

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT OF THE
CITY OF EAU CLAIRE, WISCONSIN**

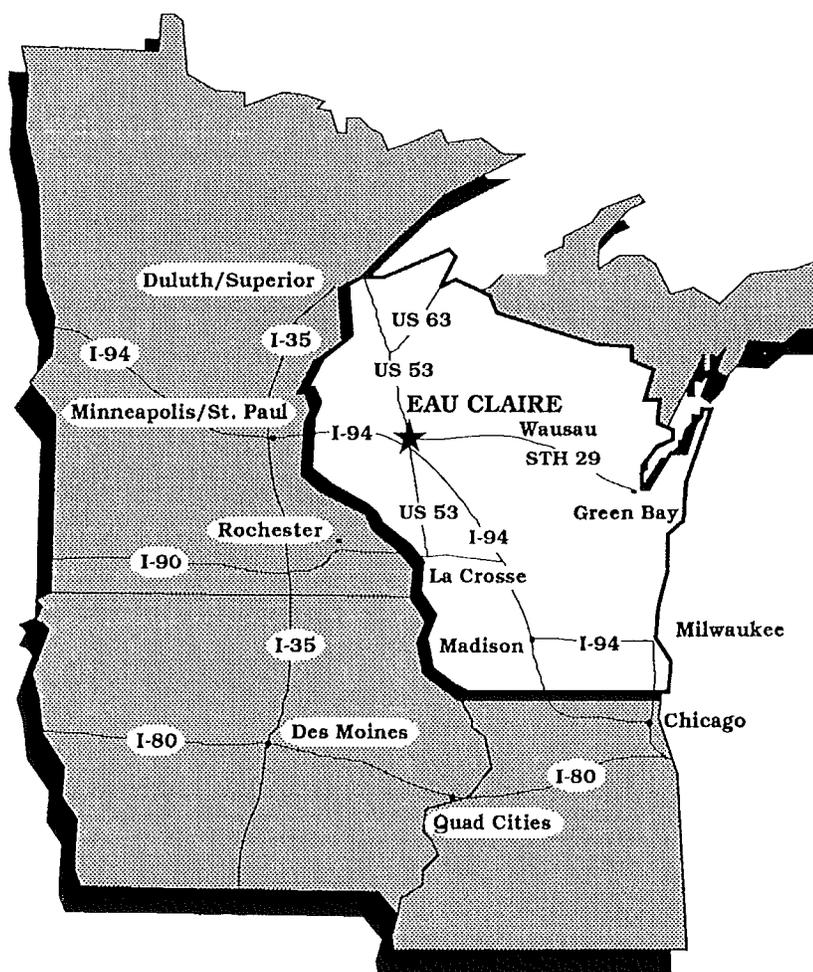
Year Ended December 31, 2001

FINANCE DEPARTMENT

Rebecca K. Noland, CPA, Director of Finance
Tom Hoff, Financial Services Manager

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 Minneapolis / St. Paul 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.

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

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INTRODUCTORY SECTION

This section contains the following information:

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

CITY OF EAU CLAIRE, WISCONSIN
ELECTED AND APPOINTED OFFICIALS

Elected Officials

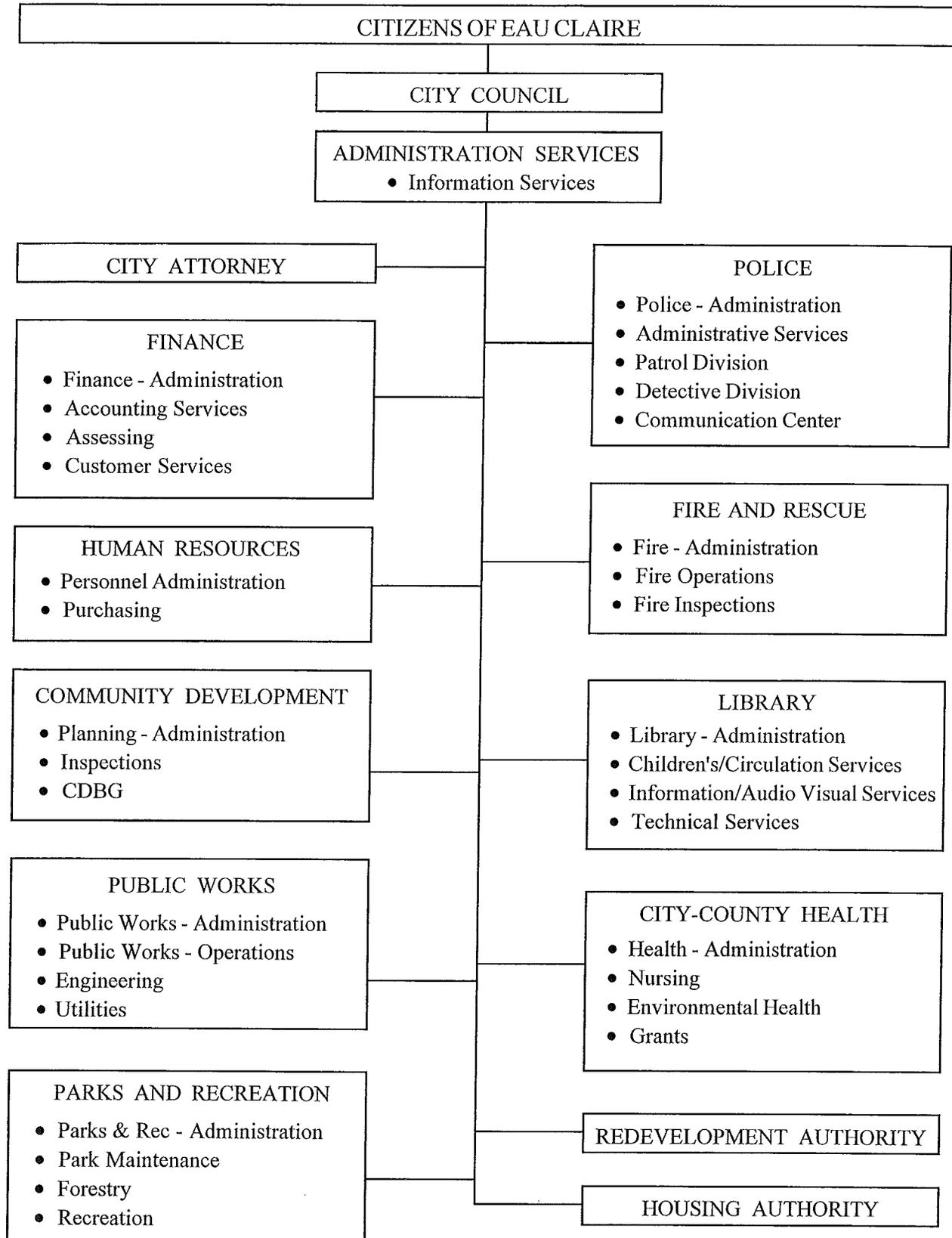
	<u>Term Commenced</u>	<u>Term Expires</u>
Howard White..... Council President	April 2001	April 2003
Dennis G. Jenson..... Council at Large	April 2000	April 2002
Neng Lee..... Council at Large	April 2000	April 2002
Terri Stanley..... Council at Large	April 2000	April 2002
Jane Tappen..... Council at Large	April 2000	April 2002
Randy L. Winsand..... Council at Large	April 2000	April 2002
David J. Adler..... District One	April 2001	April 2003
Toby R. Biegel..... District Two	April 2001	April 2003
Beverly J. Boettcher..... District Three	April 2001	April 2003
Lynne Young..... District Four	April 2001	April 2003
Berlye S. Middleton..... District Five	April 2001	April 2003

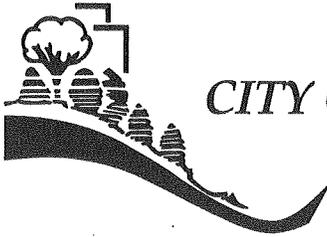
Appointed Officials

Don T. Norrell, CPA..... City Manager
 Rebecca K. Noland, CPA..... Director of Finance - Comptroller/Treasurer
 Michael W. Huggins..... Director of Planning and Development
 J. D. Peters..... Director of Human Resources
 Kenneth Van Es..... Director of Parks and Recreation
 Brian Amundson, P.E..... Director of Public Works
 Bruce A Fuerbringer..... Fire Chief
 Patrick C. McNally..... Police Chief
 Stephen C. Nick..... City Attorney
 Mark P. Morse..... Public Library Director
 James M. Ryder..... City-County Health Director
 John R. Genskow, P.E..... City Engineer
 Donna A. Austad..... City Clerk

ORGANIZATIONAL CHART

City of Eau Claire, Wisconsin





CITY OF EAU CLAIRE

FINANCE DEPARTMENT
Finance Administration
(715) 839-6044

June 30, 2002

City Council
Citizens of Eau Claire
Eau Claire, Wisconsin

The *Comprehensive Annual Financial Report* of the City of Eau Claire, Wisconsin as of and for the year ended December 31, 2001 is prepared to provide the Council, our citizens, and other interested persons, detailed information concerning the financial condition of the City government. 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 as presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds and component units; and that all disclosures necessary to enable the reader to gain reasonable understanding of the City's financial affairs have been included.

Report Format

This *Comprehensive Annual Financial Report* is presented in three main sections: introductory, financial, and statistical. The introductory section includes a list of the City's principal officials, the general government organizational chart, and this transmittal letter. The financial section includes the independent auditors' report, combined financial statements, notes to financial statements and more detailed combining and individual financial statements and schedules. The statistical section includes selected financial and general information presented on a multi-year comparative basis.

Reporting Entity

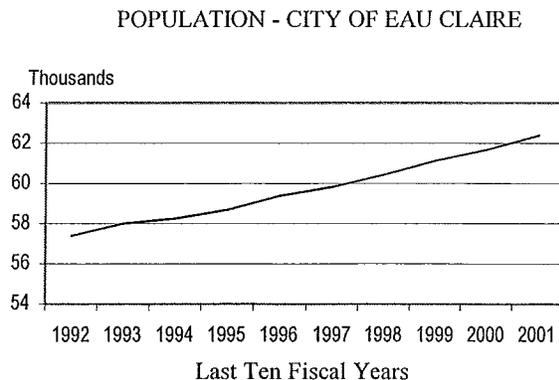
This report includes all of the funds, account groups, and component units of the City of Eau Claire. The criteria used in determining the reporting entity are consistent with criteria established by the Governmental Accounting Standards Board (GASB) as outlined in the Codification of Governmental Accounting and Financial Reporting Standards. This report includes the General fund, which accounts for the general administration of the City, and the Special Revenue funds relating to Storm Water Management, Cemetery Maintenance, the Hazardous Materials "A" Grant, Community Development, Home Grant, Economic Development, Community Enhancement, the Public Library, and the City-County Health Department. The report also includes the City's Enterprise funds that account for the Water, Sewer, Parking, and Transit Utilities, the Hobbs Ice Center, and the Outdoor Pool. Internal Service funds provide information on the operations of the Risk Management and the Central Equipment functions.

Financial data for the Housing Authority, the Redevelopment Authority and three Business Improvement Districts is included in the reporting entity by discrete presentation because they are component units of the City. The Housing Authority was formed to engage in the development and operation of low-income housing. Such projects are regulated by the United States Department of Housing and Urban Development (HUD) and the Wisconsin Housing and Economic Development Authority (WHEDA). The Redevelopment Authority was created by the City Council in 1991 for the purpose of eliminating and preventing substandard, deteriorated, slum and blighted areas or properties and encouraging urban renewal. The Downtown, West Grand, and Water Street Business Improvement Districts account for the collection of special assessments from their members for business promotion within each district.

General Information

The City of Eau Claire is located in west central Wisconsin, in Eau Claire and Chippewa counties. 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, technology, and industry in west central Wisconsin. The City was incorporated in 1872, and covers an area of approximately 33 square miles. The City's current population is 62,368 and the population of the Greater Eau Claire Metropolitan Area is approximately 150,000.

The City of Eau Claire has a council/manager form of government with the City Council president and the ten Council members elected to serve two-year terms. Five of the Council members are elected at large in the even numbered years, while the other five members are elected by district in the odd numbered years. The Council president is also elected at large in the odd numbered years.

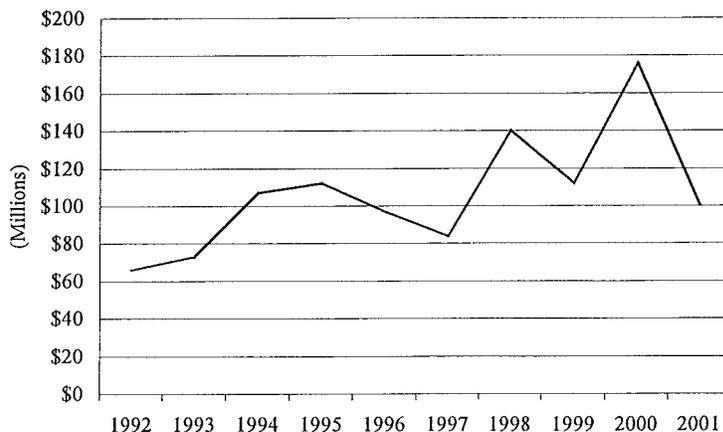


ECONOMIC CONDITION AND OUTLOOK

In 2001, Eau Claire's economy moved at a slower pace, reflecting the national recession. However, Eau Claire's diversified employment in such areas as medical services, technology, retail, the university, and the technical college helped mitigate the effects of the economic downturn.

While less than the building permit record of \$175.5 million set in 2000, new construction remained strong in 2001 with building permits showing total valuation increases of \$100.3 million. The major development areas were in the residential and commercial sectors. Single-family homes totaled 170, with a valuation of \$26.3 million. Commercial development included notable retail store openings and expansions such as Old Navy, Linen & Things, Younkers, and Menards. Sacred Heart Hospital announced a \$30 million, 100,000 square-foot, three-story clinical addition for surgery enhancements, and a 10,000 square-foot addition to its regional cancer center.

VALUATION OF BUILDING PERMITS



The five-year average new building valuation is \$122M.

Eau Claire's economic strength is consistently ranked very highly in national surveys. In May 2001, Forbes Magazine and the Milken Institute ranked the Eau Claire area as a "best small place for businesses and careers" against 94 metropolitan areas with populations of less than 177,000. Eau Claire was ranked 32nd, with high marks for a good labor force, a low cost of living, and good educational opportunities.

The POLICOM Corporation, a Florida-based economics research firm, gave Eau Claire a solid "A" for economic strength, recognizing the city's fast and consistent growth over an extended period of time.

MAJOR INITIATIVES

The following were among the many diverse activities to which both elected officials and staff devoted their energies in 2001 and into 2002:

Downtown Redevelopment

Following the HyettPalma study for Downtown Development, the City Council created a new organization called Downtown Eau Claire, Incorporated (DECI). The purpose of DECI is to promote, sponsor and bring about cultural, employment and commercial revitalization within the Downtown and to utilize the riverfront and green space areas of Downtown to their best advantage.

North Barstow Redevelopment District

In 1995 the North Barstow Redevelopment District was created for the purpose of clearing blight and encouraging urban renewal. The Redevelopment Authority and the City of Eau Claire are working together to expand the Redevelopment District boundaries and to establish Tax Increment Financing (TIF) District #8. The combination of the Redevelopment District and the TIF will enable the City to target blight elimination and finance projects to stimulate the redevelopment of the downtown area.

Technology Improvements

The City has an ongoing financial commitment to take advantage of new technology and to continue the development of a Geographic Information System (GIS). In 2001 a new integrated financial system was implemented and a computer aided dispatch system is scheduled for 2002. Future year allocations range between \$570,000 and \$580,000 to fund system upgrades, the replacement of over 200 personal computers on a 3-4 year basis, replacement of file servers and the continuation of the development of the GIS system.

Storm Water Protection Program

The September 2000 rainstorm that dropped between 6 to 8 inches of rain over a span of four hours resulted in widespread flash flooding that severely affected five areas of the City. Acquisition of 31 properties began in 2001 in the two major areas of Florence Avenue and Bell Street, and Taft Avenue and Kay Street, as part of the Flood Remediation Program. The City received a FEMA grant for \$1.3 million to assist with this project.

Park Land Acquisition

The Comprehensive Plan identifies 17 future park sites. In 2001, 31 acres were purchased adjacent to the Northwest Community Park to give access to the Chippewa River. The City also purchased the Stokes-Mundt Funeral Chapel, at 775 First Avenue, in June 2001, for the extension of the recreational trail on First Avenue along the Chippewa River.

FOR THE FUTURE

The City is marshalling a wide range of community and financial resources to focus on downtown redevelopment. Downtown Eau Claire, Inc. (DECI) is a focus group consisting of representatives from the City Council, the County, the businesses, the BIDs, and the neighborhoods who are all interested in promoting dramatic improvements to a blighted downtown area. DECI plans to use a combination of public/private partnerships, the Redevelopment Authority, a new Tax Incremental Financing District, and federal and state grants to convert a vacant brownfield area located at the confluence of two rivers to a vibrant commercial, residential, and community park area. The City expects that improvements in the riverfront area in the near future will result in still more development in the surrounding downtown areas.

FINANCIAL INFORMATION

Accounting System and Budgetary Control

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

Budgetary control is maintained through an annual budget ordinance passed by the City Council. Formal budgetary integration is employed as a management control device during the year for the General fund, Debt Service fund, and certain Special Revenue funds, and is adopted on a basis consistent with generally accepted accounting principles. Fixed, long-term budgets on a project basis are used for Capital Project funds. Flexible annual budgets are approved for proprietary funds and expendable trust 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. The level at which expenditures may not exceed budget is by department.

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.

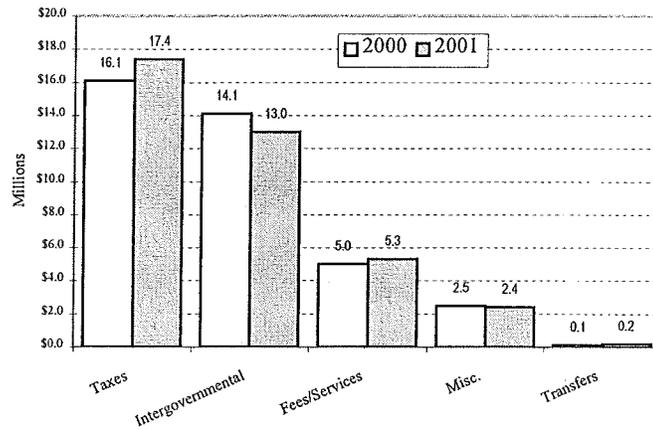
General Fund

The General fund was established to account for the revenue and expenditures required to carry out general governmental functions. Revenue is recognized by source, and expenditures are recorded by functional classification and by operating department. This fund accounts for all financial transactions not properly accounted for in another fund.

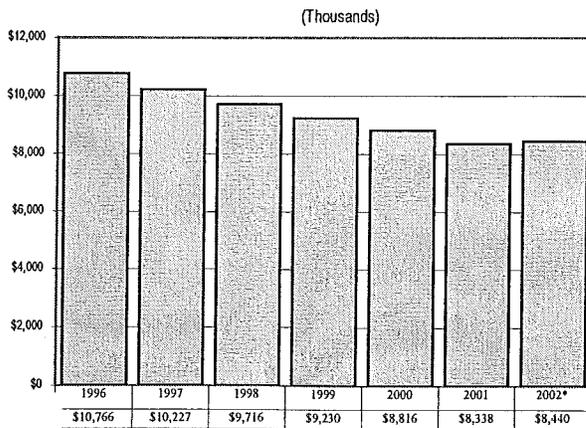
Revenues and Other Financing Sources

Revenues and other financing sources in the General fund totaled \$38.3 million, an increase of 1.3% from 2000. Taxes accounted for 45.5%, compared with 42.6% last year. Intergovernmental revenues provided 33.8%, compared with 37.4% last year. The amount of revenue and other financing sources by type and the changes from the previous year are shown in the adjacent graph.

GENERAL FUND - REVENUES



STATE SHARED REVENUE

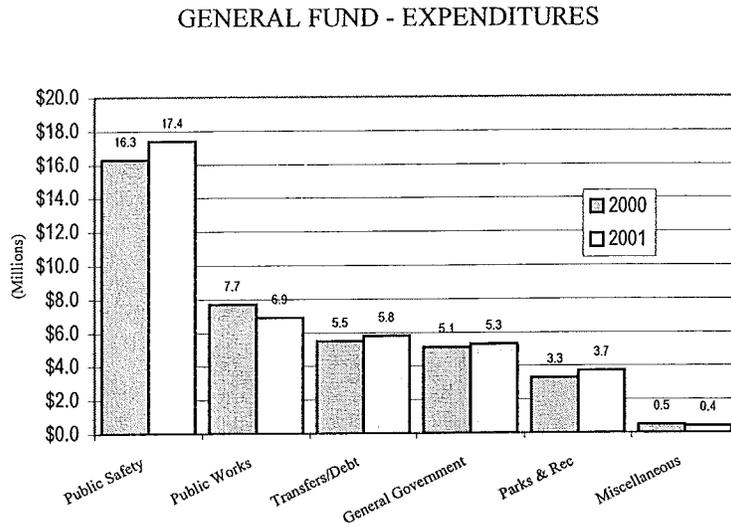


*Based on the initial State commitment for 2002.

The State Shared Revenue program was once the City's largest revenue source. Due to the City's growth and a State freeze in shared revenue funding, the City's allocation has dropped \$2.3 million since 1996. The State budget crisis in 2002 may result in significant reductions in the shared revenue and other state aids over the next three years.

Expenditures and Other Financing Uses

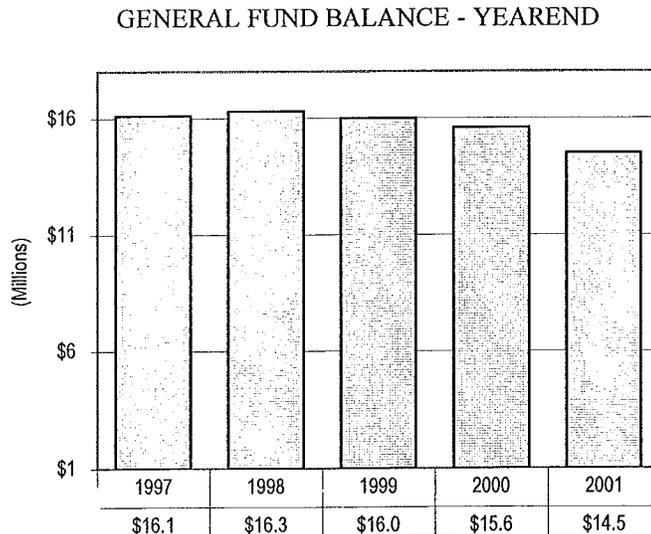
Expenditures and other financing uses in the General fund totaled \$39.5 million, an increase of 3% from 2000. Changes in the level of expenditures for major functions are shown in the adjacent graph.



Fund Balance

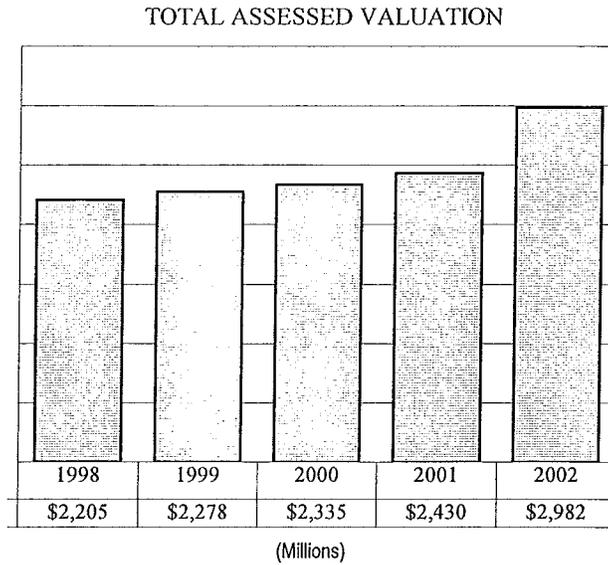
Fund balance in the General fund totaled \$14.5 million, a decrease of 7% from 2000. Changes in the level of fund balance over the past five years are shown in the adjacent graph.

Fund balances reflect the accumulated excess of revenues and other financing sources over expenditures and other uses as well as residual equity transfers for general governmental functions. A major portion of the fund balance, \$7.4 million, is reserved for loans made to utility funds and for prepaid expenses and is, therefore, unavailable for appropriation or expenditure. Additionally, \$3.7 million is required to provide working capital for the General fund until state shared revenues are received in July and November of each year. The designated portion of fund balance also includes \$1.9 million allocated to 2002 expenditures. There is also \$1.5 million of the fund balance which is undesignated and available to support the annual budget allocation to the capital improvement program.



Assessed Valuation

Valuation of property is set each year on January 1 for establishment of the tax roll collected in the succeeding fiscal year. Every person owning taxable property on that date incurs a tax liability that becomes a lien on the property until paid. The total assessed valuation of taxable property is the basis for the tax levy. A city-wide reassessment was completed for taxes collectible in 2002.



