Falls Area School District	55,000,000	0.22%	121,191
Altoona School District	21,900,000	2.76%	604,343
Chippewa Valley Technical College	31,285,000	21.52%	6,731,330
Eau Claire County	84,830,000	61.04%	51,783,885
Chippewa County	<u>10,285,000</u>	3.97%	<u>408,236</u>
 Total indirect debt	 <u>264,570,000</u>		 <u>104,908,427</u>
 Total direct and indirect debt	 <u>\$ 376,825,000</u>		 <u>\$ 217,163,427</u>
 Indirect debt per capita			 \$ 1,542
Indirect debt as a % of equalized value			1.92%
 Total direct and indirect debt per capita			 \$ 3,191.56
Total direct and indirect debt as a % of equalized value			3.98%



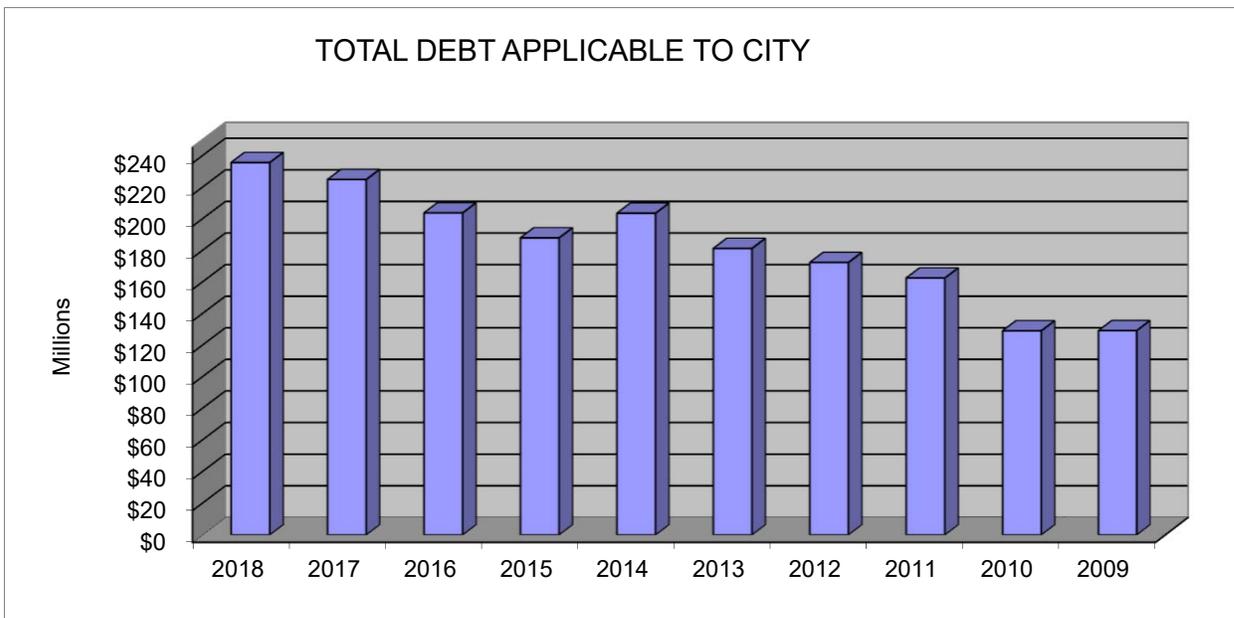
(1) NOTE: The percentage of debt applicable to the City is based on the most recent equalized value of the taxing districts within the City as compared to the entire district.