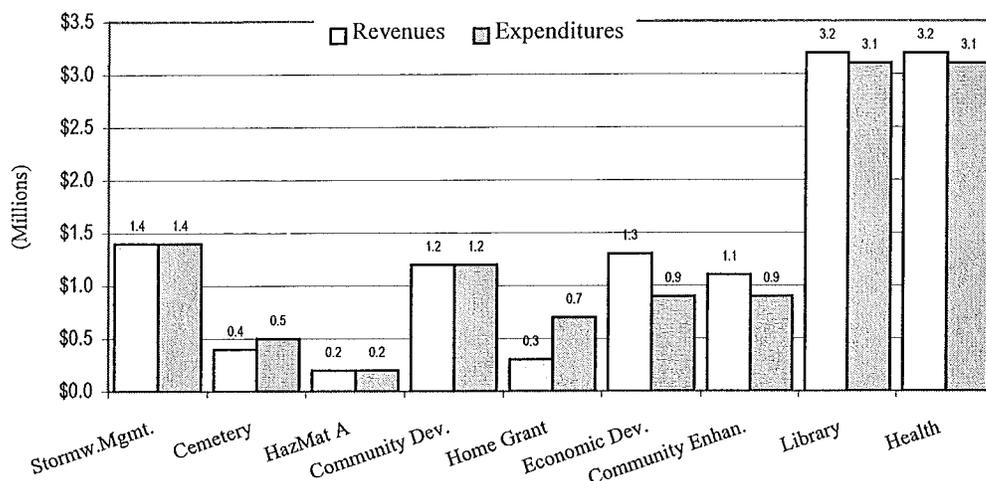
Tax Rate

Property taxation is a major source of revenue available to local governments in the state of Wisconsin. The tax rate is expressed in terms of "mills" with one mill equivalent to one dollar of tax for every one thousand dollars of assessed value. The mill rate and tax levy for the General fund over the past five years are reflected in the table.

Year of Collection	Mill Rate Per \$1000 (Assessed Valuation)	Tax Levy (Millions)
1997	5.88	\$10.119
1998	5.58	11.737
1999	5.99	13.284
2000	6.29	14.296
2001	6.66	15.751

Special Revenue Funds

2001 SPECIAL REVENUE FUNDS



Special Revenue funds are used to account for resources restricted by statute, ordinance, or administrative action to specific operating purposes. Included among these are the Storm Water Management, Cemetery Maintenance, Hazardous Materials Response, Community Development, Home Grant, Economic Development, Community Enhancement, Public Library, and City-County Health Department funds. A summary of 2001 revenues and other financing sources and expenditures by fund is illustrated in the graph above.

Revenue in the Community Development fund represents proceeds from Community Development Block Grants and income from the property rehabilitation loan program. Revenue in the Economic Development fund represents primarily revolving loan repayments. Expenditures consist of personnel costs and low-interest loans to stimulate local development. The Community Enhancement fund accounts for room tax revenue expended for convention and tourism activities.

Capital Projects Funds

Capital projects funds are used to account for the purchase or construction of capital facilities and equipment by the City other than those accounted for in proprietary funds. This includes construction of streets, sidewalks, storm sewers, lighting, park development, additions to municipal buildings, and land acquisition. Capital projects are financed by sale of bonds, transfers from General and Community Development funds, intergovernmental revenues, private contributions, taxes, and interest earnings. The fund balance at fiscal year end for all capital project funds was \$15.5 million. A summary of the changes is shown in the table on the following page.

The transfers to the capital project funds are primarily from the General and Community Development funds for land acquisition, storm water, street, environmental improvements, and management systems projects.

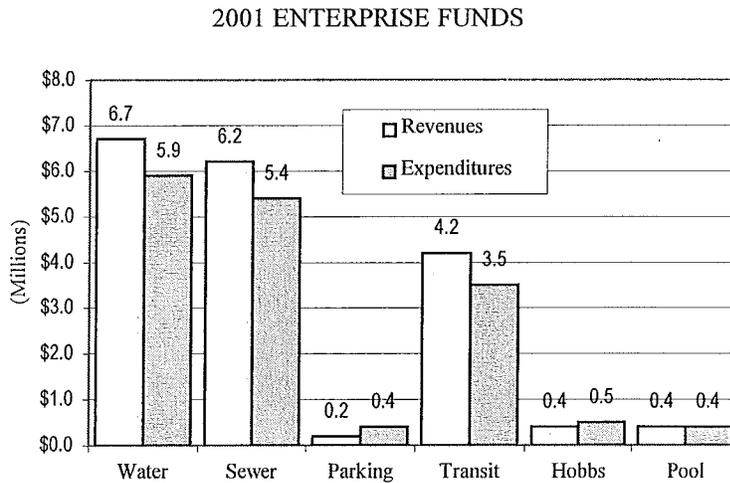
Capital Project Funds

	<u>2000</u>	<u>2001</u>	<u>Change</u>
Revenues	\$ 1,268,167	\$ 3,014,981	\$ 1,746,814
Expenditures	(11,340,061)	(12,428,254)	(1,088,193)
Subtotal	(10,071,894)	(9,413,273)	658,621
Transfers	3,188,241	3,398,388	210,147
Sale of Capital Assets	-	51,190	51,190
Proceeds from bonds	6,510,029	8,700,000	2,189,971
Excess (deficiency)	(373,624)	2,736,305	3,109,929
Beginning fund balance	12,141,399	11,992,775	(148,624)
Residual Equity transfers in	225,000	725,000	500,000
Ending fund balance	<u>\$ 11,992,775</u>	<u>\$ 15,454,080</u>	<u>\$ 3,461,305</u>

Enterprise Funds

Enterprise funds are established to account for the financing of government units that render services to the general public on a user charge basis. Records are maintained on the accrual basis of accounting. Creditors, legislators, or the general public can evaluate the performance of the municipal enterprise on

the same basis as they can evaluate performance of investor-owned enterprises. The adjacent graph summarizes total revenues and expenses for each of the enterprise funds for 2001.



Trust and Agency Funds

Trust and Agency funds are established to account for assets held by the City in a trustee capacity. The Trust fund accounted for by the City is the Former Landfill Escrow fund with assets of \$125,476. The Agency fund accounted for by the City is the Tax Collection fund, used to account for property tax collections before distribution.

Debt Administration

The ratio of net bonded debt to equalized valuation and the amount of bonded debt per capita are useful indicators of the City's debt position. On December 31, 2001, net long-term debt outstanding was \$41.1 million. This is equal to 1.4% of the City's equalized value, and \$660 per capita. Net long-term debt includes all general obligation debt due reduced by available funds that have been set aside for debt service.

According to Section 67.03 (1) of the Wisconsin Statutes, the total amount of indebtedness for any municipality shall not exceed 5% of the equalized valuation (market value) of the taxable property in the municipality. The City is currently at approximately 28% of the total debt allowed.

The City of Eau Claire's general obligation bonds presently carry an Aa2 rating from Moody's Investor Services and AA from Standard and Poor's. The 2001 Water Utility revenue bonds carry an Aa3/Aaa rating from Moody's Investor Services and AA- from Standard and Poor's, reflecting the insurance purchased by Stifel, Nicolaus & Co., Inc. from Financial Security Assurance, Inc. The Sewer Utility revenue bonds carry an Aa rating from Moody's Investor Services and AA- from Standard and Poor's.

Concurrent with the Capital Improvement Plan, the City projects the amount of new debt required to finance proposed infrastructure improvements. The following table shows the proposed new debt over the next five years. The Sewer Utility will draw on capital reserves in lieu of debt. The debt projections are subject to change, based on projects approved each year and the status of the State funding levels.

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General obligation bonds	\$12,500,000	\$5,400,000	\$5,660,000	\$9,460,000	\$5,660,000
Water revenue bonds	<u>0</u>	<u>1,000,000</u>	<u>0</u>	<u>1,000,000</u>	<u>0</u>
Total proposed new debt	<u>\$12,500,000</u> *	<u>\$6,400,000</u>	<u>\$5,660,000</u>	<u>\$10,460,000</u>	<u>\$5,660,000</u>

(* May change based on development costs for new TIF.)

The City occasionally issues Industrial Revenue Bonds (IRB) on behalf of area business, as permitted under Wisconsin State statutes. These bonds do not constitute indebtedness of the City and are not a charge against its general credit and taxing powers. At December 31, 2001, three issues were active which had an original par value of \$10,000,000 as shown below.

	<u>Closing Date</u>	<u>Original Par</u>	<u>12/31/2001 Balance</u>	<u>Year of Maturity</u>
Eau Claire Press Company	5/1/97	\$3,500,000	\$2,320,000	2007
American Phoenix	12/3/99	3,000,000	2,423,596	2006
Intek Plastics	5/24/00	<u>3,500,000</u>	<u>3,500,000</u>	2025
Total Industrial Revenue Bonds		<u>\$10,000,000</u>	<u>\$8,243,596</u>	

Cash Management

The cash management program consists of two phases. The first phase is a contractual agreement with a local bank for services. This contract specifies that the bank will pay interest on account balances based on the 13-week Treasury Bill rate.

The second phase is a long-term investment program. Funds that are available for 30 days or longer are placed in Government Agency bonds and notes, U.S. Treasury securities, or the State-maintained Local Government Investment Pool. The maximum limits on the amount of funds which can be placed in any one type of investment are as follows:

Local Government Investment Pool	80%
Obligations of Federal Government	80%

Deposits in excess of \$500,000 must have collateral agreements. The following summary shows investment earnings and the average interest rate for the past five years.

<u>Year</u>	<u>Amount</u>	<u>Net Return</u>
1997	\$3,401,611	5.29%
1998	3,716,529	5.53%
1999	3,425,756	4.68%
2000	4,320,757	6.44%
2001	2,989,323	4.65%

Risk Management

The City has joined other Wisconsin municipalities for liability insurance services. The City is one of 14 local governments that are members of Wisconsin Municipal Mutual Insurance Company (WMMIC) which has provided risk management and liability insurance services since January 1, 1988. Under this program, the City's self-insured retention is \$200,000 per occurrence to a maximum of \$400,000 per year. Transit Mutual Insurance Company of Wisconsin (TMICOW) consists of 18 municipalities, including the City, and provides auto liability coverage for property damage and bodily injury for Public Transit vehicles.

The objective of these programs is to protect the City against accidental losses, destruction, or depletion of its assets. The Risk Manager will review and award recommendations prior to payment by the insurance company. Judgment or award recommendations covered by WMMIC in excess of \$10,000 will be reviewed with the City Council prior to payment.

On January 1, 1992, the City of Eau Claire began self-insuring its primary exposure for workers' compensation. The City retains the first \$250,000 per occurrence with an annual aggregate on total claims of \$1,000,000 and purchases excess coverage from a private carrier.

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, Virchow, Krause & Company, LLP, Certified Public Accountants, express their opinion that the financial statements are presented fairly in conformity with generally accepted accounting principles and comment on the scope of the examination. The opinion is unqualified and signifies a substantial level of achievement. Compliance audits of the City's federal and state financial assistance programs for the year ending December 31, 2001 were also completed by the independent auditors. These reports are available under separate cover.

REPORTING ACHIEVEMENT

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Eau Claire for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2000. The City has received this award each year since 1984.

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

GRATE Certificate of Commendation

Governmental Reporting Awards Through Evaluation (GRATE) awarded a Certificate of Commendation to the City of Eau Claire for "achieving a level of quality in their financial statements for the year ended December 31, 2000 that merits commendation, and for accepting their responsibility for accountability through the utilization of Generally Accepted Accounting Principles (GAAP)". The purpose of the GRATE program is to promote the highest level of financial reporting in local governments in Wisconsin. The City has achieved the GRATE certificate each year since 1986.

ACKNOWLEDGMENTS

We would like to thank the City Council for their support in planning and conducting the financial operations of the City in a responsible manner. In addition, we would also like to express our appreciation to Tom Hoff, Financial Services Manager, Denny Shea, Accounting Supervisor, Kathy Breault, Accountant Analyst; Pat Hoepner, Account Clerk I; and the remainder of the Finance Department Staff for their dedication in preparing this report.

Respectfully Submitted,



Rebecca K. Noland, CPA

Finance Director



Don T. Norrell, CPA

City Manager

The Government Finance Officers Association of United States and Canada (GFOA) awarded a *Certificate of Achievement of Excellence in Financial Reporting* to the City of Eau Claire, Wisconsin for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2000. The *Certificate of Achievement* is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

A *Certificate of Achievement* is valid for a period of one year only. The City of Eau Claire has received a *Certificate of Achievement* of the last seventeen consecutive years (fiscal years ended 1984-2000). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

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, 2000

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



Thomas A. Brewer
President

Jeffrey L. Esler
Executive Director



GOVERNMENTAL
REPORTING
AWARDS
THROUGH
EVALUATION

The Key to Better Local Government Financial Reporting

CERTIFICATE OF COMMENDATION

GRATE
hereby awards this
Certificate of Commendation to

City of Eau Claire

for achieving a high level of quality in its
annual financial statements through the utilization of
Generally Accepted Accounting Principles (GAAP),
and accepting its responsibility for
credibility in its financial statements.

For the year ended

December 31, 2000

President, GRATE Board of Directors

Marquette University
(Technical Services)

Governmental Reporting Awards Through Evaluation (GRATE) awarded a Certificate of Commendation of the City of Eau Claire in recognition of the City's special efforts to assure adherence to generally accepted accounting principles (GAAP) in financial reporting. The GRATE program's purpose is to recognize performance in local government financial reporting as well as to assist jurisdictions in adhering to GAAP.

FINANCIAL SECTION

This section contains the following subsections:

- Auditors' Report
- General Purpose Financial Statements
- Notes to the Financial Statements
- Combining and Individual Fund and Account Group Statements and Schedules

General Fund

Special Revenue Funds

Debt Service Funds

Capital Projects Funds

Enterprise Funds

Internal Service Funds

Trust and Agency Funds

General Fixed Assets Account Group

General Long-Term Obligations Account Group

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

We have audited the general purpose financial statements of the City of Eau Claire, Wisconsin as of and for the year ended December 31, 2001, as listed in the table of contents. These general purpose financial statements are the responsibility of the city's management. Our responsibility is to express an opinion on these general purpose 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 *Governmental 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Eau Claire, Wisconsin at December 31, 2001, and the results of its operations and the cash flows of its proprietary fund types and discretely presented component units for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated April 10, 2002 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The City of Eau Claire adopted the provisions of Governmental Accounting Standards Board Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, as of January 1, 2001. This results in a change to the accounting for capital contributions. See Note 28.

To the City Council
City of Eau Claire

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and account group financial statements and schedules as of and for the year ended December 31, 2001 and the individual fund financial statements as of and for the year ended December 31, 2000 listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Eau Claire, Wisconsin. The information has been subjected to the auditing procedures applied in the audits of the general purpose financial statements for the years ended December 31, 2001 and 2000 and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

The financial and statistical information listed in the accompanying table of contents under "Introductory" and "Statistical Section" is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the city. The information has not been audited by us and, accordingly, we express no opinion on such information.

Eau Claire, Wisconsin
April 10, 2002

Vuchow Klause + Company LLP

General Purpose Financial Statements

The general purpose financial statements include all fund types and account groups, including discrete presentation of two enterprise fund type component units and three 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

COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT
GROUPS, AND DISCRETELY PRESENTED COMPONENT UNITS
December 31, 2001

	Governmental Fund Types			
	General Fund	Special Revenue	Debt Service	Capital Projects
ASSETS AND OTHER DEBITS				
Assets:				
Cash and short term investments	\$ 7,658,825	\$ 9,936,929	\$ 7,236,258	\$ 12,685,711
Receivables:				
Taxes	17,849,550	3,804,041	3,029,824	599,456
Accounts	1,116,067	504,127	-	89,827
Interest	78,738	-	12,621	-
Special assessments	228,573	-	6,186,635	76,866
Other	-	-	-	-
Due from other funds	710,319	98	-	-
Due from other governments	114,212	11,666	-	108,458
Current portion of advances to other funds	368,443	-	-	-
Inventories, at cost	3,906	-	-	-
Prepayments	323,929	28,458	90,788	-
Notes receivable	27,166	5,180,657	-	-
Restricted assets - cash & investments	-	-	-	3,542,430
Advances to other funds	7,003,243	-	-	-
Deposit in insurance pools	-	-	-	-
Fixed assets (net of accumulated depreciation in proprietary funds and component units)	-	-	-	-
Other assets	-	-	-	-
Other Debits:				
Amount available in other funds for debt service	-	-	-	-
Amount to be provided for retirement of general long-term obligations	-	-	-	-
Total assets and other debits	<u>\$ 35,482,971</u>	<u>\$ 19,465,976</u>	<u>\$ 16,556,126</u>	<u>\$ 17,102,748</u>

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals Primary Government (Memorandum Only)	Component Units	Totals Reporting Entity (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations			
\$ 11,392,649	\$ 15,379,531	\$ 7,489,911	\$ -	\$ -	\$ 71,779,814	\$ 2,165,624	\$ 73,945,438
873,066	-	39,354,970	-	-	65,510,907	74,300	65,585,207
1,407,618	86,913	-	-	-	3,204,552	180,305	3,384,857
-	-	-	-	-	91,359	-	91,359
2,766,787	-	-	-	-	9,258,861	-	9,258,861
1,018,269	-	-	-	-	1,018,269	-	1,018,269
-	93	-	-	-	710,510	-	710,510
739,659	17,440	-	-	-	991,435	-	991,435
-	-	-	-	-	368,443	-	368,443
120,651	411,759	-	-	-	536,316	-	536,316
8,190	-	-	-	-	451,365	7,521	458,886
-	-	-	-	-	5,207,823	192,691	5,400,514
2,658,942	107,058	-	-	-	6,308,430	2,195,427	8,503,857
-	-	-	-	-	7,003,243	-	7,003,243
-	766,496	-	-	-	766,496	-	766,496
94,706,641	9,639,595	-	39,588,604	-	143,934,840	12,733,248	156,668,088
39,432	-	-	-	-	39,432	4,131	43,563
-	-	-	-	7,207,857	7,207,857	-	7,207,857
-	-	-	-	56,673,095	56,673,095	-	56,673,095
<u>\$ 115,731,904</u>	<u>\$ 26,408,885</u>	<u>\$ 46,844,881</u>	<u>\$ 39,588,604</u>	<u>\$ 63,880,952</u>	<u>\$ 381,063,047</u>	<u>\$ 17,553,247</u>	<u>\$ 398,616,294</u>

CITY OF EAU CLAIRE

COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT
GROUPS, AND DISCRETELY PRESENTED COMPONENT UNITS
December 31, 2001

	Governmental Fund Types			
	General Fund	Special Revenue	Debt Service	Capital Projects
LIABILITIES				
Accounts payable	\$ 340,539	\$ 286,737	\$ 28,401	\$ 940,522
Accrued liabilities	1,304,282	159,622	-	-
Customer deposits	259,244	67,042	-	-
Due to other funds	-	226,207	-	-
Due to other governments	92,344	74,754	-	2,166
Current portion of advances from other funds	-	-	-	-
Deposits	-	-	90,788	-
Deferred revenue	18,992,513	9,221,787	9,229,080	705,980
Unpaid claims	-	-	-	-
General obligation debt	-	-	-	-
Revenue bonds payable	-	-	-	-
Unamortized loss on refunding	-	-	-	-
Notes payable	-	-	-	-
Accrued employee benefits	-	-	-	-
Advance from other funds	-	-	-	-
Total liabilities	20,988,922	10,036,149	9,348,269	1,648,668
EQUITY AND OTHER CREDITS				
Investment in general fixed assets	-	-	-	-
External contribution	-	-	-	-
Municipal contribution	-	-	-	-
Retained earnings:				
Reserved	-	-	-	-
Unreserved	-	-	-	-
Fund balances:				
Reserved	7,356,078	179,272	6,657,057	5,194,714
Unreserved:				
Designated	5,647,871	2,291,594	550,800	61,700
Undesignated	1,490,100	6,958,961	-	10,197,666
Total equity and other credits	14,494,049	9,429,827	7,207,857	15,454,080
Total liabilities, equity and other credits	\$ 35,482,971	\$ 19,465,976	\$ 16,556,126	\$ 17,102,748

(Concluded)

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals Primary Government (Memorandum Only)	Component Units	Totals Reporting Entity (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations			
\$ 774,484	\$ 507,791	\$ 5,802	\$ -	\$ -	\$ 2,884,276	\$ 130,994	\$ 3,015,270
461,311	20,700	-	-	-	1,945,915	57,510	2,003,425
-	-	-	-	-	326,286	-	326,286
484,205	98	-	-	-	710,510	-	710,510
2,167	-	46,719,405	-	-	46,890,836	-	46,890,836
368,443	-	-	-	-	368,443	-	368,443
21,164	-	119,674	-	-	231,626	113,348	344,974
-	-	-	-	-	38,149,360	74,300	38,223,660
-	1,265,894	-	-	-	1,265,894	-	1,265,894
-	-	-	-	48,348,350	48,348,350	-	48,348,350
14,345,000	-	-	-	-	14,345,000	180,000	14,525,000
(156,124)	-	-	-	-	(156,124)	-	(156,124)
-	-	-	-	-	-	3,125,653	3,125,653
155,067	18,894	-	-	15,532,602	15,706,563	-	15,706,563
7,003,243	-	-	-	-	7,003,243	-	7,003,243
<u>23,458,960</u>	<u>1,813,377</u>	<u>46,844,881</u>	<u>-</u>	<u>63,880,952</u>	<u>178,020,178</u>	<u>3,681,805</u>	<u>181,701,983</u>
-	-	-	39,588,604	-	39,588,604	-	39,588,604
44,875,405	1,168,362	-	-	-	46,043,767	10,568,264	56,612,031
14,266,558	5,401,851	-	-	-	19,668,409	-	19,668,409
973,913	873,554	-	-	-	1,847,467	1,520,144	3,367,611
32,157,068	17,151,741	-	-	-	49,308,809	1,717,647	51,026,456
-	-	-	-	-	19,387,121	-	19,387,121
-	-	-	-	-	8,551,965	65,387	8,617,352
-	-	-	-	-	18,646,727	-	18,646,727
<u>92,272,944</u>	<u>24,595,508</u>	<u>-</u>	<u>39,588,604</u>	<u>-</u>	<u>203,042,869</u>	<u>13,871,442</u>	<u>216,914,311</u>
<u>\$ 115,731,904</u>	<u>\$ 26,408,885</u>	<u>\$ 46,844,881</u>	<u>\$ 39,588,604</u>	<u>\$ 63,880,952</u>	<u>\$ 381,063,047</u>	<u>\$ 17,553,247</u>	<u>\$ 398,616,294</u>

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - ALL GOVERNMENTAL
FUND TYPES, EXPENDABLE TRUST FUND AND DISCRETELY
PRESENTED COMPONENT UNITS
Year Ended December 31, 2001

	Governmental Fund Types			
	General Fund	Special Revenue	Debt Service	Capital Projects
Revenues:				
Taxes	\$ 17,116,955	\$ 4,647,323	\$ 1,492,620	\$ 210,474
Special assessments	299,098	-	1,903,191	10,981
Intergovernmental	12,957,091	2,059,771	-	1,333,884
Licenses and permits	1,295,042	303,388	-	-
Fines and forfeitures	552,751	91,821	-	-
Charges for services	1,394,452	1,551,027	-	-
Charges for services - intergovernmental	2,071,195	1,514,977	-	-
Miscellaneous	2,238,540	1,805,584	566,495	1,459,642
Total revenues	37,925,124	11,973,891	3,962,306	3,014,981
Expenditures:				
Current:				
General government	5,298,658	-	-	-
Public works	6,892,814	-	-	-
Parks and recreation	3,672,550	-	-	-
Public safety	17,469,667	-	-	-
Storm water management	-	638,063	-	-
Cemetery maintenance	-	370,588	-	-
Hazardous materials "A" grant	-	164,782	-	-
Community development	-	742,401	-	-
Home grant	-	663,370	-	-
Economic development	-	670,767	-	-
Community enhancement	-	767,639	-	-
Library	-	2,892,723	-	-
Health	-	3,139,596	-	-
Miscellaneous	441,616	-	3,020	-
Capital outlay	-	-	-	11,976,496
Debt service:				
Principal retirement	-	-	2,893,670	135,000
Interest and fiscal charges	-	-	1,837,197	316,758
Total expenditures	33,775,305	10,049,929	4,733,887	12,428,254
Excess (deficiency) of revenues over expenditures	4,149,819	1,923,962	(771,581)	(9,413,273)

Fiduciary Fund Types	Totals Primary Government (Memorandum Only)	Component Units (Governmental)	Totals Reporting Entity (Memorandum Only)
Expendable Trust			
\$ -	\$ 23,467,372	\$ -	\$ 23,467,372
	2,213,270	74,250	2,287,520
-	16,350,746	-	16,350,746
-	1,598,430	-	1,598,430
-	644,572	-	644,572
81,516	3,026,995	-	3,026,995
-	3,586,172	-	3,586,172
-	6,070,261	4,321	6,074,582
<u>81,516</u>	<u>56,957,818</u>	<u>78,571</u>	<u>57,036,389</u>
-	5,298,658	-	5,298,658
81,516	6,974,330	-	6,974,330
-	3,672,550	-	3,672,550
-	17,469,667	-	17,469,667
-	638,063	-	638,063
-	370,588	-	370,588
-	164,782	-	164,782
-	742,401	75,495	817,896
-	663,370	-	663,370
-	670,767	-	670,767
-	767,639	-	767,639
-	2,892,723	-	2,892,723
-	3,139,596	-	3,139,596
-	444,636	-	444,636
-	11,976,496	-	11,976,496
-	3,028,670	-	3,028,670
-	2,153,955	-	2,153,955
<u>81,516</u>	<u>61,068,891</u>	<u>75,495</u>	<u>61,144,386</u>
-	(4,111,073)	3,076	(4,107,997)

CITY OF EAU CLAIRE

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - ALL GOVERNMENTAL
FUND TYPES, EXPENDABLE TRUST FUND AND DISCRETELY
PRESENTED COMPONENT UNITS
Year Ended December 31, 2001

	Governmental Fund Types			
	General Fund	Special Revenue	Debt Service	Capital Projects
Other financing sources (uses):				
Transfers from other funds	\$ 161,564	\$ 371,863	\$ 2,408,547	\$ 3,403,388
Transfers to other funds	(5,762,782)	(1,600,157)	-	(5,000)
Transfer to component unit	-	(411,235)	-	-
Sale of capital assets	206,972	408	-	51,190
Proceeds from bonds	-	-	-	8,700,000
Total other financing sources (uses)	<u>(5,394,246)</u>	<u>(1,639,121)</u>	<u>2,408,547</u>	<u>12,149,578</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(1,244,427)	284,841	1,636,966	2,736,305
Fund balances at beginning of year	15,623,476	9,308,986	5,570,891	11,992,775
Residual equity transfers in	400,000	-	-	725,000
Residual equity transfer out	<u>(285,000)</u>	<u>(164,000)</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u>\$ 14,494,049</u>	<u>\$ 9,429,827</u>	<u>\$ 7,207,857</u>	<u>\$ 15,454,080</u>