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Total debt applicable to City	\$235,648	\$224,895	\$203,752	\$187,935	\$203,547	\$181,242	\$172,347	\$162,524	\$129,133	\$129,213
Direct debt:										
General City	\$130,740	\$123,296	\$117,600	\$102,381	\$98,760	\$100,535	\$91,875	\$91,192	\$89,492	\$88,095
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	\$45,259	\$48,907	\$34,096	\$36,850	\$45,259	\$42,713	\$44,164	\$32,777	\$13,703	\$20,512
Percent	73.87%	70.72%	71.19%	71.51%	74.02%	74.03%	74.03%	74.27%	74.09%	75.12%
Chippewa Falls Area										
School District	\$121	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Percent	0.22%	0.21%	0.21%	0.21%	0.21%	0.00%	0.00%	0.24%	0.24%	0.16%
Altoona School District	\$604	\$566	\$606	\$634	\$604	\$42	\$118	\$142	\$156	\$176
Percent	2.76%	2.70%	2.72%	2.73%	2.62%	2.67%	2.65%	2.68%	2.65%	2.65%
C.V. Technical College	\$6,731	\$5,004	\$5,917	\$5,084	\$6,731	\$3,657	\$4,349	\$4,272	\$4,116	\$4,643
Percent	21.52%	20.11%	20.09%	20.92%	20.89%	20.69%	20.69%	20.58%	20.22%	20.33%
Eau Claire County	\$51,784	\$46,916	\$45,282	\$42,677	\$51,784	\$33,889	\$31,487	\$33,517	\$21,345	\$15,444
Percent	61.04%	57.21%	57.84%	60.75%	60.29%	60.41%	60.65%	60.89%	60.72%	61.62%
Chippewa County	\$408	\$206	\$251	\$309	\$408	\$406	\$354	\$624	\$320	\$343
Percent	3.97%	3.62%	3.50%	3.59%	3.69%	3.64%	3.63%	3.64%	3.64%	3.50%



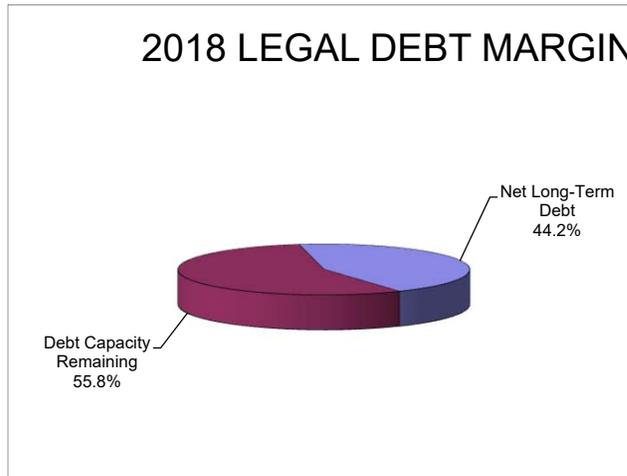
Source: City of Eau Claire Schedule of Long-Term Debt

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Equalized valuation	\$5,453,961	\$5,119,716	\$4,872,722	\$4,664,452	\$4,461,599	\$4,325,665	\$4,223,724	\$4,247,468	\$4,224,624	\$4,315,947
Legal debt percentage	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Legal debt limit	\$272,698	\$255,986	\$243,636	\$233,223	\$223,080	\$216,283	\$211,186	\$212,373	\$211,231	\$215,797
Resources on hand for payment of debt	(\$7,353)	(\$6,239)	(\$6,154)	(\$6,273)	(\$5,880)	(\$6,910)	(\$7,555)	(\$8,226)	(\$8,609)	(\$8,888)
Net long-term debt	\$120,432	\$114,921	\$109,981	\$94,842	\$92,880	\$93,625	\$84,320	\$82,449	\$80,291	\$78,577
Legal debt margin	\$152,266	\$141,065	\$133,655	\$138,381	\$130,200	\$122,658	\$126,866	\$129,924	\$130,940	\$137,220
Legal debt margin as a percentage of the debt limit	56%	55%	55%	59%	58%	57%	60%	61%	62%	64%



Sources: City of Eau Claire Comprehensive Annual Financial Report
City of Eau Claire Annual Operating Budget