<u>Fiduciary Fund Types</u>	Totals Primary Government (Memorandum Only)	Component Units (Governmental)	Totals Reporting Entity (Memorandum Only)
Expendable Trust			
\$ -	\$ 6,345,362	\$ -	\$ 6,345,362
-	(7,367,939)	-	(7,367,939)
-	(411,235)	-	(411,235)
-	258,570	-	258,570
-	<u>8,700,000</u>	-	<u>8,700,000</u>
-	<u>7,524,758</u>	-	<u>7,524,758</u>
-	3,413,685	3,076	3,416,761
-	42,496,128	62,311	42,558,439
-	1,125,000	-	1,125,000
-	<u>(449,000)</u>	-	<u>(449,000)</u>
<u>\$ -</u>	<u>\$ 46,585,813</u>	<u>\$ 65,387</u>	<u>\$ 46,651,200</u>

CITY OF EAU CLAIRE

COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
GENERAL FUND, SPECIAL REVENUE FUNDS (WITH ANNUAL BUDGETS),
DEBT SERVICE FUNDS, AND EXPENDABLE TRUST FUND
Year Ended December 31, 2001

	General Fund		
	2001 Budget	2001 Actual	Variance- Favorable (Unfavorable)
Revenues:			
Taxes	\$ 17,131,900	\$ 17,116,955	\$ (14,945)
Special assessments	340,000	299,098	(40,902)
Intergovernmental	12,836,400	12,957,091	120,691
Licenses and permits	1,096,300	1,295,042	198,742
Fines and forfeitures	453,000	552,751	99,751
Charges for services	1,101,400	1,394,452	293,052
Charges for services - intergovernmental	2,083,500	2,071,195	(12,305)
Miscellaneous	1,673,400	2,238,540	565,140
Total revenues	<u>36,715,900</u>	<u>37,925,124</u>	<u>1,209,224</u>
Expenditures:			
Current:			
General government	5,416,000	5,298,658	117,342
Public works	7,088,000	6,892,814	195,186
Parks and recreation	3,691,900	3,672,550	19,350
Public safety	17,469,700	17,469,667	33
Storm water maintenance	-	-	-
Cemetery maintenance	-	-	-
Hazardous materials "A" grant	-	-	-
Economic development	-	-	-
Community enhancement	-	-	-
Library	-	-	-
Health	-	-	-
Miscellaneous	499,400	441,616	57,784
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>34,165,000</u>	<u>33,775,305</u>	<u>389,695</u>
Excess (deficiency) of revenues over expenditures	<u>2,550,900</u>	<u>4,149,819</u>	<u>1,598,919</u>
Other financing sources (uses):			
Transfers from other funds	178,000	161,564	(16,436)
Transfers to other funds	(6,109,300)	(5,762,782)	346,518
Transfers to component units	-	-	-
Sale of capital assets	10,000	206,972	196,972
Total other financing sources (uses)	<u>(5,921,300)</u>	<u>(5,394,246)</u>	<u>527,054</u>

Special Revenue Funds (with Annual Budgets)			Debt Service Funds		
2001 Budget	2001 Actual	Variance- Favorable (Unfavorable)	2001 Budget	2001 Actual	Variance- Favorable (Unfavorable)
\$ 4,498,500	\$ 4,647,323	\$ 148,823	\$ 1,600,000	\$ 1,492,620	\$ (107,380)
-	-	-	950,000	1,903,191	\$ 953,191
904,500	891,211	(13,289)	-	-	-
290,900	303,388	12,488	-	-	-
91,500	91,821	321	-	-	-
1,666,800	1,551,027	(115,773)	-	-	-
1,505,500	1,514,977	9,477	-	-	-
795,800	1,412,151	616,351	425,000	566,495	141,495
<u>9,753,500</u>	<u>10,411,898</u>	<u>658,398</u>	<u>2,975,000</u>	<u>3,962,306</u>	<u>987,306</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
882,800	638,063	244,737	-	-	-
396,800	370,588	26,212	-	-	-
215,800	164,782	51,018	-	-	-
860,900	670,767	190,133	-	-	-
767,800	767,639	161	-	-	-
3,058,900	2,892,723	166,177	-	-	-
3,179,700	3,139,596	40,104	-	-	-
-	-	-	-	3,020	(3,020)
-	-	-	2,948,700	2,893,670	55,030
-	-	-	2,057,400	1,837,197	220,203
<u>9,362,700</u>	<u>8,644,158</u>	<u>718,542</u>	<u>5,006,100</u>	<u>4,733,887</u>	<u>272,213</u>
<u>390,800</u>	<u>1,767,740</u>	<u>1,376,940</u>	<u>(2,031,100)</u>	<u>(771,581)</u>	<u>1,259,519</u>
394,600	371,863	(22,737)	2,670,000	2,408,547	(261,453)
(1,537,800)	(1,326,246)	211,554	-	-	-
(202,400)	(202,340)	60	-	-	-
300	408	108	-	-	-
<u>(1,345,300)</u>	<u>(1,156,315)</u>	<u>188,985</u>	<u>2,670,000</u>	<u>2,408,547</u>	<u>(261,453)</u>

CITY OF EAU CLAIRE

COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
GENERAL FUND, SPECIAL REVENUE FUNDS (WITH ANNUAL BUDGETS),
DEBT SERVICE FUNDS, AND EXPENDABLE TRUST FUND
Year Ended December 31, 2001

	General Fund		
	2001 Budget	2001 Actual	Variance- Favorable (Unfavorable)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (3,370,400)	\$ (1,244,427)	\$ 2,125,973
Fund balances at beginning of year	15,623,476	15,623,476	-
Residual equity transfers in	400,000	400,000	-
Residual equity transfers out	(285,000)	(285,000)	-
Fund balances at end of year	<u>\$ 12,368,076</u>	<u>\$ 14,494,049</u>	<u>\$ 2,125,973</u>

Special Revenue Funds (with Annual Budgets)			Debt Service Funds		
2001 Budget	2001 Actual	Variance- Favorable (Unfavorable)	2001 Budget	2001 Actual	Variance- Favorable (Unfavorable)
\$ (954,500)	\$ 611,425	\$ 1,565,925	\$ 638,900	\$ 1,636,966	\$ 998,066
9,295,706	9,295,706	-	5,570,891	5,570,891	-
-	(164,000)	(164,000)	-	-	-
-	-	-	-	-	-
<u>\$ 8,341,206</u>	<u>\$ 9,743,131</u>	<u>\$ 1,401,925</u>	<u>\$ 6,209,791</u>	<u>\$ 7,207,857</u>	<u>\$ 998,066</u>

CITY OF EAU CLAIRE

(Concluded)

COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
GENERAL FUND, SPECIAL REVENUE FUNDS (WITH ANNUAL BUDGETS),
DEBT SERVICE FUNDS, AND EXPENDABLE TRUST FUND
Year Ended December 31, 2001

	Expendable Trust Funds		
	2001 Budget	2001 Actual	Variance - Favorable (Unfavorable)
Revenues:			
Charges for services	\$ 500,000	\$ 81,516	\$ (418,484)
Total revenues	500,000	81,516	(418,484)
Expenditures:			
Landfill closing	500,000	81,516	418,484
Total expenditures	500,000	81,516	418,484
Excess of revenues over expenditures	-	-	-
Fund balances at beginning of year	-	-	-
Fund balances at end of year	\$ -	\$ -	\$ -

CITY OF EAU CLAIRE

(Continued)

COMBINED STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS - ALL
PROPRIETARY FUND TYPES AND DISCRETELY
PRESENTED COMPONENT UNITS
Year Ended December 31, 2001

	Proprietary Fund Types		Component Units (Enterprise)
	Enterprise	Internal Service	
Operating revenues:			
Charges for services	\$ 13,133,643	\$ 3,682,044	\$ 775,114
Other	282,128	305,062	73,094
Total operating revenues	13,415,771	3,987,106	848,208
Operating expenses:			
Personal services	5,557,717	603,461	511,230
Contractual services	2,582,063	528,413	328,064
Supplies and materials	1,020,148	548,044	64,102
Utilities	922,711	123,681	139,311
Depreciation	2,786,391	926,385	381,353
Taxes	1,038,188	-	105,200
Claims	-	510,313	-
Administrative	734,688	-	187,300
Non-routine repairs	-	-	1,080
Housing assistance payments	-	-	1,191,090
Total operating expenses	14,641,906	3,240,297	2,908,730
Operating income (loss)	(1,226,135)	746,809	(2,060,522)
Non-operating revenues (expenses):			
Operating grants	2,990,982	-	2,397,431
Investment income	766,944	333,983	199,824
Net gain (loss) on disposal of fixed assets	(123,940)	(44,006)	(2,155)
Interest expense	(1,142,026)	-	(223,136)
Amortization	(8,331)	-	-
Total non-operating revenues (expenses)	2,483,629	289,977	2,371,964

CITY OF EAU CLAIRE

(Concluded)

COMBINED STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS - ALL
PROPRIETARY FUND TYPES AND DISCRETELY
PRESENTED COMPONENT UNITS
Year Ended December 31, 2001

	Proprietary Fund Types		Component Units (Enterprise)
	Enterprise	Internal Service	
Income before operating transfers	\$ 1,257,494	\$ 1,036,786	\$ 311,442
Operating transfers from other funds	1,022,577	-	-
Operating transfers from primary government	-	-	411,235
Income before contributions	<u>2,280,071</u>	<u>1,036,786</u>	<u>722,677</u>
Capital contributions	1,576,126	-	-
Increase in retained earnings	3,856,197	1,036,786	722,677
Retained earnings at beginning of year	29,274,784	17,713,509	2,515,114
Residual equity transfers out	-	(725,000)	-
Retained earnings at end of year	<u>\$ 33,130,981</u>	<u>\$ 18,025,295</u>	<u>\$ 3,237,791</u>

CITY OF EAU CLAIRE

(Continued)

COMBINED STATEMENT OF CASH FLOWS -
ALL PROPRIETARY FUND TYPES AND
DISCRETELY PRESENTED COMPONENT UNITS
Year Ended December 31, 2001

	Proprietary Fund Types		Component Units (Enterprise)
	Enterprise	Internal Service	
Cash flows from operating activities:			
Cash received from customers	\$ 13,152,457	\$ 3,937,849	\$ 793,747
Cash payments to suppliers for goods and services	(6,105,837)	(863,875)	(2,104,367)
Cash payments to employees for services	(3,550,281)	(603,461)	(460,364)
Administrative charges	(570,120)	-	-
Payment in lieu of taxes	(1,038,188)	-	(135,419)
Claims paid	-	(890,941)	-
Repayment of insurance claims	-	93,669	-
Net cash provided by operating activities	<u>1,888,031</u>	<u>1,673,241</u>	<u>(1,906,403)</u>
Cash flows from noncapital financing activities:			
Operating transfers in from other funds	1,022,577	-	-
Principal paid on advances from other funds	(341,762)	-	-
Operating grants received	3,016,807	-	2,292,682
Contribution to other funds	-	(725,000)	-
Collection of long-term receivables	-	-	6,259
Interest paid on advances from other funds	(71,378)	-	-
Net cash provided by noncapital financing activities	<u>3,626,244</u>	<u>(725,000)</u>	<u>2,298,941</u>
Cash flows from capital and related financing activities:			
Proceeds from long-term debt	4,615,000	-	-
Debt issuance costs	(160,870)	-	-
Principal paid on bonds/other debt	(3,750,000)	-	(330,588)
Interest on long-term liabilities	(1,045,956)	-	(223,136)
Purchase of capital assets	(7,567,190)	(1,181,544)	(316,766)
Capital contributions received	1,266,126	-	-
Special assessments received	446,204	-	-
Cost of removal of property retired	(44,735)	-	-
Capital contribution in from other funds/primary gov't	359,000	-	-
Capital contribution in from primary government	-	-	411,235
Net cash used for capital and related financing activities	<u>(5,882,421)</u>	<u>(1,181,544)</u>	<u>(459,255)</u>
Cash flows from investing activities:			
Marketable securities purchased	-	-	(1,263,425)
Marketable securities sold	-	-	1,661,154
Investment income	766,944	333,983	204,864
Net cash provided by investing activities	<u>766,944</u>	<u>333,983</u>	<u>602,593</u>
Net increase in cash and cash equivalents	398,798	100,680	535,876

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

COMBINED STATEMENT OF CASH FLOWS -
ALL PROPRIETARY FUND TYPES AND
DISCRETELY PRESENTED COMPONENT UNITS
Year Ended December 31, 2001

	Proprietary Fund Types		Component Units (Enterprise)
	Enterprise	Internal Service	
Cash and cash equivalents at beginning of year	\$ 13,652,793	\$ 15,385,909	\$ 300,578
Total cash and cash equivalents at end of year (1)	\$ 14,051,591	\$ 15,486,589	\$ 836,454
Operating income (loss)	\$ (1,226,135)	\$ 746,809	\$ (2,060,522)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	2,786,391	926,385	381,353
Depreciation reimbursement	82,977	-	-
Change in assets and liabilities:			
Taxes receivable	(233,644)	-	-
Accounts receivable	(105,317)	(49,257)	(102,239)
Other receivables	(13,041)	-	-
Due to other funds	467,232	-	-
Inventories	16,674	(52,934)	-
Prepayments	(80)	-	-
Accounts payable	57,983	374,830	(98,675)
Accrued liabilities	49,279	14,367	(34,940)
Other liabilities	-	-	8,620
Customer deposits	5,712	-	-
Unpaid claims	-	(286,959)	-
Total adjustments	3,114,166	926,432	154,119
Net cash provided by operating activities	\$ 1,888,031	\$ 1,673,241	\$ (1,906,403)
Noncapital investing and financing activities : None			

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

(Concluded)

COMBINED STATEMENT OF CASH FLOWS -
ALL PROPRIETARY FUND TYPES AND
DISCRETELY PRESENTED COMPONENT UNITS
Year Ended December 31, 2001

(1) RECONCILIATION OF CASH PER STATEMENT
OF CASH FLOWS TO THE BALANCE SHEET

	Proprietary Fund Types		Component Units (Enterprise)
	Enterprise	Internal Service	
Cash and short term investments	\$ 11,392,649	\$ 15,379,531	\$ 2,165,624
Restricted assets	2,658,942	107,058	2,195,427
Less: cash and investments of governmental component units	-	-	(65,745)
Less: noncash equivalents	-	-	<u>(3,458,852)</u>
 Total cash and cash equivalents	 <u>\$ 14,051,591</u>	 <u>\$ 15,486,589</u>	 <u>\$ 836,454</u>

Component Units

The **Redevelopment Authority** fund accounts for the acquisition, clearance, and improvement of blighted areas or properties within a defined district of the city.

The **Housing Authority** fund accounts provide housing assistance services to properties within the city.

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

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

COMPONENT UNITS
COMBINING BALANCE SHEET
December 31, 2001

	Enterprise	
	Housing Authority	Redevelopment Authority
ASSETS		
Cash and short term investments	\$ 1,772,697	\$ 327,182
Receivables:		
Taxes	-	-
Accounts	180,305	-
Prepayments	7,521	-
Notes receivable	-	192,691
Restricted assets - cash & investments	2,195,427	-
Net property, plant and equipment	11,512,234	1,221,014
Other assets	4,131	-
	<u>\$ 15,672,315</u>	<u>\$ 1,740,887</u>
LIABILITIES AND EQUITY		
Accounts payable	\$ 118,636	\$ 12,000
Accrued liabilities	57,510	-
Deposits	113,348	-
Deferred revenue	-	-
Revenue bonds payable	180,000	-
Notes payable	3,114,413	11,240
	<u>3,583,907</u>	<u>23,240</u>
Total liabilities		
External contribution	10,568,264	-
Retained earnings:		
Reserved	1,520,144	-
Unreserved	-	1,717,647
Fund balances:		
Unreserved:		
Designated for subsequent years expenditures	-	-
	<u>12,088,408</u>	<u>1,717,647</u>
Total fund balance		
	<u>\$ 15,672,315</u>	<u>\$ 1,740,887</u>
Total liabilities and fund balance		

See accompanying notes to financial statements.

Governmental			
Downtown Business Improvement District	West Grand Business Improvement District	Water Street Business Improvement District	Totals 2001
\$ 24,394	\$ 7,696	\$ 33,655	\$ 2,165,624
55,000	9,800	9,500	74,300
-	-	-	180,305
-	-	-	7,521
-	-	-	192,691
-	-	-	2,195,427
-	-	-	12,733,248
-	-	-	4,131
<u>\$ 79,394</u>	<u>\$ 17,496</u>	<u>\$ 43,155</u>	<u>\$ 17,553,247</u>
\$ -	\$ 232	\$ 126	\$ 130,994
-	-	-	57,510
-	-	-	113,348
55,000	9,800	9,500	74,300
-	-	-	180,000
-	-	-	3,125,653
<u>55,000</u>	<u>10,032</u>	<u>9,626</u>	<u>3,681,805</u>
-	-	-	10,568,264
-	-	-	1,520,144
-	-	-	1,717,647
<u>24,394</u>	<u>7,464</u>	<u>33,529</u>	<u>65,387</u>
<u>24,394</u>	<u>7,464</u>	<u>33,529</u>	<u>13,871,442</u>
<u>\$ 79,394</u>	<u>\$ 17,496</u>	<u>\$ 43,155</u>	<u>\$ 17,553,247</u>

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

COMPONENT UNITS - COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES Year Ended December 31, 2001

	Downtown Business Improvement District	West Grand Business Improvement District
Revenues:		
Taxes:		
Special assessments	\$ 55,000	\$ 9,750
Miscellaneous:		
Investment income	2,130	531
Total revenues	57,130	10,281
Expenditures:		
Community development	55,025	10,058
Total expenditures	55,025	10,058
Excess of revenue over expenditures	2,105	223
Fund balances at beginning of year	22,289	7,241
Fund balances at end of year	\$ 24,394	\$ 7,464

See accompanying notes to financial statements.

Water Street Business Improvement District	<u>Totals</u> <u>2001</u>
\$ 9,500	\$ 74,250
<u>1,660</u>	<u>4,321</u>
<u>11,160</u>	<u>78,571</u>
<u>10,412</u>	<u>75,495</u>
<u>10,412</u>	<u>75,495</u>
748	3,076
<u>32,781</u>	<u>62,311</u>
<u>\$ 33,529</u>	<u>\$ 65,387</u>

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

COMPONENT UNITS - COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS Year Ended December 31, 2001

	Housing Authority
Operating revenues	
Charges for service	\$ 775,114
Other	73,094
Total operating revenues	848,208
Operating expenses	
Personal services	511,230
Contractual services	327,390
Supplies and materials	64,102
Utilities	139,233
Depreciation	381,353
Taxes	105,200
Administrative	187,300
Non-routine repairs	1,080
Housing assistance payments	1,191,090
Total operating expenses	2,907,978
Net operating loss	(2,059,770)
Non-operating revenues (expenses)	
Operating grants	2,397,431
Investment income	190,322
Net gain (loss) on disposal of fixed assets	-
Interest expense	(223,136)
Total non-operating revenues (expenses)	2,364,617
Income before operating transfers	304,847
Operating transfers in	
Operating transfers from primary government	-
Net operating transfers in	-
Net income	304,847
Retained earnings at beginning of year	1,215,297
Retained earnings at end of year	\$ 1,520,144

See accompanying notes to financial statements.

<u>Redevelopment Authority</u>	<u>Totals 2001</u>
\$ -	\$ 775,114
-	73,094
<u>-</u>	<u>848,208</u>
-	511,230
674	328,064
-	64,102
78	139,311
-	381,353
-	105,200
-	187,300
-	1,080
<u>-</u>	<u>1,191,090</u>
<u>752</u>	<u>2,908,730</u>
<u>(752)</u>	<u>(2,060,522)</u>
-	2,397,431
9,502	199,824
(2,155)	(2,155)
<u>-</u>	<u>(223,136)</u>
<u>7,347</u>	<u>2,371,964</u>
6,595	311,442
<u>411,235</u>	<u>411,235</u>
<u>411,235</u>	<u>411,235</u>
417,830	722,677
<u>1,299,817</u>	<u>2,515,114</u>
<u>\$ 1,717,647</u>	<u>\$ 3,237,791</u>

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

**COMPONENT UNITS - COMBINING STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES
YEAR ENDED DECEMBER 31, 2001**

	Housing Authority
Cash flows from operating activities	
Cash received from customers and grant agencies	\$ 793,747
Cash paid to suppliers for goods and services	(2,103,604)
Cash payments to employees for services	(460,364)
Cash paid to city	(135,419)
Net cash provided by (used for) operating activities	(1,905,640)
Cash flows from noncapital financing	
Operating grants received	2,292,682
Collection of long-term receivable	-
Net cash provided by noncapital financing activities	2,292,682
Cash flows from capital and related financing activities	
Principal paid	(330,588)
Interest on long-term liabilities	(223,136)
Acquisition and construction of capital assets	(113,470)
Capital transfer from primary government	-
Net cash flows provided by (used for) capital and related financing activities	(667,194)
Cash flows from investing activities	
Marketable securities purchased	(1,263,425)
Marketable securities sold	1,661,154
Investment income	195,362
Net cash flows from investing activities	593,091
Net increase in cash and temporary investments	312,939
Cash and cash equivalents - beginning of year	196,333
Cash and cash equivalents at end of year	\$ 509,272
Reconciliation of cash and cash equivalents	
Combined Balance Sheet	
Cash and short term investments	\$ 1,772,697
Restricted assets	2,195,427
Less: noncash equivalents	(3,458,852)
Cash and cash equivalents - combined statement of cash flows	\$ 509,272

See accompanying notes to financial statements.

(Continued)

<u>Redevelopment</u> <u>Authority</u>	<u>Totals</u> <u>2001</u>
\$ -	\$ 793,747
(763)	(2,104,367)
-	(460,364)
-	(135,419)
<u>(763)</u>	<u>(1,906,403)</u>
-	2,292,682
<u>6,259</u>	<u>6,259</u>
<u>6,259</u>	<u>2,298,941</u>
-	(330,588)
-	(223,136)
(203,296)	(316,766)
<u>411,235</u>	<u>411,235</u>
<u>207,939</u>	<u>(459,255)</u>
-	(1,263,425)
-	1,661,154
<u>9,502</u>	<u>204,864</u>
<u>9,502</u>	<u>602,593</u>
222,937	535,876
<u>104,245</u>	<u>300,578</u>
<u>\$ 327,182</u>	<u>\$ 836,454</u>
\$ 327,182	\$ 2,099,879
-	2,195,427
-	(3,458,852)
<u>\$ 327,182</u>	<u>\$ 836,454</u>

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

COMPONENT UNITS - COMBINING STATEMENT OF CASH FLOWS ALL PROPRIETARY FUND TYPES YEAR ENDED DECEMBER 31, 2001

	<u>Housing Authority</u>
Cash flows from operating activities	
Operating loss	\$ (2,059,770)
Adjustments to reconcile operating (loss) to net cash provided by operating activities	
Depreciation	381,353
Net operating changes in	
Accounts receivable	(102,239)
Accounts payable	(98,664)
Accrued liabilities	(34,940)
Other liabilities	<u>8,620</u>
Net cash used for operating activities	<u>\$ (1,905,640)</u>

NONCASH INVESTING, CAPITAL AND RELATED FINANCING ACTIVITIES

As of December 31, 2001, unrealized gains on non-cash equivalents were \$17,037.

(Concluded)

<u>Redevelopment</u> <u>Authority</u>	<u>Totals</u> <u>2001</u>
\$ (752)	\$ (2,060,522)
-	381,353
-	(102,239)
(11)	(98,675)
-	(34,940)
-	<u>8,620</u>
<u>\$ (763)</u>	<u>\$ (1,906,403)</u>

See accompanying notes to financial statements.

Notes to the Financial Statements

The notes to the 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

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CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS

December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Eau Claire (city), Wisconsin conform to generally accepted accounting principles as applicable to governmental units.

A. REPORTING ENTITY

This report includes all of the funds and account groups of the city. The reporting entity for the city consists of (a) the primary government, (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

Included within the reporting entity:

Housing Authority of the City of Eau Claire

The general purpose financial statements include the Housing Authority of the City of Eau Claire (Housing Authority) as a component unit. The Housing Authority is a legally separate organization. The board of the Housing Authority is appointed by the Eau Claire City Council. Wisconsin Statutes provide for circumstances whereby the city can impose their will on the Housing Authority, and also create a potential financial benefit to or burden on the city. See Note 25. As a component unit, the Housing Authority's financial statements have been presented as a discrete column in the general purpose financial statements. The information presented is for the fiscal year ended December 31, 2001. Separately issued financial statements of the Housing Authority of the City of Eau Claire may be obtained from the Housing Authority's office, which is located at 203 South Farwell Street, P.O. Box 5148, Eau Claire, WI 54702-5148.

Redevelopment Authority of the City of Eau Claire

The general purpose 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 their will on the RDA, and also create a potential financial benefit to or burden on the city. See Note 25. As a component unit, the RDA's financial statements have been presented as a discrete column in the general purpose financial statements. The information presented is for the fiscal year ended December 31, 2001. 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.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

A. REPORTING ENTITY (cont.)

Business Improvement Districts (BIDs)

The general purpose financial statements include the Downtown Business Improvement District, West Grand Business Improvement District, and 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 their will on the BIDs, and also create a potential financial benefit to or burden on the city. See Note 25. As a component unit, the BID's financial statements have been presented as a discrete column in the general purpose financial statements. The information presented is for the fiscal year ended December 31, 2001. Separate financial statements are not issued by the Business Improvement Districts.