CITY OF EAU CLAIRE

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>WATER UTILITY</u>										
Operating revenue	\$9,926	\$9,650	\$9,739	\$9,655	\$9,446	\$9,372	\$9,349	\$8,649	\$8,390	\$8,379
Operating expense (1)	\$4,604	\$4,315	\$4,446	\$5,776	\$6,349	\$5,670	\$5,686	\$4,120	\$4,280	\$4,230
Income available for debt service	\$5,322	\$5,335	\$5,293	\$3,879	\$3,097	\$3,702	\$3,663	\$4,529	\$4,110	\$4,149
Debt service current year (2)	\$368	\$500	\$413	\$417	\$2,685	\$1,160	\$1,154	\$1,156	\$1,094	\$3,176
Coverage	14.46	10.67	12.82	9.30	1.15	3.19	3.17	3.92	3.76	1.31
Debt service for highest principal and interest year in retirement schedule	\$369	\$369	\$557	\$557	\$557	\$1,163	\$1,163	\$1,163	\$1,163	\$1,163
Coverage on highest year	14.42	14.46	9.50	6.96	5.56	3.18	3.15	3.89	3.53	3.57
<u>SEWER UTILITY</u>										
Operating revenue	\$10,884	\$10,625	\$9,875	\$9,667	\$9,461	\$9,742	\$8,591	\$7,692	\$6,979	\$6,653
Operating expense (1)	\$5,192	\$5,304	\$5,565	\$7,637	\$7,383	\$6,886	\$6,775	\$4,975	\$5,069	\$4,639
Income available for debt service	\$5,692	\$5,321	\$4,310	\$2,030	\$2,078	\$2,856	\$1,816	\$2,717	\$1,910	\$2,014
Debt service current year (2)	\$2,776	\$2,775	\$2,741	\$946	\$376	\$0	\$0	\$0	\$0	\$0
Coverage	2.05	1.92	1.57	2.15	5.53	N/A	N/A	N/A	N/A	N/A
Debt service for highest principal and interest year in retirement schedule	\$2,775	\$2,776	\$2,775	\$2,725	\$2,423	\$1,041	\$0	\$0	\$0	\$0
Coverage on highest year	2.05	1.92	1.55	0.74	0.86	2.74	N/A	N/A	N/A	N/A

(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)

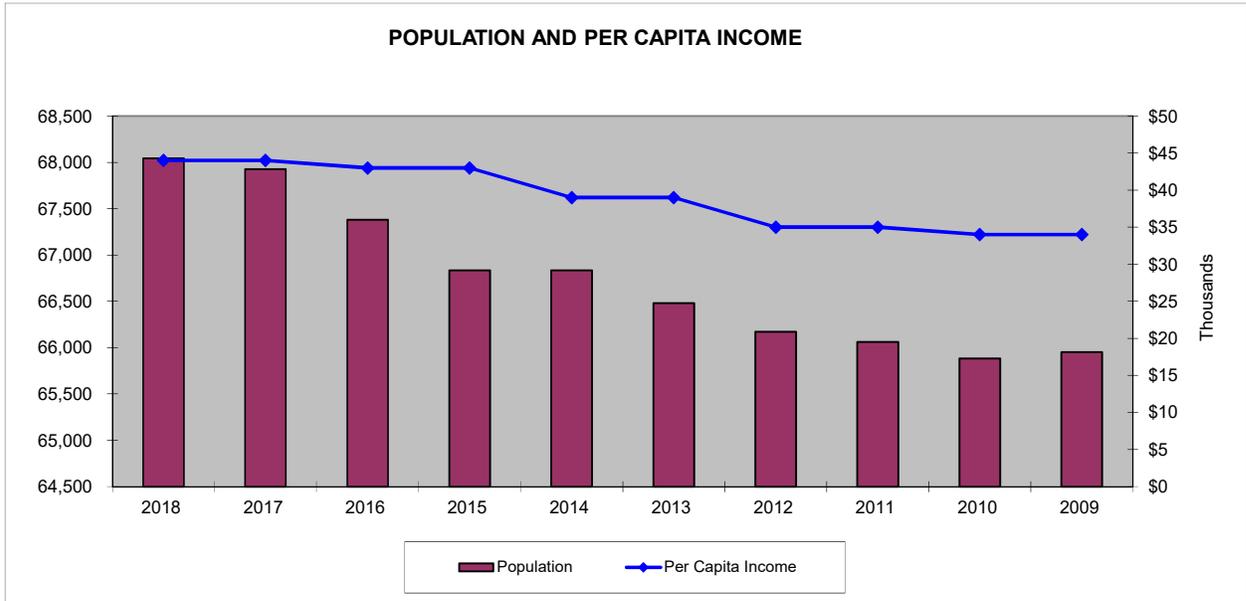
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Transfers to Debt Service fund	\$9,405	\$8,695	\$7,607	\$7,792	\$7,433	\$6,187	\$6,096	\$5,534	\$4,966	\$4,187
Total expenditures and other financing uses	\$71,424	\$67,584	\$59,272	\$61,134	\$58,192	\$56,570	\$56,330	\$54,065	\$52,623	\$51,108
Percent of debt transfers to expenditures and other financing uses	13.2%	12.9%	12.8%	12.7%	12.8%	10.9%	10.8%	10.2%	9.4%	8.2%

Source: City of Eau Claire Annual Operating Budget

CITY OF EAU CLAIRE

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

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Population	68,043	67,926	67,381	66,834	66,834	66,480	66,170	66,060	65,883	65,950
Consumer price index (1)	251.2	246.5	241.4	236.5	234.8	233.0	229.6	224.9	218.1	214.5
Per capita income (2)	\$44	\$44	\$43	\$43	\$39	\$39	\$35	\$35	\$34	\$34
Personal income	\$2,993,892	\$2,988,744	\$2,897,383	\$2,873,862	\$2,606,526	\$2,592,720	\$2,315,950	\$2,331,918	\$2,249,066	\$2,219,811
Unemployment rate E.C. Metro Area	3.0%	2.8%	3.8%	4.3%	4.3%	6.1%	6.3%	6.7%	7.2%	7.4%
Area in square miles	34.55	34.37	34.35	34.35	34.28	34.26	33.99	33.91	33.90	33.88
Number of residential parcels	20,204	20,167	20,056	19,995	19,976	19,974	19,960	19,941	19,922	19,829
Number of business properties	1,543	1,542	1,540	1,539	1,535	1,534	1,530	1,527	1,527	1,524
Acres devoted to business	3,329	3,350	3,342	3,340	3,334	3,318	3,290	3,287	3,287	3,282
Miles of street	342.7	340.0	346.0	348.0	346.0	344.6	344.5	343.3	343.4	341.9



(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.

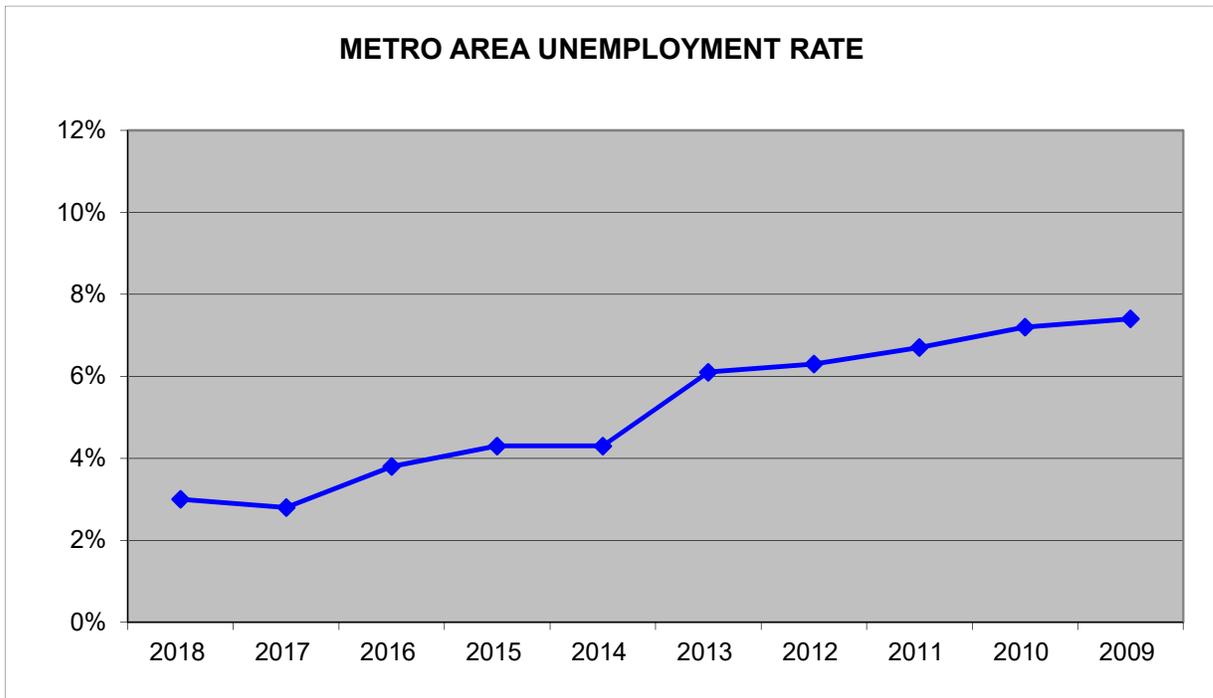
Due to the government shut-down, the per capita income was not available at the time of issuance. Since no amount was available for 2018, the amount of \$44 from 2017 was used.