B. DESCRIPTION OF FUND AND ACCOUNT GROUP STRUCTURE

The accounts of the city are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. The various funds are summarized by type in the financial statements. The following fund types and account groups are used by the city.

GOVERNMENTAL FUNDS

General Fund

The General Fund is the general operating fund of the city. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects, expendable trusts or special assessments) that are legally restricted to expenditures for specified purposes.

Transactions relating to the city's Storm Water Management, Cemetery Maintenance, Hazardous Materials Response, Community Development, Home Grant, Economic Development, Community Enhancement, Public Library and City-County Health are accounted for in special revenue funds.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

The city uses debt service funds to account for general debt service and Tax Incremental District No. 4.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS

December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. DESCRIPTION OF FUND AND ACCOUNT GROUP STRUCTURE (cont.)

Capital Projects Funds

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

The city uses capital projects funds to account for activities relating to Industrial Development, Tax Incremental Districts, Street Projects, Storm Water Projects, Bridge Projects, Buildings and Equipment, Parks and Recreation Projects, Environmental Improvements – Landfill and Library Buildings and Equipment.

PROPRIETARY FUNDS

Enterprise Funds

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Activities of the city's Water Utility, Sewer Utility, Parking Utility, Public Transit, Hobbs Ice Center, and Outdoor Pool are accounted for in enterprise funds.

Internal Service Funds

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.

The city uses internal service funds to account for its Central Equipment and Risk Management.

FIDUCIARY FUNDS

Trust and Agency Funds

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

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. DESCRIPTION OF FUND AND ACCOUNT GROUP STRUCTURE (cont.)

The city maintains an expendable trust fund for Former Landfill Escrow. The city accounts for tax collections on behalf of other taxing authorities in an agency fund.

ACCOUNT GROUPS

General Fixed Assets Account Group

This account group is established to account for all fixed assets of the city other than those accounted for in the proprietary funds.

General Long-Term Obligations Account Group

This account group is established to account for all long-term obligations of the city except those obligations accounted for in the proprietary funds.

C. BASIS OF ACCOUNTING

The modified accrual basis of accounting is followed by the governmental funds, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., 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. 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 revenues. They are recognized as revenues in the succeeding year when services financed by the levy are being provided. In addition to property taxes for the city, taxes are collected for and remitted to the state and county governments as well as the local school and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as deferred revenues and due to other taxing units on the accompanying balance sheet. Taxes are levied in December on the assessed value of property as of the prior January 1.

Property tax calendar – 2001 tax roll:

Lien date and levy date	December, 2001
Tax bills mailed	December, 2001
Payment in full, or	January 31, 2002
First installment due	January 31, 2002
First settlement with other taxing units	January 15, 2002
Second installment due	July 31, 2002
Final settlement with other taxing units	August 20, 2002
Personal property taxes in full	January 31, 2002

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS

December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. BASIS OF ACCOUNTING (cont.)

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

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 deferred revenues.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services 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.

The city reports deferred revenues on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received before the city has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the city has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

Proprietary funds are accounted for on the accrual basis. Revenues such as user fees are recognized in the accounting period in which they are earned; expenses are recognized in the period incurred. Unbilled receivables are recorded when services are provided.

The city adopted the provisions of Governmental Accounting Standards Board Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. This statement requires that capital contributions to the water and sewer utilities be presented as revenues.

The proprietary funds have elected to follow Financial Accounting Standards Board pronouncements issued before November 30, 1989, and all pronouncements of the Governmental Accounting Standards Board.

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

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. MEASUREMENT FOCUS

The measurement focus of all governmental and expendable trust funds 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 deferred revenue or a reservation of fund equity. Liabilities for claims, judgments, compensated absences and pension contributions which will not be currently liquidated using expendable available financial resources are shown in the general long-term obligations account group. The related expenditures are recognized when the liabilities are liquidated.

The measurement focus of proprietary funds is the flow of economic resources. Under this concept, revenues and expenses are matched using the accrual basis of accounting. All fixed assets are capitalized at historical cost and depreciated over their useful lives.

E. TOTALS (MEMORANDUM ONLY)

The columns captioned Totals (Memorandum Only) in the general purpose financial statements are an aggregation of the columnar statements by fund type and account group. The totals column is not comparable to a consolidation and does not present financial position, results of operations and cash flows in conformity with generally accepted accounting principles because the same basis of accounting is not used by all funds and interfund transactions and balances and account group balancing accounts have not been eliminated.

F. CASH AND CASH EQUIVALENTS

For purposes of the combined 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.

G. INVENTORIES

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 the weighted average method, and charged to construction, operation and maintenance expense when used. Governmental fund inventories are recorded at cost based on FIFO method using the consumption method of accounting.

H. LONG-TERM OBLIGATIONS/CONDUIT DEBT

Short-term and proprietary fund long-term liabilities are recorded as fund liabilities. All other long-term liabilities are recorded in the general long-term obligations account group. However, that portion expected to be financed from expendable available financial resources is reported as a fund liability in the governmental funds.

Proceeds of long-term debt issues not recorded as fund liabilities are reflected as "Other Financing Sources" in the operating statement of the recipient fund. Retirement of these issues is reported as an expenditure in the year in which the debt matures or is repaid, whichever is earlier.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

H. LONG-TERM OBLIGATIONS/CONDUIT DEBT (cont.)

The city has approved the issuance of industrial revenue bonds (IRB's) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the city. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of IRB's outstanding at the end of the year is approximately \$8,243,596 made up of 3 series.

I. GENERAL FIXED ASSETS

General fixed assets acquired for governmental purposes are recorded as expenditures in the governmental funds. Purchased fixed assets are capitalized at cost or estimated cost in the general fixed assets account group. Contributed fixed assets are recorded at fair market value at the time received. Interest incurred during construction is not capitalized.

Fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks and lighting systems are not capitalized. Such assets normally are immovable and of value only to the city. Therefore, the purpose of stewardship for capital expenditures is satisfied without recording these assets.

Generally accepted accounting principles do not require depreciation to be recorded on general fixed assets.

J. FIXED ASSETS – PROPRIETARY FUNDS

Additions to and replacements of plant and equipment are recorded at original cost, which includes material, labor, overhead and an allowance for the cost of funds used during construction when significant. Utility plant is recorded at cost or fair market value at the time of contribution to the utility. 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.

Interest is capitalized on enterprise fund property acquired with tax exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. Capitalized interest cost is amortized on the same basis as the related asset is depreciated. During the year, \$1,202,217 of interest expense was incurred, of which \$60,191 was capitalized.

The provision for depreciation shown in the financial statements results from the application of straight-line rates to original costs.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

J. FIXED ASSETS – PROPRIETARY FUNDS (cont.)

Estimated average useful lives by asset category are as follows:

	Enterprise Funds	Internal Service Funds	Average Years
Land	\$ 745,193	\$ 241,199	N/A
Land improvements	2,108,884	16,677	30 – 55
Buildings and improvements	36,103,352	5,519,619	40 – 50
Distribution system	78,704,454	-	40 – 100
Equipment	5,284,519	11,127,203	5 – 25
Construction in progress	4,652,672	122,443	N/A
 Totals	 127,599,074	 17,027,141	
 Less: Accumulated depreciation	 (32,892,433)	 (7,387,546)	
Net property, plant and equipment	<u>\$ 94,706,641</u>	<u>\$ 9,639,595</u>	

K. ADVANCES TO OTHER FUNDS

Noncurrent portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

Refer to Note 9 which details the interfund advances.

L. ENCUMBRANCES

Encumbrances outstanding represent the estimated amount of expenditures ultimately to result if unperformed contracts and open purchase orders at year end are fulfilled. The city does not use encumbrance accounting.

M. BUDGETS AND BUDGETARY ACCOUNTING

Budgeting is an essential element of the financial planning, control, and evaluation process of the city. Formal budgets are prepared for governmental and proprietary funds. Fixed, annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general, debt service, expendable trust, and special revenue funds, except for the Community Development 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. Section 65 of the Wisconsin Statutes provides that the legal level of control (the level on which expenditures may not legally exceed appropriations) is by department for annual fixed budgets. All annual appropriations lapse at year end.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

M. BUDGETS AND BUDGETARY ACCOUNTING (cont.)

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 2002 budgets for governmental and proprietary funds on November 13, 2001.

During 2001, additional appropriations were approved in the general, storm water management, hazardous materials, economic development public library, and city-county health department. A summary of these council actions follows:

	General Fund	Storm Water Management	Hazardous Materials	Economic Dev.	Public Library	City – Co. Health Dept.
Original appropriation	\$ 40,002,400	\$ 1,414,600	\$ 215,800	\$ 659,300	\$ 3,298,100	\$ 3,110,600
Carry over of appropriations	(506,500)	-	(57,100)	163,000	12,800	-
Grants & donations	579,000	-	57,100	-	-	69,100
Loans	-	-	-	205,000	-	-
Other	199,400	300,000	-	36,000	-	-
Final appropriation	<u>\$ 40,274,300</u>	<u>\$ 1,714,600</u>	<u>\$ 215,800</u>	<u>\$ 1,063,300</u>	<u>\$ 3,310,900</u>	<u>\$ 3,179,700</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

N. COMPENSATED ABSENCES

All Funds

Employees accumulate vacation, compensatory time, sick leave, and other benefits at various rates depending on bargaining group and length of service.

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, 2001 are determined on the basis of current salary rates and include salary related payments.

Governmental and Fiduciary Funds

In governmental and fiduciary funds, the cost of vacation, compensatory time, and sick leave is recognized when payments are made to employees. A long-term liability for vested vacation and compensatory time has been recorded in the general long-term obligations account group. No current liability has been recorded in governmental funds, since accrued vacation and compensatory time amounts as of the year end are not expected to be liquidated with expendable available resources.

In accordance with the provisions of GASB Statement 16, *Accounting for Compensated Absences*, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits since employees are not paid for unused sick leave upon termination or retirement.

Proprietary Funds

Vested or accumulated vacation and compensatory time of proprietary funds is accrued as an expense and liability of those funds as the benefits are earned by employees.

A summary of compensated absences outstanding as of December 31, 2001 is shown in the table below:

	General Long-Term Obligations Account Group	Proprietary Funds	Total
Unused vacation pay	\$ 938,498	\$ 154,146	\$ 1,092,644
Compensatory time	92,661	19,815	112,476
Total compensated absences	\$ 1,031,159	\$ 173,961	\$ 1,205,120

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

O. ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS

General accounts receivable have been adjusted for all known uncollectible accounts. No allowance is necessary at year end. Notes receivable is shown net of \$160,000 allowance for doubtful 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 in the accompanying water and sewer enterprise fund financial statements because those funds have the right by law to place delinquent bills on the tax roll.

P. CLAIMS AND JUDGMENTS

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental fund types. If they are not to be liquidated with expendable available financial resources, a liability is recorded in the general long-term obligations account group. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the proprietary fund types as expenses when the related liabilities are incurred. There were no significant claims or judgments at year end.

Q. CONTRIBUTED CAPITAL – PROPRIETARY FUNDS

Contributions in Aid of Construction

Contributions in aid of construction represent amounts received from customers/developers for construction and the value of property (plant) contributed to the utility. These amounts are not subject to repayment. For further discussion, see Note 28.

R. FUND BALANCE TERMINOLOGY

Fund balances are segregated into three separate classifications. Reservations represent the portion of fund balances which may not be appropriated for expenditure or have been segregated for specific future uses by legal mandate.

Designations of fund balances represent tentative plans by the city for financial resource utilization in a future period as documented in the minutes or budgeting process of the city council for a succeeding year. Such plans are subject to change from original authorizations and may not result in expenditures.

Undesignated fund balance represents the amount available for appropriation after reservations and designations. It also is a measurement of current working capital position.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

S. ECONOMIC DEVELOPMENT AND HOUSING REHABILITATION LOANS RECEIVABLE

The city has received federal and state grant funds for economic development and housing rehabilitation loan programs that have been loaned to various businesses and individuals. The city records a loan receivable when the loan has been made and funds have been disbursed.

It is the city's policy to record deferred 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 designated fund balance in the general-purpose financial statements.

T. BASIS FOR EXISTING RATES – PROPRIETARY FUNDS

Water Utility

Current water rates were approved by the Public Service Commission of Wisconsin on February 1, 2001.

Sewer Utility

Current sewer rates were approved by the city council in December 1997.

U. OTHER ASSETS

In governmental fund types, debt issuance costs are recognized in the current period. Debt issuance costs for the proprietary fund type are deferred and amortized over the term of the debt issue using the proportionate to stated interest method. This method results in amortization of decreasing amounts as bonds or notes are retired serially.

NOTE 2 – CASH AND INVESTMENTS

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

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

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 2 – CASH AND INVESTMENTS (cont.)

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 are regulated by Chapter 881 of the Wisconsin Statutes. The section gives broad authority to use such funds to acquire various kinds of investments including stocks, bonds and debentures.

No significant violations of these restrictions occurred during the year.

The city maintains a cash and investment pool for all funds (except component units) which is recorded on the combined balance sheet as follows:

Cash and short term investments	\$ 66,961,162
Restricted assets	<u>11,127,082</u>
Total	<u>\$ 78,088,244</u>

Total cash and investments in the combined balance sheet consist of the following:

Petty cash and cash on hand	\$ 3,105
Deposits with financial institutions	7,898,838
Investments	<u>70,186,301</u>
Total Cash and Investments	<u>\$ 78,088,244</u>

DEPOSITS

At December 31, 2001, the carrying amount of the city's deposits was \$7,898,838 and the bank balance was \$9,147,039. The difference between the carrying amount and the bank balance represents outstanding checks and deposits in transit.

Of the bank balance, \$100,000 was covered by federal depository insurance, and \$9,047,039 was covered by perfected collateral pledges held by the city's agent in the city's name.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may not be significant to individual municipalities. This coverage has not been considered in computing the amounts covered by insurance and collateral above.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 2 – CASH AND INVESTMENTS (cont.)

DEPOSITS (cont.)

Fluctuating cash flows during the year due to tax collections, receipt of state aids and/or proceeds from borrowing may have resulted in temporary balances exceeding insured and collateralized amounts.

INVESTMENTS

The city's investments are categorized to give an indication of the level of custodial credit risk assumed by the entity at year end. Category 1 includes items that are insured or registered or which are evidenced by securities held by the city or its agent in the city's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the city's name. Category 3 includes uninsured and unregistered investments with securities held by the counterparty or its trust department or agent but not in the city's name.

	Category			Carrying Amount
	1	2	3	
U.S. government securities	\$ -	\$ 20,043,790	\$ -	\$ 20,043,790
Local government investment pool				50,035,453
Wisconsin Mutual Insurance Co. (pooled funds)				107,058
Total Investments				\$ 70,186,301

The city had no significant type of investment during the year not included in the above schedule.

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

The city experienced unrealized gains on investments during 2001. Unrealized gains will be offset by future unrealized losses if the securities are held to maturity. It is the intent of the city to hold these investments to maturity.

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 same days' notice. At December 31, 2001, the fair value of the LGIP's assets were substantially equal to the city's share as reported above.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS

December 31, 2001

NOTE 2 – CASH AND INVESTMENTS (cont.)

INVESTMENTS (cont.)

Investments in the LGIP are covered under a surety bond issued by Financial Security Assurance, Inc. The bond insures against losses arising from principal defaults on substantially all types of securities acquired by the pool except U.S. Government and agency securities. The bond provides unlimited coverage on principal losses, reduced by any FDIC and State of Wisconsin Guarantee Fund insurance.

RESTRICTED ASSETS

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 \$107,058. This amount is recorded as Restricted Assets in the Internal Service funds. See Note 4 for additional information on restricted assets.

CITY INVESTMENT POLICY

All funds categorized as Cash and Short Term Investments and Restricted Assets are invested under guidelines from the city council in their Investment Policy which also incorporates the restrictions of state statutes. This policy includes provisions for short and long term investments, as follows:

Funds which are required for daily operations and available for short periods of time are invested through a services contract with a local bank. This agreement requires any available funds to be invested daily and earn interest based on the 13-week Treasury bill rate. Funds that are available for 30 days or longer are invested in U.S. government obligations or the State maintained Local Government Investment Pool. The maximum limits on the amount of funds which can be placed in any one type of investment are:

Local Government Investment Pool	80%
Obligations of Federal Government	80%

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 3 – LONG-TERM OBLIGATIONS

Notes and bonds in the general long-term obligations account group will be retired by future property tax levies accumulated by the debt service funds and by tax increments generated by the TID districts. Proprietary fund debt is payable by revenues from user fees of those funds, or if the revenues are not sufficient, by future tax levies.

	Balance 1-1-01	Increases	Decreases	Balance 12-31-01
General long-term obligations				
General purpose bonds	\$ 42,535,000	\$ 8,700,000	\$ 3,005,000	\$ 48,230,000
General obligation notes	142,020	-	23,670	118,350
Total general obligation debt	42,677,020	8,700,000	3,028,670	48,348,350
Accrued employee benefits:				
Police and fire pensions	1,141,910	-	152,076	989,834
State retirement fund	7,538,535	579,313	297,123	7,820,725
Retiree health insurance	1,525,308	200,111	-	1,725,419
Accumulated compensated absences	925,102	106,057	-	1,031,159
Duty disability	3,828,420	137,045	-	3,965,465
Total accrued employee benefits	14,959,275	1,022,526	449,199	15,532,602
Total general long-term obligations	57,636,295	9,722,526	3,477,869	63,880,952
Proprietary funds long-term obligations:				
Enterprise funds:				
Revenue bonds	13,480,000	4,615,000	3,750,000	14,345,000
Internal service fund:				
Unpaid self-insurance claims	1,552,853	-	286,959	1,265,894
Total proprietary fund long-term obligations	15,032,853	4,615,000	4,036,959	15,610,894
Total long-term obligations	\$ 72,669,148	\$ 14,337,526	\$ 7,514,828	\$ 79,491,846

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 3 – LONG-TERM OBLIGATIONS (cont.)

The schedule below shows principal and interest requirements through maturity for all outstanding debt at December 31, 2001, except accrued employee benefits and unpaid self-insurance claims which do not have fixed payment schedules:

Year Due	GENERAL OBLIGATION LONG-TERM DEBT			PROPRIETARY LONG-TERM DEBT	TOTAL LONG-TERM DEBT
	City Bonds	City Notes	Total	Revenue Bonds	
2002	\$ 5,798,047	\$ 32,250	\$ 5,830,297	\$ 1,536,140	\$ 7,366,437
2003	5,444,976	30,534	5,475,510	1,510,582	6,986,092
2004	5,399,974	28,832	5,428,806	1,515,538	6,944,344
2005	5,231,309	27,102	5,258,411	1,517,905	6,776,316
2006	4,915,477	25,386	4,940,863	1,522,792	6,463,655
2007-2011	20,319,855	-	20,319,855	7,140,730	27,460,585
2012-2016	14,269,856	-	14,269,856	5,360,051	19,629,907
2017-2021	6,620,811	-	6,620,811	-	6,620,811
Subtotal:	68,000,305	144,104	68,144,409	20,103,738	88,248,147
Less:					
Interest	(19,770,305)	(25,754)	(19,796,059)	(5,758,738)	(25,554,797)
Total	\$ 48,230,000	\$ 118,350	\$ 48,348,350	\$ 14,345,000	\$ 62,693,350

Type of Debt (Total issue; interest rate)	Issue Date	Maturity Dates	Current Principal Balance
General long-term debt			
General obligation bonds:			
Corporate purpose (\$1,700,000; 6.5-8.5%)	03/01/90	04/01/09	\$ 975,000
Tax incremental bonds (\$1,360,000; 4.0-6.4%)	11/01/92	10/01/12	1,235,000
Corporate purpose (\$2,500,000; 4.875-5.125%)	05/01/93	10/01/12	1,660,000
Corporate purpose (\$3,675,000; 5.2-5.3%)	04/01/94	04/01/14	2,725,000
Corporate purpose (\$4,075,000; 4.30-5.25%)	11/01/95	04/01/15	1,975,000
Corporate purpose (\$2,950,000; 4.8-5.1%)	09/01/96	04/01/07	1,770,000
Tax incremental bonds (\$3,000,000; 4.8-5.5%)	09/01/96	04/01/16	2,535,000
Corporate purpose (\$5,185,000; 4.90-5.35%)	08/01/97	04/01/17	3,940,000
Tax incremental bonds (\$5,815,000; 4.90-5.35%)	08/01/97	04/01/17	5,275,000

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
December 31, 2001

NOTE 3 – LONG-TERM OBLIGATIONS (cont.)

Type of Debt (Total issue; interest rate)	Issue Date	Maturity Dates	Current Principal Balance
Corporate purpose (\$6,650,000; 4.45-4.50%)	09/15/98	04/01/18	\$ 5,590,000
Corporate purpose (\$6,450,000; 4.65-5.50%)	09/01/99	04/01/19	5,435,000
Tax incremental bonds (\$395,000; 4.65-5.50%)	09/01/99	04/01/16	395,000
Corporate purpose (\$4,730,000; 5.0-5.5%)	08/01/00	04/01/20	4,240,000
Tax incremental bonds (\$1,780,000; 5.0-5.5%)	08/08/00	04/01/20	1,780,000
Corporate purpose (\$8,700,000; 4.13-5.00%)	08/15/01	04/01/21	8,700,000
Total bonds			<u>48,230,000</u>
State trust fund note (\$450,000; 7.25%)	01/15/87	03/15/06	118,350
Total notes			<u>118,350</u>
Total general obligation debt			<u>48,348,350</u>
Accrued employee benefits			15,532,602
Total general long-term obligations			<u>63,880,952</u>
Proprietary fund long-term obligations:			
Water revenue bonds:			
Revenue bonds (\$2,000,000; 4.50-6.50%)	06/01/92	10/01/12	90,000
Revenue bonds (\$2,000,000; 4.40-5.40%)	11/01/95	10/01/12	1,500,000
Revenue bonds (\$1,000,000; 5.00-5.50%)	09/01/96	10/01/10	855,000
Revenue bonds (\$3,500,000; 5.15-5.40%)	08/01/97	10/01/16	3,230,000
Revenue bonds (\$4,615,000; 4.00-4.80%)	08/15/01	10/01/16	4,615,000
Total water revenue bonds			<u>10,290,000</u>
Sewer revenue bonds:			
Revenue bonds (\$1,800,000; 4.50-6.50%)	06/01/92	10/01/12	1,240,000
Revenue bonds (\$2,500,000; 4.40-4.60%)	11/01/93	10/01/12	1,880,000
Revenue bonds (\$1,400,000; 3.80-5.15%)	11/01/95	10/01/08	935,000
Total sewer revenue bonds			<u>4,055,000</u>
Total revenue bonds			14,345,000
Unpaid self-insurance claims			1,265,894
Total proprietary fund long-term obligations			<u>15,610,894</u>
Total long-term obligations			79,491,846
Less: amount available in debt service fund			(9,188,799)
Net long-term obligations			<u>\$ 70,303,047</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS

December 31, 2001

NOTE 3 – LONG-TERM OBLIGATIONS (cont.)

General obligation bonds, notes, and leases 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.

Retiree health insurance reflects the liability for contractually defined insurance payments to be made for retirees. The long term liability for duty disability payments reflects the present value of estimated payments to be made to retired police officers and firefighters who are receiving disability payments for job related injuries.

Proprietary fund revenue bonds are backed by user fees generated from operations in the enterprise funds. Other proprietary debt is paid by available resources of the appropriate fund, and becomes a responsibility of the city only when funds are not adequate.

The city has never defaulted on any of its prior outstanding indebtedness. Short-term debt is not issued for operational purposes.

Section 67.03 (1) of the Wisconsin Statutes provides that the amount of indebtedness of a municipality shall not exceed 5 percent of the equalized valuation of the taxable property in the municipality.

DEBT LIMITATION

The following computation compares the total debt allowable for the city with actual outstanding indebtedness at December 31, 2001:

Equalized valuation (certified, August, 2001)	\$ 2,889,294,500
Legal debt capacity (5% of equalized value)	144,464,725
General obligation long-term debt	48,348,350
Less: amount available in debt service fund	<u>(7,207,857)</u>
Net long-term debt	<u>41,140,493</u>
Unused borrowing capacity	<u>\$ 103,324,232</u>
Percent of debt capacity remaining	72%

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS

December 31, 2001

NOTE 3 – LONG-TERM OBLIGATIONS (cont.)

DEBT REFUNDING

On August 15, 2001, the city issued \$1,369,466 in revenue bonds with an average interest rate of 4.5 percent to advance refund \$1,285,000 of outstanding 1992 water utility revenue bonds with an average interest rate of 6.18 percent. The net proceeds were \$1,358,733 (after payment of \$40,268 in underwriting fees, insurance and other issuance costs). Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1992 water utility revenue bonds. As a result, the 1992 water utility revenue bonds are considered to be defeased and the liability for those bonds has been removed from the general long-term obligations account group.

The cash flow requirements on the refunded bonds and notes prior to the advance refunding was \$1,957,300 from 2002 through 2012. The cash flow requirements on the 2001 refunding bonds are \$2,118,256 from 2002 through 2016. The advance refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$151,588.

NOTE 4 – RESTRICTED ASSETS

The total restricted assets on the balance sheet are comprised of the following cash and cash equivalents:

Capital Project Funds

TIF #5 - Gateway Northwest Business Park	\$ 218,079
TIF #6 - Northeast Industrial Area	33,056
TIF #7 - Soo Line Development Area	252,853
Storm Water	3,038,442
Total Capital Project funds	<u>\$ 3,542,430</u>

Enterprise Funds

Water Utility	
Equipment replacement account	\$ 268,000
Revenue bond debt service account	1,304,205
Total Water Utility	<u>1,572,205</u>
Sewer Utility	
Equipment replacement account	410,000
Revenue bond debt service account	676,737
Total Sewer Utility	<u>1,086,737</u>
Total Enterprise funds	<u>\$ 2,658,942</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS

December 31, 2001

NOTE 4 – RESTRICTED ASSETS (cont.)