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

CITY OF EAU CLAIRE

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Number of residential parcels	20,204	20,167	20,056	19,995	19,976	19,974	19,960	19,941	19,922	19,829
Vacancy rates (percent):										
Residential	4.82	4.88	4.50	4.50	4.50	4.50	4.50	4.25	4.25	3.50
Commercial	10.84	11.43	8.35	10.68	12.92	9.11	8.00	7.60	8.18	7.09
Industrial	2.33	1.85	9.00	9.00	8.50	8.70	8.70	8.70	8.78	7.50
Unemployment rate E.C. Metro Area	3.0%	2.8%	3.8%	4.3%	4.3%	6.1%	6.3%	6.7%	7.2%	7.4%



Sources: 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	2018		2009	
	Employees	Rank	Employees	Rank
Mayo Clinic Health System	3600+	1	3,261	2
Menard's Inc.	3000+	2	4,500	1
Sacred Heart Hospital	1300+	3	1,350	6
Eau Claire Area School District	1300+	4	1,350	5
University of Wisconsin - Eau Claire	1300+	5	1,400	4
Marshfield Clinic - Eau Claire	1000+	6	716	9
United Health Group	500-999	7	1,470	3
Hutchinson Technology	500-999	8	1,054	8
Nestle Foods	500-999	9		
City of Eau Claire	568	10	570	10
CVTC			1,300	7

Sources : Wisconsin Department of Workforce Development, Office of Economic Advisors
eauclairedvelopment.com/doing-business/major-industries

CITY OF EAU CLAIRE

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
General Government	49.8	48.8	48.8	48.8	47.8	47.8	47.8	47.8	47.8	49.3
Public Safety	233.8	232.8	232.8	231.8	230.8	230.8	231.0	229.0	228.0	227.0
Public Works	62.0	62.0	63.0	63.0	63.0	60.0	60.0	60.0	59.0	61.0
Culture and Recreation	30.0	30.0	29.0	28.0	29.0	32.0	32.0	32.0	33.0	34.0
Development	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Cemetery	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Library	36.2	36.1	36.1	36.1	36.1	36.3	36.0	36.4	36.5	37.6
Health Services	36.5	36.6	34.8	36.1	32.6	33.8	33.9	33.4	33.8	34.3
Water Utility	29.0	29.0	29.0	29.0	29.0	29.0	29.0	29.0	29.0	29.0
Sewer Utility	22.5	22.5	22.5	26.5	26.5	26.5	26.5	26.5	26.5	26.5
Storm Water Utility	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0
Public Transit	32.5	32.5	38.0	38.0	38.0	38.0	38.5	38.5	37.5	37.5
Parking Utility	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Hobbs Ice Center	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0	3.5
Outdoor Pool	-	-	-	-	-	-	-	-	-	-
Central Equipment	13.5	13.5	9.0	9.0	8.0	8.0	7.0	7.0	7.0	7.0
Risk Management	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Total Employees	<u>567.7</u>	<u>565.7</u>	<u>564.9</u>	<u>568.3</u>	<u>562.7</u>	<u>564.0</u>	<u>563.6</u>	<u>562.5</u>	<u>561.0</u>	<u>567.7</u>

NOTES: 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 Annual Operating Budget

CITY OF EAU CLAIRE

TABLE 32
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

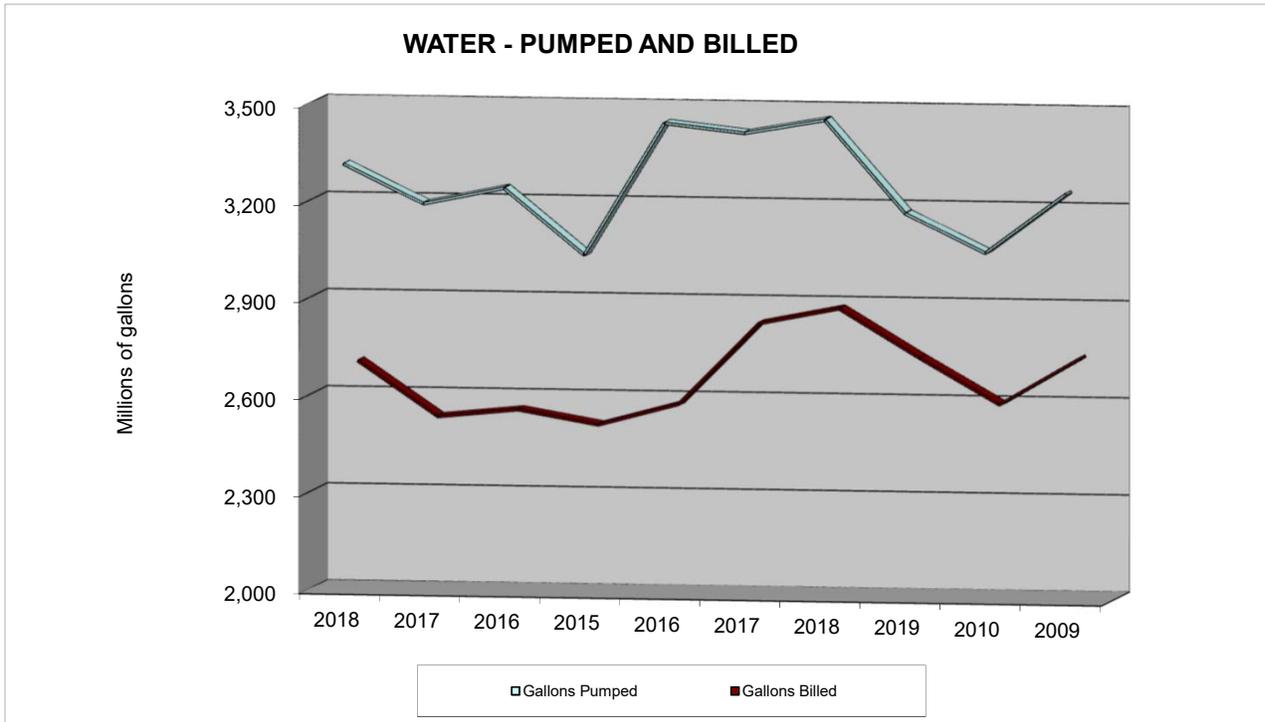
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
General government										
Size of the City in square miles	34.55	34.37	34.35	34.35	34.28	33.99	34.26	33.90	33.90	33.88
Population	68,043	67,926	67,381	67,006	66,834	66,480	66,170	66,060	66,149	65,950
Community Development										
Building permits issued	864	995	980	958	961	1,091	1,389	1,197	1,179	1,102
Police										
Calls for service	28,138	28,227	27,891	27,103	26,477	26,107	26,748	26,173	27,591	27,309
Adult arrests	n/a	3,663	4,736	3,925	4,069	4,025	4,217	4,202	5,388	5,604
Part 1 Crimes	1,986	2,161	1,964	1,851	1,856	1,713	1,968	2,109	2,059	1,845
Fire										
EMS responses	7,973	7,508	7,332	7,265	6,801	6,480	6,420	6,294	6,056	5,819
Fire responses	108	144	109	137	145	152	156	183	157	183
Fire inspections	4,989	4,850	4,903	4,500	4,230	4,268	4,000	3,865	3,925	3,962
Public Works										
Miles of street plowed/maintained	343	340	346	348	346	344	343	343	343	349
Vehicles and equipment in fleet	318	309	308	304	295	302	295	298	299	293
Parks & Recreation										
Hobbs Ice Arena - rented hours	7,451	7,869	7,132	7,546	7,034	5,308	4,264	4,539	4,336	3,199
Outdoor Pool attendance	65,574	59,611	70,252	63,354	58,199	60,345	67,051	64,189	60,070	47,027
Library										
Volumes in collection	192,555	211,431	241,670	269,215	273,214	271,678	277,022	282,018	279,260	291,003
Circulation	1,011,983	977,094	979,431	1,015,666	1,085,971	1,189,608	1,291,468	1,386,018	1,389,733	1,324,094
Health Department										
Environmental Health Inspections	4,305	4,180	4,381	4,968	4,353	3,585	4,444	5,740	5,301	5,117
Number of lab analysis	24,059	18,210	21,239	10,495	13,163	18,226	21,595	21,223	17,152	18,817
Public Health Nurse visits	2,283	1,827	1,937	1,915	2,523	2,706	4,246	4,635	3,893	4,928
Water										
Meters in service	29,103	29,117	28,349	28,147	28,076	27,801	27,469	26,136	26,291	26,146
Average daily consumption (1,000 gallons)	7,381	6,918	7,198	7,080	7,269	7,746	7,881	7,476	7,096	7,490
Sewer										
Sewer customers	26,434	26,287	26,135	26,007	25,904	25,765	25,608	25,460	25,323	25,180
Stormwater										
ERU rate	\$ 92.00	\$ 90.00	\$ 90.00	\$ 88.00	\$ 86.00	\$ 83.00	\$ 80.00	\$ 77.00	\$ 73.00	\$ 68.00
Transit										
Total route miles	1,130,065	1,153,085	1,280,029	1,199,008	1,136,003	1,077,649	1,078,552	996,349	1,040,069	1,008,425
Passengers	962,451	909,359	937,560	915,130	1,072,460	1,047,962	1,039,921	1,091,958	971,491	1,001,790