Internal Service Funds

Risk Management

Escrow account

\$ 107,058

NOTE 5 – NOTES RECEIVABLE

At December 31, 2001 the General fund had two notes receivable totaling \$27,166. One of the notes was received in exchange for city owned land. The second note, in the amount of \$25,000, will be paid by the Chippewa Valley Incubation 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 \$2,908,514 at December 31, 2001, with maturities to the year 2018. These loans include \$826,472 for five small industry and economic development loans and \$2,082,042 for loans to residential and light commercial property owners for rehabilitation projects. The rehabilitation loan balance includes 257 loans which are all required to be secured by a lien on the property. Some loans can be deferred until the property is sold. Interest on these loans is either lower than market or zero. The city discontinued the small industry loan program in 1989.

The Economic Development Special Revenue fund has notes receivable of \$1,658,897, net of an allowance for doubtful accounts of \$160,000. This fund participates in subsidized loans to new and existing businesses for commercial and industrial development. Of the 20 loans included in the program, one note to Gateway Industrial Park comprise over 30% of the total loan balance. Principal and interest repayments during 2001 were \$535,215 and \$109,071 respectively.

The Community Enhancement Special Revenue fund has an unsecured note receivable of \$46,667 which supported remodeling and refurbishing a regional arts facility in the downtown area. This note to the Regional Arts Holding, Inc. is interest free.

The Home Grant program fund has notes receivable of \$566,579. Loans are made for low income first time home buyers.

NOTE 6 – ROOM TAX

Since 1975, the city has levied a room tax on hotels and motels within the city limits under authority of Wisconsin statutes 66.75. The tax is currently 7% of gross room rental charges. Room tax revenues are recognized in the Community Enhancement Special Revenue fund and dedicated for projects that encourage convention and tourism activities. Total room tax collections in 2001 were \$1,073,823.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 7 – EMPLOYEES' RETIREMENT SYSTEM

All eligible city employees participate in the Wisconsin Retirement System (System), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS). All permanent employees expected to work over 600 hours a year are eligible to participate in the System. Covered employees in the General category are required by statute to contribute 5.5% of their salary (4.1% for Executives and Elected Officials, 4.1% for Protective Occupations with Social Security, and 4.4% for Protective Occupations without Social Security) to the plan. Employers generally make these contributions to the plan on behalf of employees. Employers are required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

The payroll for city employees covered by the system for the year ended December 31, 2001 was \$27,278,684; the employer's total payroll was \$28,962,551. The total required contribution for the year ended December 31, 2001 was \$3,710,835 or 13.6 percent of covered payroll. Of this amount, 100 percent was contributed for the current year. Total contributions for the years ending December 31, 2000 and 1999 were \$3,110,013 or 12.0% of covered payroll and \$3,251,711 or 13.1% of covered payroll, respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 (62 for elected officials and 55 for protective occupation employees) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. Retirement benefits are calculated as 1.6% (2.0% for Executives, Elected Officials, and Protective Occupations with Social Security and 2.5% for Protective Occupations without Social Security) of final average earnings for each year of creditable service. Final average earnings is the average of the employee's three highest years earnings. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefit. For employees beginning participation on or after January 1, 1990 and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998 are immediately vested.

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

The pension-related debt for the city was \$7,820,725 at December 31, 2001. This liability was determined in accordance with provisions of GASB Statement 27 regarding pension-related debt. Depending on actuarial assumptions, this estimate can vary significantly. The actuarial methods and assumptions used are unchanged from those used prior to the implementation of GASB Statement 27.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
December 31, 2001

NOTE 7 – EMPLOYEES' RETIREMENT SYSTEM (cont.)

In addition to the above mentioned retirement system, the State of Wisconsin administers an agent multiple-employer plan which covers 32 retired employees of the city police and fire departments. These individuals were covered by a private pension plan prior to the city joining the system. No new employees are added to the plan. The city's policy is to fund retirement contributions to meet current benefit payments of these retired employees (i.e. "pay as you go"). Contributions are not actuarially determined. The total cost for 2001 was approximately \$169,887. The total estimated unfunded pension-related debt of this plan is approximately \$989,834 as of December 31, 2001, all of which relates to retirees and beneficiaries currently receiving benefits. The rate of investment return is presently assumed to be 8%. The estimated remaining period of amortization is 12 years. This information is included in the above pension plan. The report can be obtained from the same address above.

NOTE 8 – CURRENT INTERFUND RECEIVABLES/PAYABLES AND ADVANCES

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	Special Revenue – Public Library	\$ 1,371
General	Special Revenue – City-County Health	183
General	Special Revenue – Home Grant	224,560
General	Enterprise – Public Transit	463,715
General	Enterprise – Hobbs Ice Center	20,490
Special Revenue – Public Library	Internal Service – Risk Management	98
Internal Service – Central Equipment	Special Revenue – Public Library	93
		<hr/>
Total		\$ 710,510

The current portion of advances to other funds are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Enterprise – Water Utility	\$ 242,218
General	Enterprise – Sewer Utility	26,225
General	Enterprise – Outdoor Pool	100,000
		<hr/>
Total		\$ 368,443

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
December 31, 2001

NOTE 9 – ADVANCES TO OTHER FUNDS

The general fund has made loans to several proprietary funds for capital construction projects and for collateral on a letter of credit. The current portion of advances is reported in the appropriate funds as "current portion of advances receivables" and "current portion of advances payables."

Receiving fund	Paying fund	Original Year	Original Amount	Rate	Final Maturity	Balance 12-31-01
General	Water Utility	1987	\$ 450,000	7.25%	2006	\$ 118,350
		1987	4,855,945	7.25%	2016	3,275,601
		1989	2,500,000	5.8-7.7%	2018	1,996,962
General	Sewer Utility	1990	1,200,000	7.25%	2020	1,005,773
General	Outdoor Pool	1990	1,700,000	6.0-8.5%	2009	975,000
Total advances to other funds			<u>\$ 10,705,945</u>			\$ 7,371,686
Less current portion						<u>(368,443)</u>
Advances to other funds less current portion						<u>\$ 7,003,243</u>

Annual repayment of principal and interest are made according to the following schedule:

	Water Utility Advances	Sewer Utility Advances	Municipal Pool Advances	Total
2002	\$ 638,051	\$ 99,144	\$ 164,892	\$ 902,087
2003	636,336	99,143	158,018	893,497
2004	634,634	99,143	151,093	884,870
2005	632,903	99,143	158,592	890,638
2006	631,188	99,144	160,192	890,524
2007-2011	3,029,006	495,719	482,359	4,007,084
2012-2016	2,345,087	495,718	-	2,840,805
2017-2020	423,356	396,575	-	819,931
	<u>8,970,561</u>	<u>1,883,729</u>	<u>1,275,146</u>	<u>12,129,436</u>
Less: Interest	<u>(3,579,648)</u>	<u>(877,956)</u>	<u>(300,146)</u>	<u>(4,757,750)</u>
Total Principal	<u>\$ 5,390,913</u>	<u>\$ 1,005,773</u>	<u>\$ 975,000</u>	<u>\$ 7,371,686</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 10 – INTERFUND TRANSFERS

OPERATING TRANSFERS

Operating transfers for the year ended December 31, 2001 consist of the following:

<u>Transferred to</u>	<u>Transferred from</u>	<u>Amount</u>
General	Special Revenue – Community Development	\$ 91,064
	Special Revenue – Community Enhancement	65,500
	Capital Projects – Landfill	5,000
Special Revenue		
Cemetery Maintenance	General	197,504
Economic Development	General	150,000
City-County Health	Special Revenue – Community Development	24,359
Debt Service		
	General	1,750,701
	Special Revenue – Storm Water Management	522,670
	Special Revenue – Public Library	135,176
Capital Projects		
Street Projects	General	1,100,000
Bridge Projects	General	175,000
Storm Sewer	Special Revenue – Storm Water Management	300,000
Storm Sewer	Special Revenue – Community Development	2,390
Buildings and Equipment	General	1,067,000
Buildings and Equipment	Special Revenue – Cemetery Maintenance	105,000
Buildings and Equipment	Special Revenue – Community Development	3,246
Parks and Recreation Projects	General	300,000
Parks and Recreation Projects	Special Revenue – Community Development	152,852
Parks and Recreation Projects	Special Revenue – Community Enhancement	81,100
Library Buildings & Equipment	Special Revenue – Public Library	116,800
Enterprise		
Public Transit	General	762,923
Hobbs Ice Center	General	114,534
Outdoor Pool	General	145,120
Component Units		
Redevelopment Authority	Special Revenue – Community Development	208,895
Redevelopment Authority	Special Revenue – Economic Development	202,340
Total		<u>\$ 7,779,174</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
December 31, 2001

NOTE 10 – INTERFUND TRANSFERS (cont.)

RESIDUAL EQUITY TRANSFERS

Residual equity transfers out for 2001 exceed similar transfers in by \$49,000 because of differing reporting focuses for proprietary and governmental fund types. Residual equity transfers from other funds are reported in the receiving proprietary funds as part of the increase in contributed capital, rather than as residual transfers in.

2001 residual equity transfers consist of the following:

Transferred From	Transferred To	Amount
General	Enterprise – Parking Utility	\$ 100,000
General	Enterprise – Public Transit	10,000
General	Enterprise – Hobbs Ice Center	85,000
General	Enterprise – Outdoor Pool	90,000
Special Revenue – Community Enhancement	Enterprise – Hobbs Ice Center	164,000
Internal Service – Risk Management	Capital projects – Environmental Improvements-Landfill	225,000
Internal Service – Risk Management	Capital projects – Storm Sewer	500,000
Enterprise – Sewer Utility	General	400,000
Residual equity total		<u>\$ 1,574,000</u>

NOTE 11 – DEFERRED REVENUE

Under the modified accrual basis of accounting, revenues are often measurable but not available to be used to pay liabilities in the current period. Amounts of this nature are reported as receivables and deferred revenue. Revenues collected in advance of the fiscal year to which they apply are also reported as deferred revenue. See Note 1.

The table below lists deferred revenue as of December 31, 2001:

General Fund:	
2001 tax levy available in 2002	\$ 17,563,893
Special assessment receivables	514,230
Accounts / notes receivable	914,390
Total General fund	<u>18,992,513</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 11 – DEFERRED REVENUE (cont.)

Special Revenue funds:	
Storm Water Management	
2001 tax levy available in 2002	\$ 48,341
Accounts receivable	92,317
Total Storm Water Management	<u>140,658</u>
Cemetery Maintenance	
Accounts receivable	5,000
Community Development -	
Notes receivable	2,908,514
Home Grant -	
Notes receivable	566,579
Economic Development -	
Notes receivable	1,658,897
Community Enhancement -	
Notes receivable	46,667
Public Library -	
2001 tax levy available in 2002	2,464,400
Accounts receivable	139,772
Total Public Library	<u>2,604,172</u>
City County Health	
2001 tax levy available in 2002	<u>1,291,300</u>
Total Special Revenue funds	<u>9,221,787</u>
Debt Service funds:	
2001 special assessment and tax levy available in future years.	<u>9,229,080</u>
Capital Project funds:	
2001 tax increment available in 2002	583,204
Special assessment receivables	93,117
Accounts receivable	29,659
Total Capital Project funds	<u>705,980</u>
Total Deferred Revenue	<u>\$ 38,149,360</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 12 – DESIGNATED FUND BALANCES

Designated fund balances as of December 31, 2001 includes the following items:

General Fund designated for		
Applied to the 2002 budget		\$ 1,947,871
Working capital		<u>3,700,000</u>
Total		<u>\$ 5,647,871</u>
Special Revenue Funds designated for		
Storm Water Management - Applied to 2002 budget		\$ 51,400
Hazardous Materials - Applied to 2002 budget		35,900
Economic Development - Economic development		1,045,230
Applied to 2002 budget		<u>620,000</u>
Community Enhancement - Applied to 2002 budget		65,700
Public Library - Future expenditures		60,500
- Capital projects		162,800
- Library trust funds		<u>52,557</u>
City-County Health - Future expenditures		89,165
Applied to 2002 budget		<u>108,342</u>
Total		<u>\$ 2,291,594</u>
Debt Service Funds designated for		
Debt Service - Applied to 2002 budget		<u>\$ 550,800</u>
Capital Project Funds designated for		
TIF #7 - Applied to 2002 budget		<u>\$ 61,700</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 13 – RESERVED FUND BALANCES/RETAINED EARNINGS

Reserved fund balances and retained earnings as of December 31, 2001 includes the following items:

General Fund	
Inventories	\$ 3,906
Prepaid items	323,929
Notes receivable	25,000
Advance to other funds	<u>7,003,243</u>
	<u>\$ 7,356,078</u>
Special Revenue Funds	
Prepaid items	\$ 28,458
Grant proceeds	<u>150,814</u>
Total	<u>\$ 179,272</u>
Debt Service Funds	
Debt service	<u>\$ 6,657,057</u>
Capital Projects Funds	
Capital contracts	\$ 1,652,284
Bond construction	<u>3,542,430</u>
Total	<u>\$ 5,194,714</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
December 31, 2001

NOTE 13 – RESERVED FUND BALANCES/RETAINED EARNINGS (cont.)

Enterprise Funds		
Water Utility – Debt service		\$ 674,140
Sewer Utility – Debt service		<u>299,773</u>
Total		<u>\$ 973,913</u>
Internal Service Funds		
Restricted assets		\$ 107,058
Deposit in insurance pools		<u>766,496</u>
Total		<u>\$ 873,554</u>

NOTE 14 – FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance 1-1-01	Adjustments and Transfers	Additions	Deletions	Balance 12-31-01
Land and improvements	\$ 16,893,459	\$ (4,224,841)	\$ 671,671	\$ 87,585	\$ 13,252,704
Buildings and improvements	10,656,001	924,056	1,070,191	10,000	12,640,248
Improvements and infrastructure	-	2,943,117	637,646	5,695	3,575,068
Machinery and equipment	6,027,406	(2,045,201)	1,904,148	320,513	5,565,840
Construction in progress	<u>1,798,572</u>	-	<u>4,554,744</u>	<u>1,798,572</u>	<u>4,554,744</u>
Totals	<u>\$ 35,375,438</u>	<u>\$ (2,402,869)</u>	<u>\$ 8,838,400</u>	<u>\$ 2,222,365</u>	<u>\$ 39,588,604</u>

The above adjustments and transfers of fixed assets during the year are due to a change in the city's capitalization policy, and a change in the way the city categorizes fixed assets.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 15 – DEFICIT BALANCES

Special Revenue Fund

The Home Grant fund reflects a negative fund balance of \$368,744 as of December 31, 2001. As explained in more detail in Note 11, deferred revenue which offsets the fund deficit at that date is \$566,579.

Enterprise Funds

The Parking Utility, Hobbs Ice Center and the Outdoor Pool reflect negative retained earnings balances for the year ended December 31, 2001. Operations of these facilities are subsidized by the General fund based on the annual loss before depreciation. Subsidies for capital purchases are recorded as contributions.

Information for 2001 is as follows:

<u>Fund</u>	<u>Deficit Retained Earnings</u>	<u>Operating Subsidy</u>	<u>External Contribution and Municipal Contributions</u>
Parking Utility	\$ 1,275,224	\$ -	\$ 4,949,991
Hobbs Ice Center	1,145,044	114,534	2,466,547
Outdoor Pool	300,618	145,120	799,088

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 16 – SEGMENTS OF ENTERPRISE ACTIVITIES

The city maintains six enterprise funds. Segment information as of and for the year ended December 31, 2001, is presented below (in thousands of dollars):

	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Parking Utility</u>	<u>Public Transit</u>	<u>Hobbs Ice Center</u>	<u>Outdoor Pool</u>	<u>Total All Funds</u>
Operating revenues	\$ 6,460	\$ 5,721	\$ 226	\$ 474	\$ 323	\$ 212	\$ 13,416
Depreciation and amortization expense	1,213	1,077	150	236	72	46	2,794
Operating income (Loss)	1,314	930	(145)	(3,019)	(186)	(120)	(1,226)
Subsidies from other governments	-	-	-	2,991	-	-	2,991
Operating transfers in	-	-	-	763	115	145	1,023
Increase (decrease) in retained earnings	1,421	1,973	(148)	725	(47)	(67)	3,857
Capital contributions							
External contributions	646	905	-	-	25	-	1,576
Municipal contributions	-	(400)	100	10	249	90	49
Additions to fixed assets	1,686	71	188	1,235	342	-	3,522
Retirements of fixed assets	104	48	21	648	21	29	871
Net working capital (deficit)	4,103	8,985	243	196	57	(87)	13,497
Total assets	52,905	52,883	3,692	3,400	1,375	1,477	115,732
Long-term liabilities	14,803	4,709	-	-	-	875	20,387
Total equity	36,803	47,288	3,675	2,687	1,322	498	92,273
Payment to city in lieu of taxes	1,038	-	-	-	-	-	1,038

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 17 – COMMITMENTS AND CONTINGENCIES

Funding for the operating budget of the city comes from many sources, including property taxes, grants and aids from other units of government, user fees, fines and permits, and other miscellaneous revenues. The State of Wisconsin provides a variety of aid and grant programs which benefit the city. Those aid and grant programs are dependent on continued approval and funding by the Wisconsin governor and legislature, through their budget processes. The State of Wisconsin is currently experiencing budget problems, and is considering numerous alternatives including reducing aid to local governments. Any changes made by the State to funding or eligibility of local aid programs could have a significant impact on the future operating results of the city.

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.

At December 31, 2001, 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 reservations of retained earnings have been made for the proprietary fund amounts.

<u>Capital Projects</u>	
Street Projects	\$ 1,028,179
Storm Water Projects	9,802
Bridge Projects	118,354
Buildings and Equipment	222,741
Parks and Recreation Projects	231,983
Library Buildings & Equipment	41,225
Total Committed Construction	<u>\$ 1,652,284</u>

<u>Proprietary Funds</u>	
Water Utility	\$ 8,262
Sewer Utility	2,574
Public Transit	1,896
Hobbs Ice Center	399
Outdoor Pool	439
Risk Management	4,750
Central Equipment	28,953
Total Committed Construction	<u>\$ 47,273</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS

December 31, 2001

NOTE 18 – RISK MANAGEMENT

The city is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, worker's compensation, health care of its employees, and natural disaster. There have been no significant reductions in insurance coverage during the past year, and no settlements in excess of insurance coverage in any of the prior three fiscal years. The city's risks have been addressed in the following ways:

Commercial Insurance

Employee health, property damage, and boiler insurance are purchased from commercial insurance companies.

Self-Insurance

The city self-insures its workers' compensation exposure for the first \$250,000 of each occurrence, with an annual aggregate of \$1,000,000. A commercial stop loss policy was purchased to cover single losses in excess of \$250,000. Settled claims have not exceeded the commercial coverage in any of the past three years.

The Risk Management Internal Service fund is used to account for and finance uninsured risks and to purchase excess insurance coverage. All funds participate in the insurance program and make payments to the Risk Management fund based on historical cost estimates of amounts needed to pay prior and current year claims.

The unpaid claims liability of \$1,265,894 at December 31, 2001 is based on GASB Statement Number 10 which requires that a liability for claims be reported if information prior to the issuance of the financial reports indicates that it is probable that a liability has been incurred and the amount of loss can reasonably be estimated. The liability is based on actuarial estimates of the present value of unpaid losses and includes both current claims payable and incurred but not reported (IBNR) claims. The liability at year end of \$1,265,894 includes \$633,300 of potential workers compensation claims and \$632,594 for potential liability claims. Changes in unpaid claims liabilities in the five most recent years were:

Fiscal Year	Beginning of Year	Current Year Claims and Changes in Estimates	Claims Payments	Balance at Year-end
1997	\$ 1,870,989	\$ (99,507)	\$ (436,269)	\$ 1,335,213
1998	1,335,213	488,414	(398,885)	1,424,742
1999	1,424,742	715,117	(500,533)	1,639,326
2001	1,639,326	551,043	(637,516)	1,552,853
2002	1,552,853	510,313	(797,272)	1,265,894

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 18 – RISK MANAGEMENT (cont.)

PUBLIC ENTITY RISK POOLS

Transit Mutual Insurance Corporation of Wisconsin (TMICOW)

The Transit Mutual Insurance Corporation of Wisconsin is a joint venture of 21 Wisconsin municipalities which have joined together for the managing and funding of the first party property losses and third party liability claims of its member municipalities mass transit funds.

In 2001, the TMICOW is protected by a \$1,250,000 self-insurance policy. In addition to the TMICOW protection, the city, combined together with other members of Wisconsin Municipal Transit Insurance Commission, are covered by a \$5,000,000 excess insurance policy issued by General Reinsurance Corporation effective January 1, 2001 through January 1, 2003.

Management 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 agency beyond its representation on the board of directors.

Initial contributions are determined in advance of each membership year. 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 membership year. Members have a contractual obligation to fund any deficit attributable to a membership year during which they were a member. The city's share of this operation is 4.56%. A list of the other members and their share of participation is available in the TMICOW report which is available from TMICOW, P.O. Box 1722, Appleton, WI 54912-1772.

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 or \$300,000 aggregate for years 1988-94 and \$200,000 or \$500,000 aggregate for years 1995-97, and \$200,000 or \$400,000 aggregate in 1999 and 2001, with an annual cap of \$5 million. The policy is non-assessable, 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 4.27%.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 19 – DUTY DISABILITY PLAN

The Wisconsin Retirement System also manages a duty disability plan under Section 40.65 of the Wisconsin Statutes. This plan pays lifetime disability benefits to police and fire employees who sustain on-the-job injuries that prevent them from continuing employment. The costs of this program are charged to the city as a percent of current police and fire wages. In 2001, 15 former employees participated in the program at a cost of \$640,310. The estimated present value of future costs for this program is \$3,687,444.

Under an earlier provision of the law, employers were directly responsible for the administration of duty disability payments. During 2001, three former employees were paid a total of \$27,980. The estimated present value of future costs of these benefits is \$278,021.

NOTE 20 – CONTINGENT LIABILITIES

The city had the usual and customary types of miscellaneous claims pending at year end. At the present time, there is no significant litigation pending regarding a medical clinic in the city. The clinic alleges that its properties are tax exempt because they are used exclusively for benevolent purposes or for the purposes of medical research, education, and charity care. Should there be an unfavorable outcome, the city would be responsible for the repayment of past taxes paid by the clinic plus interest. This liability would total approximately \$250,000.

The city owned and operated a landfill in the Town of Union which closed in 1978. Tests have detected volatile organic compounds in the vicinity. The city is currently working with other potentially responsible parties (PRP's) and the Wisconsin Department of Natural Resources to determine the extent of contamination and the appropriate remedial action. Ultimate cleanup cost estimates are not available; however, it is expected to exceed several million dollars. The city's share of these costs has not been determined but it is likely that it will share in these costs.

NOTE 21 – OTHER POSTEMPLOYMENT BENEFITS

In addition to providing pension benefits, the city provides certain contractually defined health care benefits for retired employees. Substantially all of the city's permanent employees may become eligible to receive an employer paid health care retirement benefit. 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 sixty-five.

The cost of retiree health care benefits is recognized as an expenditure in the General fund as premiums are paid. During 2001, \$297,970 was paid on behalf of 66 retired employees.

As of December 31, 2001 the estimated present value of future costs to provide retiree health care benefits for current participants is \$1,725,419. The liability is reflected in the general long-term obligation account group and will be adjusted annually based on estimated health care costs and actual levels of participation.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 22 – CONTRIBUTED CAPITAL

Changes in contributed capital of the enterprise funds for the year ended December 31, 2001 follow (in thousands of dollars):

	Water Utility	Sewer Utility	Parking Utility	Public Transit	Hobbs Ice Center	Municipal Pool	Total All Funds
Contributed capital – January 1, 2001	\$ 20,839	\$ 28,249	\$ 4,850	\$ 2,228	\$ 2,218	\$ 709	\$ 59,093
Additions:							
Municipality	-	-	100	10	249	90	449
Reduction:							
Repayment to municipality	-	(400)	-	-	-	-	(400)
Contributed capital – December 31, 2001	<u>\$ 20,839</u>	<u>\$ 27,849</u>	<u>\$ 4,950</u>	<u>\$ 2,238</u>	<u>\$ 2,467</u>	<u>\$ 799</u>	<u>\$ 59,142</u>

Contributed capital of the internal service funds did not change during 2001.

NOTE 23 – RELATED PARTIES

Gateway Industrial Park Corporation (Gateway), a Wisconsin non-stock, non-profit 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, and the Eau Claire Area Industrial Development Corporation each appoint one director.

In April, 1991, the city, Xcel, 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, 2001, the outstanding loans under the agreement were \$1,100,000, of which \$550,000 was due the city. Total interest earned by the city was \$55,818 for the year ended December 31, 2001.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 24 – RECONCILIATION FOR UNBUDGETED FUNDS

Budgets have been adopted for the special revenue funds and a comparison of actual to budget for these funds are presented in the combined statement of revenues, expenditures and changes in fund balances – actual and budget of the general purpose financial statements. Fixed annual budgets have not been adopted for the Community Development fund and Home Grant fund.

A reconciliation of the combined statement of revenues, expenditures and changes in fund balances – actual and budget to the combined statement of revenues, expenditures, and changes in fund balances – all governmental fund types is as follows:

	Special Revenue Funds
Excess of revenues and other sources over expenditures and other uses (budgeted)	\$ 611,425
Community Development (unbudgeted)	7,292
Home Grant (unbudgeted)	<u>(333,876)</u>
 Excess of Revenues and Other Sources Over Expenditures and Other Uses (all funds)	 <u>\$ 284,841</u>

NOTE 25 – COMPONENT UNITS

This report contains the Eau Claire Housing Authority (Housing Authority), Eau Claire Redevelopment Authority (RDA), and three Business Improvement Districts (Downtown, West Grand and Water Street), which are included as component units. Financial information is presented as a discrete column in the combined balance sheet, combined statement of revenues, expenditures and changes in fund balance, combined statement of revenues, expenses, and changes in retained earnings, and combined statement of cash flows.