Source: Various City Department records and Annual Operating Budget

CITY OF EAU CLAIRE

TABLE 33
WATER UTILITY - PRODUCTION STATISTICS
Last Ten Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2010</u>	<u>2009</u>
Average number of water customers	27,298	27,150	26,997	26,870	26,769	26,647	26,504	26,371	26,230	26,066
Total gallons pumped (in thousands)	3,322,591	3,204,101	3,255,365	3,053,074	3,463,220	3,435,954	3,480,099	3,195,910	3,077,606	3,262,360
Total gallons billed (in thousands)	2,694,035	2,525,217	2,550,167	2,507,082	2,574,410	2,827,222	2,876,674	2,728,612	2,587,862	2,733,694
Percent of water billed	81.08%	78.81%	78.34%	82.12%	74.34%	82.28%	82.66%	85.38%	84.09%	83.79%
Miles of main	392	380	380	386	392	392	374	375	369	368
Number of fire hydrants	3,692	3,673	3,670	3,650	3,596	3,580	3,576	3,556	3,644	3,620
Residential customer's average quarterly water bill	\$56.55	\$56.55	\$56.55	\$56.55	\$56.55	\$55.24	\$54.51	\$52.80	\$51.37	\$51.37



Source: Public Service Commission Reports

CITY OF EAU CLAIRE

TABLE 34
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Police										
Patrol units	31	26	25	25	25	25	23	23	23	21
Unmarked vehicles	16	19	19	19	19	19	16	16	16	18
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	7	6	6	6	6	6	6	6	6	6
Public Works										
Miles of streets	342.7	340.0	340.0	346.6	345.0	344.5	344.6	343.3	343.4	341.9
Number of traffic signs installed/straightened	869	854	803	797	1304	1185	973	684	1249	601
Vehicles and equipment in fleet	318	309	293	299	298	295	295	298	299	293
Parks & Recreation										
Number of parks	36	36	36	36	35	35	35	35	35	32
Number of playgrounds	21	21	20	19	18	18	18	18	18	18
Outdoor pool	1	1	1	1	1	1	1	1	1	1
Indoor ice skating facilities	3	3	3	3	3	3	3	3	3	2
Water										
Fire hydrants	3,692	3673	3670	3650	3596	3580	3576	3556	3644	3620
Storage capacity (1)	16.5	16.1	16.1	16.1	16.1	16.1	16.1	16.1	16.1	16.1
Sewer										
Miles of sewers	348	343	341	341	341	339	327	326	322	321
Treatment capacity (1)	12	12	12	12	12	12	12	12	12	12
Parking Utility										
Parking structures	3	3	3	2	2	2	2	2	2	2
Surface lots	12	12	12	12	12	12	11	11	11	11
Transit										
Number of buses	22	22	22	22	22	22	22	22	22	22

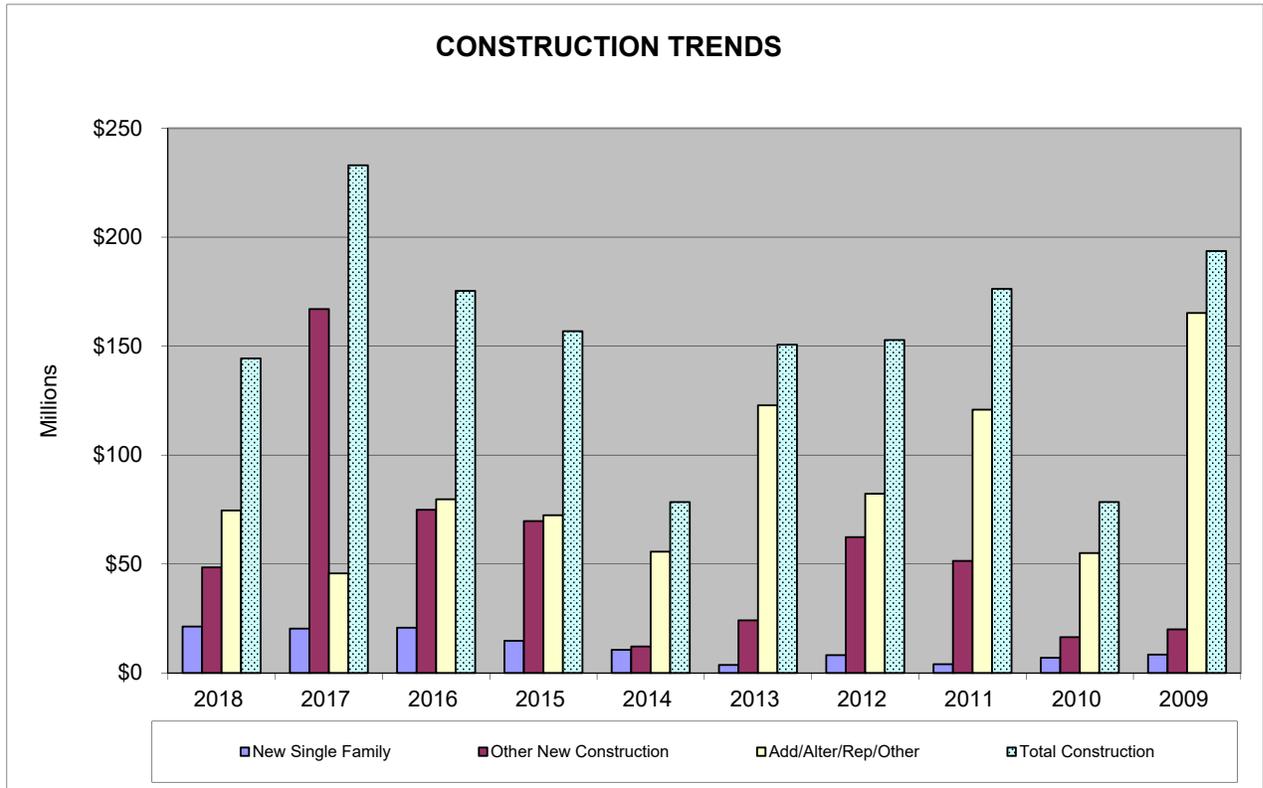
NOTES (1) - Numbers are in millions of gallons.

Sources: City department records
City of Eau Claire Annual Operating Budget
City of Eau Claire Comprehensive Annual Financial Report

CITY OF EAU CLAIRE

TABLE 35
PROPERTY VALUE AND CONSTRUCTION
Last Ten Fiscal Years
(Dollars in Thousands)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
New single family dwellings: # of units	82	79	75	67	59	59	55	25	41	47
Value	\$21,300	\$20,337	\$20,754	\$14,748	\$10,603	\$3,665	\$8,181	\$4,002	\$6,971	\$8,407
Other new construction	\$48,470	\$167,000	\$74,875	\$69,707	\$12,146	\$24,158	\$62,332	\$51,448	\$16,417	\$20,002
Additions/alterations/repairs & all other types of const.	\$74,565	\$45,716	\$79,716	\$72,373	\$55,654	\$122,830	\$82,268	\$120,830	\$55,054	\$165,200
Total construction valuation	\$144,335	\$233,000	\$175,345	\$156,828	\$78,403	\$150,653	\$152,781	\$176,280	\$78,442	\$193,609
Number of permits	864	995	980	958	961	1,091	1,389	1,197	1,151	1,102



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

CITY OF EAU CLAIRE

TABLE 36
INSURANCE COVERAGES
December 31, 2018

	<u>Coverage Limits</u>	<u>Deductible or Self-Insured Retention (SIR)</u>
Worker's Compensation	Statutory	\$550,000 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	\$259,668,100	\$25,000
Inland marine - all risks (contractor's equipment)	\$5,121,659	\$5,000
Money and securities - broad form coverage	\$10,000	\$1,000
Crime Policy	\$1,000,000	\$100,000
Cyber Liability coverage	\$2,000,000	\$50,000
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	\$17,085,710	\$10,000
Collision	\$17,085,710	\$10,000
Transit Bodily injury and property damage liability	\$7,000,000	\$0

Source: City of Eau Claire Risk Manager