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

Housing Authority

a. Basis of Accounting

The Housing Authority prepares its financial statements in accordance with generally accepted accounting principles. The accounting records are kept on the accrual method of accounting.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 25 – COMPONENT UNITS (cont.)

b. Measurement Focus

The measurement focus of the Housing Authority is the flow of economic resources concept. Under this concept, revenues and expenses are matched using the accrual basis of accounting. All fixed assets are capitalized at historical cost and depreciated over their useful lives.

c. Cash and Investments

The Housing Authority's investments are categorized to give an indication of the level of risk assumed by the entity at year end. The specific categories are as follows:

1. Insured or registered, or securities held by the Housing Authority or its agent in the Housing Authority's name.
2. Uninsured and unregistered, with securities held by the financial institution's trust department or agent in the Housing Authority's name.
3. Uninsured and unregistered, with securities held by the financial institution, or by its trust department or agent but not in the Housing Authority's name.

The following table summarizes risk and fair value of investments as of December 31, 2001.

	Category 1	Category 2	Category 3	Balance	Carrying Amount
U.S. Government Securities	\$ -	\$ -	\$ 1,261,322	\$ 1,261,322	\$ 1,260,425
Total	\$ -	\$ -	\$ 1,261,322		
Cash with escrow agent (pooled funds)				2,195,427	2,195,427
Petty Cash				1,105	1,105
Total investments and petty cash				\$ 3,457,854	\$ 3,456,957

The Housing Authority had no significant type of investment during the year not included in the schedule above. Investments are stated at fair value.

At year end all deposits with a carrying value of \$511,167 and a bank balance of \$565,657 were insured by the FDIC or covered by perfected collateral pledges. Deposits in each local and area bank are insured by the FDIC in the amount of \$100,000 for all interest bearing accounts and \$100,000 for all non-interest bearing accounts. Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may not be significant to individual entities. This coverage has been considered in computing the insured amounts above. Fluctuating cash flows during the year due to receipt of grants and/or proceeds from borrowing may have resulted in temporary balances exceeding insured amounts by substantially higher amounts.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 25 – COMPONENT UNITS (cont.)

d. Restricted Assets

Restricted assets at December 31, 2001 consist of the following:

Cash and cash equivalents – equipment replacement	<u>\$ 2,195,427</u>
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e. Property, Plant and Equipment

Property, plant and equipment are recorded at historical cost, which includes materials and labor. Donated property, plant and equipment are recorded at fair value on date of donation.

A summary of property, plant and equipment in service and useful live is as follows:

	Balance 12/31/01	Years
Land	\$ 1,331,923	N/A
Land improvements	802,219	15 – 20
Buildings	13,064,289	20 – 40
Machinery and equipment	525,929	5 – 15
Sub-Total	15,724,360	
Less: Accumulated depreciation	(4,212,126)	
Total	<u>\$ 11,512,234</u>	

f. Long-term debt of the Housing Authority is as follows:

The Housing Authority notes payable are secured by a first pledge of the annual contributions payable to the Housing Authority, pursuant to an Annual Contributions Contract between the Housing Authority and the United States and by a lien on all revenues of the Housing Authority's Low Income Program. The Housing Authority notes are not a general obligation of the city nor are they guaranteed by the city.

Owen Rust Memorial Apartments fund	Series 1993 Housing refunding revenue bonds, \$295,000 face value, payable in semiannual installments including interest at 2.80-5.25% through December 1, 2010.	<u>\$ 180,000</u>
Sub-rehab fund	1982 Note, payable to the City of Eau Claire Community Development Block Grant Program, requires monthly installment of \$777, including principal and interest at 5%, and is due February 1, 2010.	<u>61,653</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 25 – COMPONENT UNITS (cont.)

f. Long-term debt of the Housing Authority (cont.)

Park Towers Apartments fund	1992 Note, payable to the City of Eau Claire Community Development Block Grant Program, is non-interest bearing and due on demand should certain conditions be met.	\$ 195,462
	1991 Note, payable to the City of Eau Claire Community Development Block Grant Program, is unsecured, non-interest bearing, and due on demand.	63,000
	Mortgage note payable to WHEDA requires monthly installments of \$31,434, including interest at 7.53%, through March 2010 and is secured by the project real estate.	<u>2,312,657</u>
Total Park Towers Apartment fund		<u>2,571,119</u>
Large Family Housing fund	1991 Note, payable to the City of Eau Claire Community Development Block Grant Program, is non-interest bearing and due on demand should certain conditions be met.	<u>331,641</u>
Transitional Housing fund	1996 Note, payable to the City of Eau Claire Community Development Block Grant Program, is non-interest bearing and due on demand should certain conditions be met.	<u>150,000</u>
Total notes payable		<u>3,114,413</u>
Total long-term debt		<u>\$ 3,294,413</u>

As of December 31, 2001, long-term debt mature as follows:

	Principal	Interest
2002	\$ 231,594	\$ 179,386
2003	248,307	161,885
2004	271,315	143,090
2005	290,717	122,638
2006	311,622	101,733
2007 – 2010	<u>1,200,755</u>	<u>155,973</u>
Total	<u>2,554,310</u>	<u>864,705</u>
Demand notes with no set payment schedule	<u>740,103</u>	-
Total	<u>\$ 3,294,413</u>	<u>\$ 864,705</u>

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 25 – COMPONENT UNITS (cont.)

f. Long-term debt of the Housing Authority (cont.)

In 1996, the HUD Projects Fund was amended to reflect the intent of the federal legislation. However, the Housing Authority has not amended its annual contributions contract with HUD to complete the process necessary for debt forgiveness. In 1991, HUD reported that \$7,907,578 of principal and interest had been forgiven and removed from the HUD security ledger. At December 31, 1995 HUD still shows HUD project notes, other debt and accrued interest outstanding.

Redevelopment Authority

a. Basis of Accounting

The RDA prepares its financial statements in accordance with generally accepted accounting principles. The accounting records are kept on the accrual basis of accounting.

b. Measurement Focus

The measurement focus of the RDA is the flow of economic resources concept. Under this concept, revenues and expenses are matched using the accrual basis of accounting. All fixed assets are capitalized at historical cost and depreciated over their useful lives.

c. Cash and Investments

At year end, the RDA deposits were \$327,182 which was commingled with the city's cash and investments. The entire balance was insured by the FDIC or covered by perfected collateral pledges.

d. Long-term debt

The RDA has a note payable which is due to the City of Eau Claire at no interest.

	Balance 1/1/01	Increase	Decrease	Balance 12/31/01
2001 Promissory notes original amount \$11,240. Due in 2005. No interest.	\$ 11,240	-	-	\$ 11,240

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 25 – COMPONENT UNITS (cont.)

e. Property, Plant and Equipment

Property, plant and equipment are stated at the original cost, which includes materials, labor, overhead costs and an allowance for funds used during construction when significant.

Depreciation expense is computed at straight-line rates over the estimated useful lives of the assets.

A summary of property, plant and equipment in service and useful lives are as follows:

	Balance	Useful Lives
Land	\$ 1,214,938	N/A
Construction in progress	6,076	N/A
Total	\$ 1,221,014	

Business Improvement Districts

a. Cash

At year end, the Business Improvement District (BID) deposits were commingled with the city's cash and investments. The balances were insured by the FDIC or covered by perfected collateral pledges.

Downtown	\$ 24,394
West Grand	\$ 7,696
Water Street	\$ 33,655

b. Measurement Focus

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 deferred revenue or a reservation of fund equity. Liabilities for claims, and judgments which will not be currently liquidated using expendable available financial resources are shown in the general long-term obligations account group. The related expenditures are recognized when the liabilities are liquidated.

c. Basis of Accounting

The business improvement districts prepare their financial statements in accordance with generally accepted accounting principles as applied to governmental units. The accounting records are kept on the modified accrual basis of accounting.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 26 – TAX INCREMENTAL FINANCING DISTRICTS

The city currently maintains separate debt service and capital projects funds accounts for four Tax Incremental Financing Districts (TID) created in prior years in accordance with Section 66.1105 of the Wisconsin Statutes. At the time the districts were created, the property tax base within each district was "frozen" and subsequent incremental taxes resulting from any increases to the property tax base are available to finance district improvements, including principal and interest on debt issued by the city to finance such improvements. All eligible project expenditures for the districts are made from capital projects funds and must be incurred within ten years for districts created prior to October 1, 1995, and seven years for districts created thereafter. 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. Unless terminated by the city prior thereto, TID No. 4 must be terminated after 27 years, and TID No. 5, 6, and 7 must be terminated after 23 years.

	Creation Date	Expenditure Deadline	Termination Year
TID No. 4	1992	2002	2018
TID No. 5	1997	10/08/03	10/08/19
TID No. 6	1997	01/28/04	01/28/20
TID No. 7	1997	03/17/04	03/17/20

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

The following table summarizes the project and expenditures from creation of the districts through December 31, 2001.

Project Costs	TIF #4	TIF #5	TIF #6	TIF #7
Capital expenditures	\$ 7,065,706	\$ 2,573,800	\$ 1,053,502	\$ 1,253,704
Interest and fiscal charges	1,944,679	408,911	193,818	363,684
Bond issuance costs	62,670	4,880	2,160	5,710
Total project costs	9,073,055	2,987,591	1,249,480	1,623,098
Project Revenues				
Tax increments	6,732,914	130,322	168,513	97,189
Interest income & Misc. Revenue	1,004,059	142,290	61,403	179,099
Special Assessments Revenue	-	-	120,066	-
Total revenue	7,736,973	272,612	349,982	276,288
Net recoverable costs	\$ 1,336,082	\$ 2,714,979	\$ 899,498	\$ 1,346,810

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 27 – EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) recently approved Statement Nos. 34, 37, and 38. These Statements require significant changes from the current method of financial reporting for all state and local governments in the United States. GASB Statement No. 34, *Basic Financial Statements-and Management Discussion and Analysis-for State and Local Governments: Statement No.*, 37, *Basic Financial Statements-and Management Discussion and Analysis-for State and Local Governments: Omnibus*; and Statement No. 38, *Certain Financial Statement Note Disclosures* are effective for the city for the fiscal year beginning on January 1, 2003. These Statements require retroactive application of certain accounting and reporting standards, which may restate portions of these financial statements.

NOTE 28 – ADOPTION OF NEW ACCOUNTING STANDARDS

On January 1, 2001, the City of Eau Claire adopted the provisions of Governmental Accounting Standards Board Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. This statement requires that proprietary fund type capital contributions from external parties be presented as revenues beginning in 2001. The balance in Customer Contributions for Construction and Grants reflects the accumulated contributions until adoption of Statement No. 33. This balance will reflect the accumulated contributions until adoption of Statement No. 34. This balance will remain until the city adopts Governmental Accounting Standards Board Statement No. 34, effective for the city on January 1, 2003, when it will become part of the Net Assets section.

General Fund

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.

CITY OF EAU CLAIRE
GENERAL FUND
COMPARATIVE BALANCE SHEET
December 31, 2001 and 2000

	<u>2001</u>	<u>2000</u>
<i>ASSETS</i>		
Cash and short term investments	\$ 7,658,825	\$ 8,252,183
Receivables:		
Taxes:		
Current	17,788,991	16,104,995
Delinquent personal property	<u>60,559</u>	<u>57,474</u>
Total taxes	<u>17,849,550</u>	<u>16,162,469</u>
Accounts	1,116,067	858,844
Interest	78,738	594,886
Special assessments:		
Installment	228,573	450,595
Deferred	<u>-</u>	<u>71,641</u>
Total special assessments	<u>228,573</u>	<u>522,236</u>
Total receivables	19,272,928	18,138,435
Due from other funds	710,319	54,640
Due from other governments	114,212	681,336
Interfund receivable	368,443	341,762
Inventories, at cost	3,906	7,674
Prepayments	323,929	140,727
Notes receivable	27,166	28,157
Advance to other funds	<u>7,003,243</u>	<u>7,371,686</u>
Total assets	<u>\$ 35,482,971</u>	<u>\$ 35,016,600</u>

	<u>2001</u>	<u>2000</u>
<i>LIABILITIES AND FUND BALANCE</i>		
Liabilities:		
Accounts payable	\$ 340,539	\$ 1,364,302
Accrued liabilities	1,304,282	576,409
Customer deposits	259,244	75,887
Due to other governments	25,000	40,582
Due to component unit	67,344	17,355
Deferred revenue	<u>18,992,513</u>	<u>17,318,589</u>
 Total liabilities	 <u>20,988,922</u>	 <u>19,393,124</u>
Fund balance:		
Reserved:		
For stores inventory	3,906	7,674
For prepayments	323,929	140,727
For notes receivable	25,000	25,000
For advances to other funds	<u>7,003,243</u>	<u>7,371,686</u>
 Total reserved	 <u>7,356,078</u>	 <u>7,545,087</u>
Unreserved:		
Designated:		
For working capital	3,700,000	3,700,000
For subsequent year expenditures	<u>1,947,871</u>	<u>2,103,373</u>
 Total designated	 <u>5,647,871</u>	 <u>5,803,373</u>
 Undesignated	 <u>1,490,100</u>	 <u>2,275,016</u>
 Total unreserved	 <u>7,137,971</u>	 <u>8,078,389</u>
 Total fund balance	 <u>14,494,049</u>	 <u>15,623,476</u>
 Total liabilities and fund balance	 <u>\$ 35,482,971</u>	 <u>\$ 35,016,600</u>

CITY OF EAU CLAIRE

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL Year Ended December 31, 2001 With Comparative Actual Totals for Year Ended December 31, 2000

	2001		Variance - Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Revenues:				
Taxes	\$ 17,131,900	\$ 17,116,955	\$ (14,945)	\$ 15,699,257
Special assessments	340,000	299,098	(40,902)	426,202
Intergovernmental	12,836,400	12,957,091	120,691	14,144,016
Licenses and permits	1,096,300	1,295,042	198,742	1,632,587
Fines and forfeitures	453,000	552,751	99,751	525,920
Charges for services	1,101,400	1,394,452	293,052	861,967
Charges for services - intergovernmental	2,083,500	2,071,195	(12,305)	1,944,715
Miscellaneous	1,673,400	2,238,540	565,140	2,194,685
Total revenues	36,715,900	37,925,124	1,209,224	37,429,349
Expenditures:				
Current:				
General government	5,416,000	5,298,658	117,342	5,105,637
Public works	7,088,000	6,892,814	195,186	7,681,125
Parks and recreation	3,691,900	3,672,550	19,350	3,330,338
Public safety	17,469,700	17,469,667	33	16,306,919
Miscellaneous	499,400	441,616	57,784	503,487
Total expenditures	34,165,000	33,775,305	389,695	32,927,506
Excess of revenues over expenditures	2,550,900	4,149,819	1,598,919	4,501,843
Other financing sources (uses):				
Transfers from other funds	178,000	161,564	(16,436)	147,889
Transfers to other funds	(6,109,300)	(5,762,782)	346,518	(5,453,252)
Sale of capital assets	10,000	206,972	196,972	240,758
Total other financing sources (uses)	(5,921,300)	(5,394,246)	527,054	(5,064,605)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(3,370,400)	(1,244,427)	2,125,973	(562,762)
Fund balance at beginning of year	15,623,476	15,623,476	-	15,994,748
Residual equity transfers in	400,000	400,000	-	450,000
Residual equity transfers out	(285,000)	(285,000)	-	(258,510)
Fund balances at end of year	\$ 12,368,076	\$ 14,494,049	\$ 2,125,973	\$ 15,623,476

CITY OF EAU CLAIRE

GENERAL FUND
 SCHEDULE OF REVENUES AND OTHER
 FINANCING SOURCES-BUDGET AND ACTUAL
 Year Ended December 31, 2001 With Comparative
 Actual Totals for Year Ended December 31, 2000

	2001		Variance - Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Taxes:				
Real and personal property	\$ 15,722,800	\$ 15,719,775	\$ (3,025)	\$ 14,308,548
Mobile home fees	75,000	77,269	2,269	92,494
Payment in lieu of taxes:				
Water	1,075,000	1,065,032	(9,968)	1,026,345
Other	257,100	249,820	(7,280)	269,062
Interest on delinquent personal property taxes	2,000	5,059	3,059	2,808
Total taxes	17,131,900	17,116,955	(14,945)	15,699,257
Special assessments:				
Current	300,000	267,371	(32,629)	394,067
Installment	40,000	31,727	(8,273)	32,135
Total special assessments	340,000	299,098	(40,902)	426,202
Intergovernmental:				
Federal aid	44,800	53,408	8,608	269,245
State aid:				
Shared taxes	8,375,600	8,338,025	(37,575)	8,816,341
Municipal services	550,000	641,810	91,810	543,328
Utility tax	210,000	203,897	(6,103)	181,736
Local streets	2,547,200	2,547,203	3	2,547,203
Expenditure restraint program	754,700	754,689	(11)	716,146
Fire insurance	85,000	92,435	7,435	84,417
Underground tank inspections	15,000	20,659	5,659	11,216
Other	254,100	304,965	50,865	859,757
County aid	-	-	-	114,627
Total intergovernmental	12,836,400	12,957,091	120,691	14,144,016
Licenses and Permits:				
Television franchise	568,000	673,604	105,604	973,591
Licenses	183,300	215,990	32,690	183,058
Permits	345,000	405,448	60,448	475,938
Total licenses and permits	1,096,300	1,295,042	198,742	1,632,587

CITY OF EAU CLAIRE

GENERAL FUND SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES-BUDGET AND ACTUAL (cont'd) Year Ended December 31, 2001 With Comparative Actual Totals for Year Ended December 31, 2000

	2001		Variance - Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Fines and forfeitures:				
Parking violation fines	\$ 200,000	\$ 264,768	\$ 64,768	\$ 217,447
County court fines	250,000	282,628	32,628	303,885
Other fines or forfeitures	3,000	5,355	2,355	4,588
Total fines and forfeitures	453,000	552,751	99,751	525,920
Charges for services:				
General government	15,700	14,122	(1,578)	18,011
Police and fire	814,200	1,026,929	212,729	511,921
Public works	20,100	32,365	12,265	24,022
Parks and recreation	251,400	321,036	69,636	308,013
Total charges for services	1,101,400	1,394,452	293,052	861,967
Charges for services - intergovernmental:				
Communication center reimbursement	906,800	899,788	(7,012)	827,850
Storm water management charge	265,000	264,996	(4)	251,796
Sewer utility charge	314,800	314,796	(4)	299,532
Water utility service charge	421,000	420,948	(52)	401,256
Other service charges	175,900	170,667	(5,233)	164,281
Total charges for services - intergovernmental	2,083,500	2,071,195	(12,305)	1,944,715
Miscellaneous:				
Investment income:				
Investment interest	1,000,000	1,106,473	106,473	1,431,972
Interest on advance to other funds	558,400	558,526	126	585,076
Interest on special assessments	35,000	43,066	8,066	56,152
Other interest	2,600	244	(2,356)	2,068
Total investment income	1,596,000	1,708,309	112,309	2,075,268
Rental:				
Rental of dam	45,000	61,530	16,530	48,508
Rental of land and buildings	15,000	28,224	13,224	35,169
Total rental	60,000	89,754	29,754	83,677

CITY OF EAU CLAIRE

GENERAL FUND
 SCHEDULE OF REVENUES AND OTHER
 FINANCING SOURCES-BUDGET AND ACTUAL (cont'd)
 Year Ended December 31, 2001 With Comparative
 Actual Totals for Year Ended December 31, 2000

	2001		Variance - Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Other:				
Refunds of prior years expenditures	\$ -	\$ 1,120	\$ 1,120	\$ 2,533
Other reimbursements and refunds	17,400	439,357	421,957	33,207
Total other	17,400	440,477	423,077	35,740
Total miscellaneous	1,673,400	2,238,540	565,140	2,194,685
Total revenues	36,375,900	37,626,026	1,250,126	37,003,147
Other financing sources:				
Transfers from other funds	178,000	161,564	(16,436)	147,889
Sale of capital assets	10,000	206,972	196,972	240,758
Total other financing sources	188,000	368,536	180,536	388,647
Total revenues and other financing sources	\$ 36,563,900	\$ 37,994,562	\$ 1,430,662	\$ 37,391,794

CITY OF EAU CLAIRE

GENERAL FUND
 SCHEDULE OF EXPENDITURES AND OTHER
 FINANCING USES-BUDGET AND ACTUAL
 Year Ended December 31, 2001 With Comparative
 Actual Totals for Year Ended December 31, 2000

	2001		Variance - Favorable (Unfavorable)	2000
	Budget	Actual		Actual
General government:				
City council	\$ 137,600	\$ 135,273	\$ 2,327	\$ 138,999
Administrative services	358,400	360,875	(2,475)	338,259
Information services	554,500	540,659	13,841	520,547
Legal	389,000	331,511	57,489	358,285
Finance:				
Administration	238,800	254,652	(15,852)	230,447
Accounting	524,900	526,408	(1,508)	507,084
Assessing	473,800	450,490	23,310	452,397
Customer services	742,900	674,560	68,340	697,704
Total finance	<u>1,980,400</u>	<u>1,906,110</u>	<u>74,290</u>	<u>1,887,632</u>
Human resources:				
Purchasing	219,200	212,668	6,532	228,704
Personnel administration	433,800	439,715	(5,915)	402,919
Total human resources	<u>653,000</u>	<u>652,383</u>	<u>617</u>	<u>631,623</u>
Planning and development:				
Community planning	459,500	448,709	10,791	395,690
Inspection and zoning	577,300	583,271	(5,971)	536,342
Total planning and development	<u>1,036,800</u>	<u>1,031,980</u>	<u>4,820</u>	<u>932,032</u>
Insurance and retirement:				
Liability and health insurance	275,000	308,629	(33,629)	267,022
Disability settlement	31,300	31,238	62	31,238
Total insurance and retirement	<u>306,300</u>	<u>339,867</u>	<u>(33,567)</u>	<u>298,260</u>
Total general government	<u>5,416,000</u>	<u>5,298,658</u>	<u>117,342</u>	<u>5,105,637</u>

CITY OF EAU CLAIRE

GENERAL FUND SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES-BUDGET AND ACTUAL (cont'd) Year Ended December 31, 2001 With Comparative Actual Totals for Year Ended December 31, 2000

	2001		Variance - Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Public works:				
Administration	\$ 286,500	\$ 296,369	\$ (9,869)	\$ 277,968
Operations	5,411,600	5,302,319	109,281	5,120,288
Engineering	1,389,900	1,294,126	95,774	2,282,869
Total public works	7,088,000	6,892,814	195,186	7,681,125
Parks and recreation:				
Administration	294,600	282,265	12,335	268,744
Park maintenance	2,147,400	2,179,222	(31,822)	1,968,653
Forestry	410,200	412,610	(2,410)	359,167
Recreation and playgrounds	839,700	798,453	41,247	733,774
Total parks and recreation	3,691,900	3,672,550	19,350	3,330,338
Public safety:				
Police:				
Administration	497,000	466,545	30,455	435,146
Administrative services	1,281,200	1,286,501	(5,301)	1,067,857
Patrol services	5,813,800	5,720,274	93,526	5,514,140
Investigative services	1,499,500	1,638,465	(138,965)	1,390,181
Central communications	1,132,500	1,112,178	20,322	1,029,726
Total police	10,224,000	10,223,963	37	9,437,050
Fire:				
Administration	504,700	426,595	78,105	446,934
Suppression and rescue	6,441,100	6,522,907	(81,807)	6,148,874
Prevention and inspection	299,900	296,202	3,698	274,061
Total fire	7,245,700	7,245,704	(4)	6,869,869
Total public safety	17,469,700	17,469,667	33	16,306,919

CITY OF EAU CLAIRE

GENERAL FUND
 SCHEDULE OF EXPENDITURES AND OTHER
 FINANCING USES-BUDGET AND ACTUAL (cont'd)
 Year Ended December 31, 2001 With Comparative
 Actual Totals for Year Ended December 31, 2000

	2001		Variance - Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Miscellaneous:				
Payments to other organizations	\$ 318,400	\$ 315,512	\$ 2,888	\$ 258,808
Contractual services	55,200	32,057	23,143	21,800
Insurance	28,600	28,600	-	28,600
Special assessments	97,200	65,447	31,753	194,279
Total miscellaneous	<u>499,400</u>	<u>441,616</u>	<u>57,784</u>	<u>503,487</u>
Total expenditures	<u>34,165,000</u>	<u>33,775,305</u>	<u>389,695</u>	<u>32,927,506</u>
Other financing uses:				
Transfers to other funds:				
Special revenue fund	363,600	347,504	16,096	389,638
Debt service fund	1,998,000	1,750,701	247,299	1,588,345
Capital project funds	2,642,000	2,642,000	-	2,790,000
Proprietary funds	1,105,700	1,022,577	83,123	685,269
Total other financing uses	<u>6,109,300</u>	<u>5,762,782</u>	<u>346,518</u>	<u>5,453,252</u>
Total expenditures and other financing uses	<u>\$ 40,274,300</u>	<u>\$ 39,538,087</u>	<u>\$ 736,213</u>	<u>\$ 38,380,758</u>

Special Revenue Funds

The **Storm Water Management** fund was created to comply with DNR storm water discharge permit regulations and to account 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 **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 5-year grant from the State of Wisconsin to provide emergency response to incidents involving hazardous materials within a 16 county area of Northwestern 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 **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 the City-County Health Department for county-wide health services.

CITY OF EAU CLAIRE

SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
December 31, 2001 With Comparative
Totals as of December 31, 2000

ASSETS	Storm Water Management	Cemetery Maintenance	Hazardous Materials Response	Community Development	Home Grant
Cash and short term investments	\$ 669,977	\$ 151,003	\$ 414,291	\$ 133,713	\$ -
Receivables:					
Taxes	48,341	-	-	-	-
Accounts	148,267	5,000	-	-	-
Due from other funds	-	-	-	-	-
Due from other governments	-	-	-	-	-
Prepayments	-	-	-	-	-
Notes receivable	-	-	-	2,908,514	566,579
Total assets	\$ 866,585	\$ 156,003	\$ 414,291	\$ 3,042,227	\$ 566,579
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts payable	\$ 15	\$ 1,903	\$ 12,473	\$ 33,238	\$ 143,402
Accrued liabilities	7,528	6,658	387	33,955	782
Customer deposits	-	-	57,066	-	-
Due to other funds	-	-	-	-	224,560
Due to other governments	-	-	-	11,080	-
Deferred revenue	140,658	5,000	-	2,908,514	566,579
Total liabilities	148,201	13,561	69,926	2,986,787	935,323
Fund balances:					
Reserved:					
For prepayments	-	-	-	-	-
For grant proceeds	-	-	-	-	-
Total reserved	-	-	-	-	-
Unreserved:					
Designated:					
Designated for economic development	-	-	-	-	-
Designated for library trust funds	-	-	-	-	-
Designated for future expenditures	-	-	-	-	-
Designated for capital projects	-	-	-	-	-
Designated for subsequent year expenditures	51,400	-	35,900	-	-
Total designated	51,400	-	35,900	-	-
Undesignated (deficit)	666,984	142,442	308,465	55,440	(368,744)
Total fund balances	718,384	142,442	344,365	55,440	(368,744)
Total liabilities and fund balances	\$ 866,585	\$ 156,003	\$ 414,291	\$ 3,042,227	\$ 566,579

<u>Economic Development</u>	<u>Community Enhancement</u>	<u>Public Library</u>	<u>City-County Health Department</u>	<u>2001</u>	<u>2000</u>
\$ 7,699,439	\$ 107,329	\$ 442,404	\$ 318,773	\$ 9,936,929	\$ 9,513,900
-	-	2,464,400	1,291,300	3,804,041	3,611,412
-	86,770	223,979	40,111	504,127	382,071
-	-	98	-	98	-
-	-	-	11,666	11,666	28,281
-	-	-	28,458	28,458	13,112
<u>1,658,897</u>	<u>46,667</u>	<u>-</u>	<u>-</u>	<u>5,180,657</u>	<u>5,644,017</u>
<u>\$ 9,358,336</u>	<u>\$ 240,766</u>	<u>\$ 3,130,881</u>	<u>\$ 1,690,308</u>	<u>\$ 19,465,976</u>	<u>\$ 19,192,793</u>
\$ 19,127	\$ -	\$ 34,288	\$ 42,291	\$ 286,737	\$ 211,404
6,827	-	58,961	44,524	159,622	88,578
-	-	-	9,976	67,042	82,170
-	-	1,464	183	226,207	37,704
-	-	-	63,674	74,754	20,673
<u>1,658,897</u>	<u>46,667</u>	<u>2,604,172</u>	<u>1,291,300</u>	<u>9,221,787</u>	<u>9,443,278</u>
<u>1,684,851</u>	<u>46,667</u>	<u>2,698,885</u>	<u>1,451,948</u>	<u>10,036,149</u>	<u>9,883,807</u>
-	-	-	28,458	28,458	13,112
<u>150,814</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>150,814</u>	<u>275,752</u>
<u>150,814</u>	<u>-</u>	<u>-</u>	<u>28,458</u>	<u>179,272</u>	<u>288,864</u>
1,045,230	-	-	-	1,045,230	1,042,907
-	-	52,557	-	52,557	-
-	-	-	89,165	89,165	100,530
-	-	162,800	-	162,800	162,800
<u>620,000</u>	<u>65,700</u>	<u>60,500</u>	<u>108,342</u>	<u>941,842</u>	<u>1,314,988</u>
<u>1,665,230</u>	<u>65,700</u>	<u>275,857</u>	<u>197,507</u>	<u>2,291,594</u>	<u>2,621,225</u>
<u>5,857,441</u>	<u>128,399</u>	<u>156,139</u>	<u>12,395</u>	<u>6,958,961</u>	<u>6,398,897</u>
<u>7,673,485</u>	<u>194,099</u>	<u>431,996</u>	<u>238,360</u>	<u>9,429,827</u>	<u>9,308,986</u>
<u>\$ 9,358,336</u>	<u>\$ 240,766</u>	<u>\$ 3,130,881</u>	<u>\$ 1,690,308</u>	<u>\$ 19,465,976</u>	<u>\$ 19,192,793</u>

CITY OF EAU CLAIRE

SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES
 Year Ended December 31, 2001 With Comparative
 Totals for Year Ended December 31, 2000

	<u>Storm Water Management</u>	<u>Cemetery Maintenance</u>	<u>Hazardous Materials Response</u>	<u>Community Development</u>	<u>Home Grant</u>
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	164,800	853,566	314,994
Licenses and permits	-	89,690	-	-	-
Fines and forfeitures	-	-	-	-	-
Charges for services	1,345,909	72,954	1,155	-	-
Charges for services - intergovernmental	-	-	-	-	-
Miscellaneous:					
Loan repayments	-	-	-	378,933	14,500
Investment income	52,510	7,340	15,680	-	-
Building rental	-	-	-	-	-
Gifts and donations	-	-	-	-	-
Other	14,033	3,100	-	-	-
Total miscellaneous	<u>66,543</u>	<u>10,440</u>	<u>15,680</u>	<u>378,933</u>	<u>14,500</u>
Total revenues	<u>1,412,452</u>	<u>173,084</u>	<u>181,635</u>	<u>1,232,499</u>	<u>329,494</u>
Expenditures:					
Current:					
Storm water management	638,063	-	-	-	-
Cemetery maintenance	-	370,588	-	-	-
Hazardous materials response	-	-	164,782	-	-
Community development	-	-	-	742,401	-
Home grant	-	-	-	-	663,370
Economic development	-	-	-	-	-
Community enhancement	-	-	-	-	-
Library	-	-	-	-	-
Health	-	-	-	-	-
Total expenditures	<u>638,063</u>	<u>370,588</u>	<u>164,782</u>	<u>742,401</u>	<u>663,370</u>
Excess (deficiency) of revenues over expenditures	<u>774,389</u>	<u>(197,504)</u>	<u>16,853</u>	<u>490,098</u>	<u>(333,876)</u>
Other financing sources (uses):					
Transfers from other funds	-	197,504	-	-	-
Transfers to other funds	(822,670)	(105,000)	-	(273,911)	-
Transfers from component unit	-	-	-	-	-
Transfer to component unit	-	-	-	(208,895)	-
Sale of capital assets	-	-	-	-	-
Total other financing sources (uses)	<u>(822,670)</u>	<u>92,504</u>	<u>-</u>	<u>(482,806)</u>	<u>-</u>

Economic Development	Community Enhancement	Public Library	City-County Health Department	2001	2000
\$ -	\$ 1,073,823	\$ 2,305,100	\$ 1,268,400	\$ 4,647,323	\$ 4,422,338
-	-	1,826	724,585	2,059,771	1,773,832
-	-	-	213,698	303,388	272,903
-	-	91,821	-	91,821	83,948
-	-	7,712	123,297	1,551,027	1,414,821
-	-	731,324	783,653	1,514,977	1,438,844
535,215	3,333	-	-	931,981	1,112,643
450,051	8,650	2,280	2,460	538,971	645,968
89,764	-	-	-	89,764	78,008
42,571	-	9,166	-	51,737	31,220
1,500	-	87,618	86,880	193,131	55,981
<u>1,119,101</u>	<u>11,983</u>	<u>99,064</u>	<u>89,340</u>	<u>1,805,584</u>	<u>1,923,820</u>
<u>1,119,101</u>	<u>1,085,806</u>	<u>3,236,847</u>	<u>3,202,973</u>	<u>11,973,891</u>	<u>11,330,506</u>
-	-	-	-	638,063	680,592
-	-	-	-	370,588	368,996
-	-	-	-	164,782	179,911
-	-	-	-	742,401	473,762
-	-	-	-	663,370	467,659
670,767	-	-	-	670,767	554,558
-	767,639	-	-	767,639	722,510
-	-	2,892,723	-	2,892,723	2,809,886
-	-	-	3,139,596	3,139,596	3,013,841
<u>670,767</u>	<u>767,639</u>	<u>2,892,723</u>	<u>3,139,596</u>	<u>10,049,929</u>	<u>9,271,715</u>
<u>448,334</u>	<u>318,167</u>	<u>344,124</u>	<u>63,377</u>	<u>1,923,962</u>	<u>2,058,791</u>
150,000	-	-	24,359	371,863	429,012
-	(146,600)	(251,976)	-	(1,600,157)	(1,044,970)
-	-	-	-	-	35,000
(202,340)	-	-	-	(411,235)	(221,551)
-	-	408	-	408	860
<u>(52,340)</u>	<u>(146,600)</u>	<u>(251,568)</u>	<u>24,359</u>	<u>(1,639,121)</u>	<u>(801,649)</u>

CITY OF EAU CLAIRE

SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES (cont'd)
 Year Ended December 31, 2001 With Comparative
 Totals for Year Ended December 31, 2000

	<u>Storm Water Management</u>	<u>Cemetery Maintenance</u>	<u>Hazardous Materials Response</u>	<u>Community Development</u>	<u>Home Grant</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (48,281)	\$ (105,000)	\$ 16,853	\$ 7,292	\$ (333,876)
Fund balances at beginning of year	<u>766,665</u>	<u>247,442</u>	<u>327,512</u>	<u>48,148</u>	<u>(34,868)</u>
Residual equity transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u>\$ 718,384</u>	<u>\$ 142,442</u>	<u>\$ 344,365</u>	<u>\$ 55,440</u>	<u>\$ (368,744)</u>

<u>Economic Development</u>	<u>Community Enhancement</u>	<u>Public Library</u>	<u>City-County Health Department</u>	<u>2001</u>	<u>2000</u>
\$ 395,994	\$ 171,567	\$ 92,556	\$ 87,736	\$ 284,841	\$ 1,257,142
<u>7,277,491</u>	<u>186,532</u>	<u>339,440</u>	<u>150,624</u>	<u>9,308,986</u>	<u>8,051,844</u>
-	(164,000)	-	-	(164,000)	-
<u>\$ 7,673,485</u>	<u>\$ 194,099</u>	<u>\$ 431,996</u>	<u>\$ 238,360</u>	<u>\$ 9,429,827</u>	<u>\$ 9,308,986</u>

CITY OF EAU CLAIRE

SPECIAL REVENUE FUNDS (WITH ANNUAL BUDGETS)
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
 Year ended December 31, 2001 With Comparative
 Actual Totals for Year Ended December 31, 2000

	Storm Water Management			
	2001 Budget	2001 Actual	Variance - Favorable (Unfavorable)	2000 Actual
Revenues:				
Charges for services	\$ 1,394,000	\$ 1,345,909	\$ (48,091)	\$ 1,182,865
Miscellaneous:				
Investment income	12,000	52,510	40,510	47,160
Other	10,000	14,033	4,033	16,049
Total miscellaneous	22,000	66,543	44,543	63,209
Total revenues	1,416,000	1,412,452	(3,548)	1,246,074
Expenditures:				
Current:				
Storm water management	882,800	638,063	244,737	680,592
Excess of revenues over expenditures	533,200	774,389	241,189	565,482
Other financing sources (uses):				
Transfers to other funds	(831,800)	(822,670)	9,130	(316,728)
Total other financing sources (uses)	(831,800)	(822,670)	9,130	(316,728)
Excess (deficiency) of revenues over expenditures and other financing uses	(298,600)	(48,281)	250,319	248,754
Fund balances at beginning of year	766,665	766,665	-	517,911
Fund balances at end of year	\$ 468,065	\$ 718,384	\$ 250,319	\$ 766,665

CITY OF EAU CLAIRE

SPECIAL REVENUE FUNDS (WITH ANNUAL BUDGETS)
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL (cont'd)
 Year ended December 31, 2001 With Comparative
 Actual Totals for Year Ended December 31, 2000

	Cemetery Maintenance			
	2001 Budget	2001 Actual	Variance - Favorable (Unfavorable)	2000 Actual
Revenues:				
Licenses and permits	\$ 85,000	\$ 89,690	\$ 4,690	\$ 71,951
Charges for services	84,200	72,954	(11,246)	48,407
Miscellaneous:				
Investment income	14,000	7,340	(6,660)	9,000
Other	-	3,100	3,100	-
Total revenues	<u>183,200</u>	<u>173,084</u>	<u>(10,116)</u>	<u>129,358</u>
Expenditures:				
Current:				
Cemetery maintenance	<u>396,800</u>	<u>370,588</u>	<u>26,212</u>	<u>368,996</u>
Excess (deficiency) of revenues over expenditures	(213,600)	(197,504)	16,096	(239,638)
Other financing sources (uses):				
Transfers from other funds	213,600	197,504	(16,096)	239,638
Transfers to other funds	<u>(105,000)</u>	<u>(105,000)</u>	<u>-</u>	<u>(11,000)</u>
Total other financing sources (uses)	<u>108,600</u>	<u>92,504</u>	<u>(16,096)</u>	<u>228,638</u>
Excess (deficiency) of revenues and other financing sources over expenditures	(105,000)	(105,000)	-	(11,000)
Fund balances at beginning of year	<u>247,442</u>	<u>247,442</u>	<u>-</u>	<u>258,442</u>
Fund balances at end of year	<u>\$ 142,442</u>	<u>\$ 142,442</u>	<u>\$ -</u>	<u>\$ 247,442</u>

CITY OF EAU CLAIRE

SPECIAL REVENUE FUNDS (WITH ANNUAL BUDGETS)
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL (cont'd)
 Year ended December 31, 2001 With Comparative
 Actual Totals for Year Ended December 31, 2000

	Hazardous Materials Response			
	2001 Budget	2001 Actual	Variance - Favorable (Unfavorable)	2000 Actual
Revenues:				
Intergovernmental	\$ 164,800	\$ 164,800	\$ -	\$ 164,800
Charges for services	8,000	1,155	(6,845)	6,745
Miscellaneous:				
Investment income	<u>3,500</u>	<u>15,680</u>	<u>12,180</u>	<u>20,480</u>
Total miscellaneous	<u>3,500</u>	<u>15,680</u>	<u>12,180</u>	<u>20,480</u>
Total revenues	<u>176,300</u>	<u>181,635</u>	<u>5,335</u>	<u>192,025</u>
Expenditures:				
Current:				
Hazardous materials response	<u>215,800</u>	<u>164,782</u>	<u>51,018</u>	<u>179,911</u>
Excess (deficiency) of revenues over expenditures	(39,500)	16,853	56,353	12,114
Fund balances at beginning of year	<u>327,512</u>	<u>327,512</u>	<u>-</u>	<u>315,398</u>
Fund balances at end of year	<u>\$ 288,012</u>	<u>\$ 344,365</u>	<u>\$ 56,353</u>	<u>\$ 327,512</u>

CITY OF EAU CLAIRE

SPECIAL REVENUE FUNDS (WITH ANNUAL BUDGETS)
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL (cont'd)
 Year ended December 31, 2001 With Comparative
 Actual Totals for Year Ended December 31, 2000

	Economic Development			
	2001 Budget	2001 Actual	Variance - Favorable (Unfavorable)	2000 Actual
Revenues:				
Miscellaneous:				
Loan repayments	\$ 170,000	\$ 535,215	\$ 365,215	\$ 795,659
Investment income	383,000	450,051	67,051	551,718
Building rental	62,000	89,764	27,764	78,008
Gifts and donations	41,500	42,571	1,071	-
Other	-	1,500	1,500	-
Total miscellaneous	<u>656,500</u>	<u>1,119,101</u>	<u>462,601</u>	<u>1,425,385</u>
Total revenues	<u>656,500</u>	<u>1,119,101</u>	<u>462,601</u>	<u>1,425,385</u>
Expenditures:				
Current:				
Economic development	<u>860,900</u>	<u>670,767</u>	<u>190,133</u>	<u>554,558</u>
Excess (deficiency) of revenues over expenditures	<u>(204,400)</u>	<u>448,334</u>	<u>652,734</u>	<u>870,827</u>
Other financing sources (uses):				
Transfers from other funds	150,000	150,000	-	150,000
Transfers to other funds	-	-	60	-
Transfers from component unit	-	-	-	35,000
Transfer to component unit	<u>(202,400)</u>	<u>(202,340)</u>	<u>-</u>	<u>(200,000)</u>
Total other financing sources (uses)	<u>(52,400)</u>	<u>(52,340)</u>	<u>60</u>	<u>(15,000)</u>
Excess (deficiency) of revenues and other financing sources over expenditures	<u>(256,800)</u>	<u>395,994</u>	<u>652,794</u>	<u>855,827</u>
Fund balances at beginning of year	<u>7,277,491</u>	<u>7,277,491</u>	<u>-</u>	<u>6,421,664</u>
Fund balances at end of year	<u>\$ 7,020,691</u>	<u>\$ 7,673,485</u>	<u>\$ 652,794</u>	<u>\$ 7,277,491</u>

CITY OF EAU CLAIRE

SPECIAL REVENUE FUNDS (WITH ANNUAL BUDGETS)
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL (cont'd)
 Year ended December 31, 2001 With Comparative
 Actual Totals for Year Ended December 31, 2000

	Community Enhancement			
	2001 Budget	2001 Actual	Variance - Favorable (Unfavorable)	2000 Actual
Revenues:				
Taxes	\$ 925,000	\$ 1,073,823	\$ 148,823	\$ 956,238
Miscellaneous:				
Loan repayments	-	3,333	3,333	-
Investment income	5,000	8,650	3,650	12,080
Total revenues	<u>930,000</u>	<u>1,085,806</u>	<u>155,806</u>	<u>968,318</u>
Expenditures:				
Current:				
Community enhancement	<u>767,800</u>	<u>767,639</u>	<u>161</u>	<u>722,510</u>
Excess of revenues over expenditures	162,200	318,167	155,967	245,808
Other financing uses:				
Transfers to other funds	<u>(146,600)</u>	<u>(146,600)</u>	<u>-</u>	<u>(228,300)</u>
Excess (deficiency) of revenues over expenditures and other financing uses	15,600	171,567	155,967	17,508
Fund balances at beginning of year	<u>186,532</u>	<u>186,532</u>	<u>-</u>	<u>169,024</u>
Residual equity transfers out	<u>(164,000)</u>	<u>(164,000)</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u>\$ 38,132</u>	<u>\$ 194,099</u>	<u>\$ 155,967</u>	<u>\$ 186,532</u>

CITY OF EAU CLAIRE

SPECIAL REVENUE FUNDS (WITH ANNUAL BUDGETS)
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL (cont'd)
 Year ended December 31, 2001 With Comparative
 Actual Totals for Year Ended December 31, 2000

	Public Library			
	2001 Budget	2001 Actual	Variance - Favorable (Unfavorable)	2000 Actual
Revenues:				
Taxes	\$ 2,305,100	\$ 2,305,100	\$ -	\$ 2,247,000
Intergovernmental	16,000	1,826	(14,174)	1,000
Fines and forfeitures	91,500	91,821	321	83,948
Charges for services	32,900	7,712	(25,188)	-
Charges for services - intergovernmental	736,700	731,324	(5,376)	717,449
Miscellaneous:				
Investment income	-	2,280	2,280	3,010
Gifts and donations	15,000	9,166	(5,834)	15,621
Other	60,600	87,618	27,018	35,503
Total miscellaneous	75,600	99,064	23,464	54,134
Total revenues	3,257,800	3,236,847	(20,953)	3,103,531
Expenditures:				
Current:				
Library	3,058,900	2,892,723	166,177	2,809,886
Excess of revenues over expenditures	198,900	344,124	145,224	293,645
Other financing sources (uses):				
Transfers to other funds	(252,000)	(251,976)	24	(240,538)
Sale of capital assets	300	408	108	860
Total other financing sources (uses)	(251,700)	(251,568)	132	(239,678)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(52,800)	92,556	145,356	53,967
Fund balances at beginning of year	339,440	339,440	24	285,473
Fund balances at end of year	\$ 286,640	\$ 431,996	\$ 145,380	\$ 339,440

CITY OF EAU CLAIRE

SPECIAL REVENUE FUNDS (WITH ANNUAL BUDGETS)
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL (cont'd)
 Year ended December 31, 2001 With Comparative
 Actual Totals for Year Ended December 31, 2000

	City-County Health			
	2001 Budget	2001 Actual	Variance - Favorable (Unfavorable)	2000 Actual
Revenues:				
Taxes	\$ 1,268,400	\$ 1,268,400	\$ -	\$ 1,219,100
Intergovernmental	723,700	724,585	885	612,053
Licenses and permits	205,900	213,698	7,798	200,952
Charges for services	147,700	123,297	(24,403)	183,549
Charges for services - intergovernmental	768,800	783,653	14,853	714,650
Miscellaneous:				
Investment income	4,200	2,460	(1,740)	2,920
Other	15,000	86,880	71,880	19,628
Total miscellaneous	19,200	89,340	70,140	22,548
Total revenues	<u>3,133,700</u>	<u>3,202,973</u>	<u>69,273</u>	<u>2,952,852</u>
Expenditures:				
Current:				
Health	<u>3,179,700</u>	<u>3,139,596</u>	<u>40,104</u>	<u>3,013,841</u>
Excess (deficiency) of revenues over expenditures	(46,000)	63,377	109,377	(60,989)
Other financing sources:				
Transfers from other funds	<u>31,000</u>	<u>24,359</u>	<u>(6,641)</u>	<u>39,374</u>
Excess (deficiency) of revenues and other financing sources over expenditures	(15,000)	87,736	102,736	(21,615)
Fund balances at beginning of year	<u>150,624</u>	<u>150,624</u>	<u>-</u>	<u>172,239</u>
Fund balances at end of year	<u>\$ 135,624</u>	<u>\$ 238,360</u>	<u>\$ 102,736</u>	<u>\$ 150,624</u>

CITY OF EAU CLAIRE

SPECIAL REVENUE FUNDS (WITH ANNUAL BUDGETS)
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL (cont'd)
 Year ended December 31, 2001 With Comparative
 Actual Totals for Year Ended December 31, 2000

	Total			
	2001 Budget	2001 Actual	Variance - Favorable (Unfavorable)	2000 Actual
Revenues:				
Taxes	\$ 4,498,500	\$ 4,647,323	\$ 148,823	\$ 4,422,338
Intergovernmental	904,500	891,211	(13,289)	777,853
Licenses and permits	290,900	303,388	12,488	272,903
Fines and forfeitures	91,500	91,821	321	83,948
Charges for services	1,666,800	1,551,027	(115,773)	1,414,821
Charges for services - intergovernmental	1,505,500	1,514,977	9,477	1,438,844
Miscellaneous:				
Loan repayments	170,000	538,548	368,548	795,659
Investment income	421,700	538,971	117,271	645,968
Building rental	62,000	89,764	27,764	78,008
Gifts and donations	56,500	51,737	(4,763)	31,220
Other	85,600	193,131	107,531	55,981
Total miscellaneous	<u>795,800</u>	<u>1,412,151</u>	<u>616,351</u>	<u>1,606,836</u>
Total revenues	<u>9,753,500</u>	<u>10,411,898</u>	<u>658,398</u>	<u>10,017,543</u>
Expenditures:				
Current:				
Storm water management	882,800	638,063	244,737	680,592
Cemetery maintenance	396,800	370,588	26,212	368,996
Hazardous materials response	215,800	164,782	51,018	179,911
Economic development	860,900	670,767	190,133	554,558
Community enhancement	767,800	767,639	161	722,510
Library	3,058,900	2,892,723	166,177	2,809,886
Health	3,179,700	3,139,596	40,104	3,013,841
Total expenditures	<u>9,362,700</u>	<u>8,644,158</u>	<u>718,542</u>	<u>8,330,294</u>

CITY OF EAU CLAIRE

SPECIAL REVENUE FUNDS (WITH ANNUAL BUDGETS)
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL (cont'd)
 Year ended December 31, 2001 With Comparative
 Actual Totals for Year Ended December 31, 2000

	Total			
	2001 Budget	2001 Actual	Variance - Favorable (Unfavorable)	2000 Actual
Excess of revenues over expenditures	\$ 390,800	\$ 1,767,740	\$ 1,376,940	\$ 1,687,249
Other financing sources (uses):				
Transfers from other funds	394,600	371,863	(22,737)	429,012
Transfers to other funds	(1,537,800)	(1,326,246)	211,554	(796,566)
Transfers from component units	-	-	-	35,000
Transfers to component units	(202,400)	(202,340)	60	(200,000)
Sale of capital assets	300	408	108	860
Total other financing sources (uses):	(1,345,300)	(1,156,315)	188,985	(531,694)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(954,500)	611,425	1,565,925	1,155,555
Fund balances at beginning of year	9,295,706	9,295,706	-	8,140,151
Fund balances at end of year	\$ 8,341,206	\$ 9,743,131	\$ 1,729,925	\$ 9,295,706

Debt Service Funds

The Debt Service funds account for the payment of interest and principal on the current portion of general obligation long-term debt, and the accumulation of resources for future payments.

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.

The **Debt Service – T.I.F. #4** fund accounts for debt funded by taxes resulting from the incremental property values in a defined area on the city's northwest side. This district was January 1, 1992 and amended in 1995.

CITY OF EAU CLAIRE

DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
December 31, 2001 With Comparative
Totals as of December 31, 2000

ASSETS	Debt	Debt	Totals	
	Service - General	Service - T.I.F. #4	2001	2000
Current assets:				
Cash and short term investments	\$ 3,098,937	\$ 4,137,321	\$ 7,236,258	\$ 3,043,410
Receivables:				
Taxes	1,353,830	1,675,994	3,029,824	2,775,130
Interest	-	12,621	12,621	9,581
Special assessments:				
Installment	5,827,109	-	5,827,109	5,869,532
Deferred	359,526	-	359,526	378,149
Prepayments	-	90,788	90,788	87,748
Total current assets	<u>10,639,402</u>	<u>5,916,724</u>	<u>16,556,126</u>	<u>12,163,550</u>
Restricted assets:				
Special assessment debt reserve	-	-	-	2,533,301
Total assets	<u>\$ 10,639,402</u>	<u>\$ 5,916,724</u>	<u>\$ 16,556,126</u>	<u>\$ 14,696,851</u>
 <i>LIABILITIES AND FUND BALANCES</i>				
Liabilities:				
Accounts payable	\$ -	\$ 28,401	\$ 28,401	\$ 5,820
Refundable deposits	-	90,788	90,788	87,748
Deferred revenue	7,540,465	1,688,615	9,229,080	9,032,392
Total liabilities	<u>7,540,465</u>	<u>1,807,804</u>	<u>9,348,269</u>	<u>9,125,960</u>
Fund Balance:				
Reserved for debt service	2,548,137	4,108,920	6,657,057	4,946,291
Unreserved:				
Designated for subsequent years expenditures	550,800	-	550,800	624,600
Total fund balances	<u>3,098,937</u>	<u>4,108,920</u>	<u>7,207,857</u>	<u>5,570,891</u>
Total liabilities and fund balances	<u>\$ 10,639,402</u>	<u>\$ 5,916,724</u>	<u>\$ 16,556,126</u>	<u>\$ 14,696,851</u>

CITY OF EAU CLAIRE

DEBT SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES
 Year Ended December 31, 2001 With Comparative
 Totals for Year Ended December 31, 2000

	Debt Service- General	Debt Service- T.I.F. #4	Totals	
			2001	2000
Revenues:				
Taxes:				
Real and personal property	\$ -	\$ 1,492,620	\$ 1,492,620	\$ 1,298,959
Special assessments	1,903,191	-	1,903,191	1,637,387
Total taxes	<u>1,903,191</u>	<u>1,492,620</u>	<u>3,395,811</u>	<u>2,936,346</u>
Miscellaneous:				
Other revenue	-	56,949	56,949	45,036
Investment income	396,847	112,699	509,546	543,157
Total miscellaneous	<u>396,847</u>	<u>169,648</u>	<u>566,495</u>	<u>588,193</u>
Total revenues	<u>2,300,038</u>	<u>1,662,268</u>	<u>3,962,306</u>	<u>3,524,539</u>
Expenditures:				
Contractual services	2,380	640	3,020	-
Debt service:				
Principal retirement	2,638,670	255,000	2,893,670	2,518,670
Interest and fiscal charges	1,534,395	302,802	1,837,197	1,709,715
Total expenditures	<u>4,175,445</u>	<u>558,442</u>	<u>4,733,887</u>	<u>4,228,385</u>
Excess (deficiency) of revenues over expenditures	<u>(1,875,407)</u>	<u>1,103,826</u>	<u>(771,581)</u>	<u>(703,846)</u>
Other financing sources:				
Transfers from other funds	2,408,547	-	2,408,547	2,042,810
Total other financing sources	<u>2,408,547</u>	<u>-</u>	<u>2,408,547</u>	<u>2,042,810</u>
Excess of revenues and other financing sources over expenditures and other financing uses	<u>533,140</u>	<u>1,103,826</u>	<u>1,636,966</u>	<u>1,338,964</u>
Fund balances at beginning of year	<u>2,565,797</u>	<u>3,005,094</u>	<u>5,570,891</u>	<u>4,231,927</u>
Fund balances at end of year	<u>\$ 3,098,937</u>	<u>\$ 4,108,920</u>	<u>\$ 7,207,857</u>	<u>\$ 5,570,891</u>

CITY OF EAU CLAIRE

DEBT SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND
 BALANCES - BUDGET AND ACTUAL
 Year Ended December 31, 2001 with Comparative
 Actual Totals for Year Ended December 31, 2000

	Debt Service - General			
	2001 Budget	2001 Actual	Variance - Favorable (Unfavorable)	2000 Actual
Revenues:				
Taxes:				
Special assessments	\$ 950,000	\$ 1,903,191	\$ 953,191	\$ 1,637,387
Miscellaneous:				
Investment income	275,000	396,847	121,847	370,513
Total revenues	<u>1,225,000</u>	<u>2,300,038</u>	<u>1,075,038</u>	<u>2,007,900</u>
Expenditures:				
Contractual services	10,000	2,380	7,620	-
Debt service:				
Principal retirement	2,693,700	2,638,670	55,030	2,273,670
Interest and fiscal charges	1,754,600	1,534,395	220,205	1,393,337
Total expenditures	<u>4,458,300</u>	<u>4,175,445</u>	<u>282,855</u>	<u>3,667,007</u>
Excess (deficiency) of revenues over expenditures	(3,233,300)	(1,875,407)	1,357,893	(1,659,107)
Other financing sources:				
Transfer from other funds	2,670,000	2,408,547	(261,453)	2,042,810
Excess (deficiency) of revenues and other financing sources over expenditures	(563,300)	533,140	1,096,440	383,703
Fund balances at beginning of year	<u>2,565,797</u>	<u>2,565,797</u>	<u>-</u>	<u>2,182,094</u>
Fund balances at end of year	<u>\$ 2,002,497</u>	<u>\$ 3,098,937</u>	<u>\$ 1,096,440</u>	<u>\$ 2,565,797</u>

CITY OF EAU CLAIRE

DEBT SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND
 BALANCES - BUDGET AND ACTUAL (cont'd)
 Year Ended December 31, 2001 with Comparative
 Actual Totals for Year Ended December 31, 2000

	Debt Service - T.I.F. #4			
	2001 Budget	2001 Actual	Variance - Favorable (Unfavorable)	2000 Actual
Revenues:				
Taxes:				
Real and personal property	\$ 1,600,000	\$ 1,492,620	\$ (107,380)	\$ 1,298,959
Miscellaneous:				
Other income	45,000	56,949	11,949	45,036
Investment income	150,000	112,699	(37,301)	172,644
Total miscellaneous	195,000	169,648	(25,352)	217,680
Total revenues	1,795,000	1,662,268	(132,732)	1,516,639
Expenditures:				
Contractual services	800	640	160	-
Debt service:				
Principal retirement	255,000	255,000	-	245,000
Interest and fiscal charges	302,800	302,802	(2)	316,378
Total expenditures	558,600	558,442	158	561,378
Excess of revenues over expenditures	1,236,400	1,103,826	(132,574)	955,261
Fund balances at beginning of year	3,005,094	3,005,094	-	2,049,833
Fund balances at end of year	\$ 4,241,494	\$ 4,108,920	\$ (132,574)	\$ 3,005,094

CITY OF EAU CLAIRE

DEBT SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND
 BALANCES - BUDGET AND ACTUAL (cont'd)
 Year Ended December 31, 2001 with Comparative
 Actual Totals for Year Ended December 31, 2000

	Total			
	2001 Budget	2001 Actual	Variance - Favorable (Unfavorable)	2000 Actual
Revenues:				
Taxes:				
Real and personal property	\$ 1,600,000	\$ 1,492,620	\$ (107,380)	\$ 1,298,959
Special assessments	950,000	1,903,191	953,191	1,637,387
Total taxes	<u>2,550,000</u>	<u>3,395,811</u>	<u>845,811</u>	<u>2,936,346</u>
Miscellaneous:				
Other income	-	56,949	56,949	45,036
Investment income	425,000	509,546	84,546	543,157
Total miscellaneous	<u>425,000</u>	<u>566,495</u>	<u>141,495</u>	<u>588,193</u>
Total revenues	<u>2,975,000</u>	<u>3,962,306</u>	<u>987,306</u>	<u>3,524,539</u>
Expenditures:				
Contractual services	10,800	3,020	7,780	-
Debt service:				
Principal retirement	2,948,700	2,893,670	55,030	2,518,670
Interest and fiscal charges	2,057,400	1,837,197	220,203	1,709,715
Total expenditures	<u>5,016,900</u>	<u>4,733,887</u>	<u>283,013</u>	<u>4,228,385</u>
Excess (deficiency) of revenues over expenditures	(2,041,900)	(771,581)	1,270,319	(703,846)
Other financing sources (uses):				
Transfer from other funds	2,670,000	2,408,547	(261,453)	2,042,810
Total other financing sources (uses)	<u>2,670,000</u>	<u>2,408,547</u>	<u>(261,453)</u>	<u>2,042,810</u>
Excess of revenues and other financing sources over expenditures and other financing uses	628,100	1,636,966	1,008,866	1,338,964
Fund balances at beginning of year	<u>5,570,891</u>	<u>5,570,891</u>	-	<u>4,231,927</u>
Fund balances at end of year	<u>\$ 6,198,991</u>	<u>\$ 7,207,857</u>	<u>\$ 1,008,866</u>	<u>\$ 5,570,891</u>

Capital Projects Funds

The **Industrial Development** fund accounts for land acquisition and improvements for development of industrial parks and other efforts by the city to encourage industrial and commercial growth.

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

The **TIF #6 Northeast Industrial Area** fund accounts for public improvements in the area bounded by Melby Road, Robin Road, County "I", and the city limits north of Sundet Road.

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. Philips Memorial Public Library.

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

The **Storm Water Projects** fund accounts for construction and major upgrades of storm sewers in the city.

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

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

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

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

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

CITY OF EAU CLAIRE

**CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
December 31, 2001 With Comparative
Totals as of December 31, 2000**

	Industrial Development	TIF#5 Gateway NW Business Park	TIF #6 NE Industrial Area	TIF #7 Soo Line Development	Street Projects	Storm Water Projects
ASSETS						
Cash and short term investments	\$ 101,045	\$ 49,423	\$ 252,599	\$ 46,497	\$ 4,360,629	\$ 2,016,294
Receivables:						
Taxes	-	375,775	143,332	80,349	-	-
Accounts	-	-	-	-	82,023	7,804
Special assessments	-	-	76,866	-	-	-
Due from other governments	-	-	-	-	75,000	-
Total current assets	101,045	425,198	472,797	126,846	4,517,652	2,024,098
Restricted assets:						
Construction account	-	218,079	33,056	252,853	-	3,038,442
Total assets	\$ 101,045	\$ 643,277	\$ 505,853	\$ 379,699	\$ 4,517,652	\$ 5,062,540
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ -	\$ 36,949	\$ -	\$ -	\$ 606,081	\$ 151,695
Due to other governments	-	531	154	873	468	140
Deferred revenue	-	375,775	220,197	80,349	-	-
Total liabilities	-	413,255	220,351	81,222	606,549	151,835
Fund balances:						
Reserved:						
For capital contracts	-	-	-	-	1,028,179	9,802
For bond construction	-	218,079	33,056	252,853	-	3,038,442
Unreserved:						
Designated for subsequent year expenditures	-	-	-	61,700	-	-
Undesignated (deficit)	101,045	11,943	252,446	(16,076)	2,882,924	1,862,461
Total fund balances	101,045	230,022	285,502	298,477	3,911,103	4,910,705
Total liabilities and fund balances	\$ 101,045	\$ 643,277	\$ 505,853	\$ 379,699	\$ 4,517,652	\$ 5,062,540

Bridge Projects	Buildings and Equipment	Parks and Recreation Projects	Environmental Improvements- Landfill	Library Buildings & Equipment	Totals	
					2001	2000
\$ 1,068,080	\$ 1,678,749	\$ 1,406,385	\$ 1,185,142	\$ 520,868	\$ 12,685,711	\$ 10,263,025
-	-	-	-	-	599,456	329,010
-	-	-	-	-	89,827	-
-	-	-	-	-	76,866	87,846
-	-	3,799	29,659	-	108,458	126,855
<u>1,068,080</u>	<u>1,678,749</u>	<u>1,410,184</u>	<u>1,214,801</u>	<u>520,868</u>	<u>13,560,318</u>	<u>10,806,736</u>
-	-	-	-	-	3,542,430	2,649,399
<u>\$ 1,068,080</u>	<u>\$ 1,678,749</u>	<u>\$ 1,410,184</u>	<u>\$ 1,214,801</u>	<u>\$ 520,868</u>	<u>\$ 17,102,748</u>	<u>\$ 13,456,135</u>
\$ 46	\$ 120,223	\$ 22,387	\$ 170	\$ 2,971	\$ 940,522	\$ 1,046,505
-	-	-	-	-	2,166	-
-	-	-	29,659	-	705,980	416,855
<u>46</u>	<u>120,223</u>	<u>22,387</u>	<u>29,829</u>	<u>2,971</u>	<u>1,648,668</u>	<u>1,463,360</u>
118,354	222,741	231,983	-	41,225	1,652,284	190,972
-	-	-	-	-	3,542,430	2,649,398
-	-	-	-	-	61,700	-
<u>949,680</u>	<u>1,335,785</u>	<u>1,155,814</u>	<u>1,184,972</u>	<u>476,672</u>	<u>10,197,666</u>	<u>9,152,405</u>
<u>1,068,034</u>	<u>1,558,526</u>	<u>1,387,797</u>	<u>1,184,972</u>	<u>517,897</u>	<u>15,454,080</u>	<u>11,992,775</u>
<u>\$ 1,068,080</u>	<u>\$ 1,678,749</u>	<u>\$ 1,410,184</u>	<u>\$ 1,214,801</u>	<u>\$ 520,868</u>	<u>\$ 17,102,748</u>	<u>\$ 13,456,135</u>

CITY OF EAU CLAIRE

CAPITAL PROJECTS FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES Year Ended December 31, 2001 With Comparative Totals for Year Ended December 31, 2000

	Industrial Development	TIF#5 Gateway NW Business Park	TIF #6 NE Industrial Area	TIF #7 Soo Line Development	Street Projects	Storm Water Projects
Revenues:						
Taxes	\$ -	\$ 67,770	\$ 66,453	\$ 76,251	\$ -	\$ -
Special assessments	-	-	10,981	-	-	-
Intergovernmental:						
Grants	-	-	150	5,356	-	1,328,378
Miscellaneous:						
Investment income	4,490	22,194	20,848	13,861	207,263	148,207
Contributions	-	-	-	-	525,038	27,158
Other	-	-	-	-	148,994	30,956
Total miscellaneous	<u>4,490</u>	<u>22,194</u>	<u>20,848</u>	<u>13,861</u>	<u>881,295</u>	<u>206,321</u>
Total revenues	<u>4,490</u>	<u>89,964</u>	<u>98,432</u>	<u>95,468</u>	<u>881,295</u>	<u>1,534,699</u>
Expenditures:						
Capital projects	-	389,290	93,742	1,000	3,853,754	5,371,209
Debt service:						
Principal retirement	-	55,000	20,000	60,000	-	-
Interest and fiscal charges	-	168,018	62,735	86,005	-	-
Total expenditures	<u>-</u>	<u>612,308</u>	<u>176,477</u>	<u>147,005</u>	<u>3,853,754</u>	<u>5,371,209</u>
Excess (deficiency) of revenues over expenditures	<u>4,490</u>	<u>(522,344)</u>	<u>(78,045)</u>	<u>(51,537)</u>	<u>(2,972,459)</u>	<u>(3,836,510)</u>
Other financing sources (uses):						
Transfer from other funds	-	-	-	-	1,100,000	302,390
Transfer to other funds	-	-	-	-	-	-
Sale of fixed assets	-	-	-	-	-	51,190
Proceeds from bonds	-	-	-	-	3,000,000	5,700,000
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,100,000</u>	<u>6,053,580</u>
Excess (deficiency) of revenue and other financing sources over expenditures	<u>4,490</u>	<u>(522,344)</u>	<u>(78,045)</u>	<u>(51,537)</u>	<u>1,127,541</u>	<u>2,217,070</u>
Fund balances at beginning of year	96,555	752,366	363,547	350,014	2,783,562	2,193,635
Residual equity transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>500,000</u>
Fund balances at end of year	<u>\$ 101,045</u>	<u>\$ 230,022</u>	<u>\$ 285,502</u>	<u>\$ 298,477</u>	<u>\$ 3,911,103</u>	<u>\$ 4,910,705</u>

Bridge Projects	Buildings and Equipment	Parks and Recreation Projects	Environmental Improvements- Landfill	Library Buildings & Equipment	Totals	
					2001	2000
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 210,474	\$ 107,186
-	-	-	-	-	10,981	10,981
-	-	-	-	-	1,333,884	93,799
-	42,330	54,800	42,920	22,280	579,193	763,748
-	-	-	-	-	552,196	157,310
-	-	148,303	-	-	328,253	135,143
-	42,330	203,103	42,920	22,280	1,459,642	1,056,201
-	42,330	203,103	42,920	22,280	3,014,981	1,268,167
27,565	1,373,318	708,638	100,091	57,889	11,976,496	11,043,483
-	-	-	-	-	135,000	80,000
-	-	-	-	-	316,758	216,578
27,565	1,373,318	708,638	100,091	57,889	12,428,254	11,340,061
(27,565)	(1,330,988)	(505,535)	(57,171)	(35,609)	(9,413,273)	(10,071,894)
175,000	1,175,246	533,952	-	116,800	3,403,388	3,188,241
-	-	-	(5,000)	-	(5,000)	-
-	-	-	-	-	51,190	-
-	-	-	-	-	8,700,000	6,510,029
175,000	1,175,246	533,952	(5,000)	116,800	12,149,578	9,698,270
147,435	(155,742)	28,417	(62,171)	81,191	2,736,305	(373,624)
920,599	1,714,268	1,359,380	1,022,143	436,706	11,992,775	12,141,399
-	-	-	225,000	-	725,000	225,000
<u>\$ 1,068,034</u>	<u>\$ 1,558,526</u>	<u>\$ 1,387,797</u>	<u>\$ 1,184,972</u>	<u>\$ 517,897</u>	<u>\$ 15,454,080</u>	<u>\$ 11,992,775</u>

Enterprise Funds

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

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

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

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

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

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

CITY OF EAU CLAIRE

ENTERPRISE FUNDS
 COMBINING BALANCE SHEET
 December 31, 2001 With Comparative
 Totals as of December 31, 2000

<i>ASSETS</i>	<u>Water Utility</u>	<u>Sewer Utility</u>
Current assets:		
Cash and short term investments	\$ 3,027,109	\$ 7,886,548
Receivables:		
Taxes	411,396	461,670
Accounts	685,335	647,094
Other	518,695	497,574
Due from other governments	-	-
Inventories, at cost	120,651	-
Prepayments	<u>8,190</u>	<u>-</u>
 Total current assets	 <u>4,771,376</u>	 <u>9,492,886</u>
Restricted assets:		
Equipment replacement account	268,000	410,000
Revenue bond debt service account	<u>1,304,205</u>	<u>676,737</u>
 Total restricted assets	 <u>1,572,205</u>	 <u>1,086,737</u>
 Net property, plant, and equipment	 <u>45,319,265</u>	 <u>40,739,291</u>
Other assets:		
Special assessments	1,242,238	1,524,549
Deferred debits	<u>-</u>	<u>39,432</u>
 Total other assets	 <u>1,242,238</u>	 <u>1,563,981</u>
 Total assets	 <u>\$ 52,905,084</u>	 <u>\$ 52,882,895</u>

Parking Utility	Public Transit	Hobbs Ice Center	Outdoor Pool	Totals	
				2001	2000
\$ 256,848	\$ 155,885	\$ 50,342	\$ 15,917	\$ 11,392,649	\$ 11,078,391
-	-	-	-	873,066	639,422
3,458	11,742	59,989	-	1,407,618	1,293,966
-	2,000	-	-	1,018,269	1,013,561
-	739,659	-	-	739,659	765,484
-	-	-	-	120,651	137,325
-	-	-	-	8,190	8,110
<u>260,306</u>	<u>909,286</u>	<u>110,331</u>	<u>15,917</u>	<u>15,560,102</u>	<u>14,936,259</u>
-	-	-	-	678,000	663,000
-	-	-	-	1,980,942	1,911,402
-	-	-	-	2,658,942	2,574,402
<u>3,431,384</u>	<u>2,490,898</u>	<u>1,265,022</u>	<u>1,460,781</u>	<u>94,706,641</u>	<u>91,620,892</u>
-	-	-	-	2,766,787	1,680,125
-	-	-	-	39,432	43,017
-	-	-	-	2,806,219	1,723,142
<u>\$ 3,691,690</u>	<u>\$ 3,400,184</u>	<u>\$ 1,375,353</u>	<u>\$ 1,476,698</u>	<u>\$ 115,731,904</u>	<u>\$ 110,854,695</u>

CITY OF EAU CLAIRE

ENTERPRISE FUNDS
 COMBINING BALANCE SHEET (cont'd)
 December 31, 2001 With Comparative
 Totals as of December 31, 2000

<i>LIABILITIES AND FUND EQUITY</i>	Water Utility	Sewer Utility
Current liabilities:		
Accounts payable	\$ 309,247	\$ 359,246
Accrued liabilities	73,551	72,604
Accrued compensated absences	43,493	47,750
Due to other funds	-	-
Due to other governments	-	2,167
Deposits	-	-
Current portion of advances from other funds	242,218	26,225
Total current liabilities	668,509	507,992
Liabilities payable from restricted assets:		
Current portion of revenue bonds	480,000	325,000
Interest accrued	151,438	51,964
Total liabilities payable from restricted assets	631,438	376,964
Long-term liabilities (net of current portion)		
Revenue bonds	9,810,000	3,730,000
Unamortized loss on refunding	(156,124)	-
Advance from other funds	5,148,695	979,548
Total long-term liabilities	14,802,571	4,709,548
Total liabilities	16,102,518	5,594,504
Fund equity:		
External contribution	16,798,003	25,993,776
Municipal contribution	4,041,399	1,854,728
Retained earnings:		
Reserved:		
Principal and interest	674,140	299,773
Total reserved	674,140	299,773
Unreserved (deficit)	15,289,024	19,140,114
Total retained earnings (deficit)	15,963,164	19,439,887
Total fund equity	36,802,566	47,288,391
Total liabilities and fund equity	\$ 52,905,084	\$ 52,882,895

Parking Utility	Public Transit	Hobbs Ice Center	Outdoor Pool	Totals	
				2001	2000
\$ 9,222	\$ 72,470	\$ 21,071	\$ 3,228	\$ 774,484	\$ 716,035
5,407	95,654	10,693	-	257,909	210,829
2,294	59,934	1,596	-	155,067	152,868
-	463,715	20,490	-	484,205	16,973
-	-	-	-	2,167	2,633
-	21,164	-	-	21,164	15,452
-	-	-	100,000	368,443	341,762
<u>16,923</u>	<u>712,937</u>	<u>53,850</u>	<u>103,228</u>	<u>2,063,439</u>	<u>1,456,552</u>
-	-	-	-	805,000	810,000
-	-	-	-	203,402	178,710
-	-	-	-	1,008,402	988,710
-	-	-	-	13,540,000	12,670,000
-	-	-	-	(156,124)	-
-	-	-	875,000	7,003,243	7,371,686
-	-	-	875,000	20,387,119	20,041,686
<u>16,923</u>	<u>712,937</u>	<u>53,850</u>	<u>978,228</u>	<u>23,458,960</u>	<u>22,486,948</u>
-	1,147,292	936,334	-	44,875,405	44,875,405
4,949,991	1,091,139	1,530,213	799,088	14,266,558	14,217,558
-	-	-	-	973,913	923,811
-	-	-	-	973,913	923,811
<u>(1,275,224)</u>	<u>448,816</u>	<u>(1,145,044)</u>	<u>(300,618)</u>	<u>32,157,068</u>	<u>28,350,973</u>
<u>(1,275,224)</u>	<u>448,816</u>	<u>(1,145,044)</u>	<u>(300,618)</u>	<u>33,130,981</u>	<u>29,274,784</u>
<u>3,674,767</u>	<u>2,687,247</u>	<u>1,321,503</u>	<u>498,470</u>	<u>92,272,944</u>	<u>88,367,747</u>
<u>\$ 3,691,690</u>	<u>\$ 3,400,184</u>	<u>\$ 1,375,353</u>	<u>\$ 1,476,698</u>	<u>\$ 115,731,904</u>	<u>\$ 110,854,695</u>

CITY OF EAU CLAIRE

ENTERPRISE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN RETAINED EARNINGS
 Year Ended December 31, 2001 With Comparative
 Totals for the Year Ended December 31, 2000

	<u>Water Utility</u>	<u>Sewer Utility</u>
Operating revenues:		
Charges for services	\$ 6,327,719	\$ 5,610,347
Other	<u>132,158</u>	<u>110,953</u>
Total operating revenues	<u>6,459,877</u>	<u>5,721,300</u>
Operating expenses:		
Personal services	1,339,188	1,573,033
Contractual services	662,172	947,450
Supplies and materials	243,432	422,069
Utilities	312,266	382,654
Depreciation	1,208,064	1,073,780
Taxes	1,038,188	-
Administrative	<u>342,261</u>	<u>392,427</u>
Total operating expenses	<u>5,145,571</u>	<u>4,791,413</u>
Operating income (loss)	<u>1,314,306</u>	<u>929,887</u>
Non-operating revenues (expenses):		
Operating grants	-	-
Investment income	242,372	524,572
Net loss on disposal of fixed assets	-	(89,181)
Interest expense	(777,060)	(293,588)
Amortization	<u>(4,746)</u>	<u>(3,585)</u>
Total non-operating revenue (expenses)	<u>(539,434)</u>	<u>138,218</u>
Income (loss) before operating transfers	774,872	1,068,105
Operating transfers from other funds	<u>-</u>	<u>-</u>
Income before contributions	<u>774,872</u>	<u>1,068,105</u>
Transfer of depreciation to contributed capital	<u>-</u>	<u>-</u>
Capital contributions	<u>646,379</u>	<u>904,747</u>
Increase (decrease) in retained earnings	1,421,251	1,972,852
Retained earnings (deficit) at beginning of year	<u>14,541,913</u>	<u>17,467,035</u>
Retained earnings (deficit) at end of year	<u>\$ 15,963,164</u>	<u>\$ 19,439,887</u>

Parking Utility	Public Transit	Hobbs Ice Center	Outdoor Pool	Totals	
				2001	2000
\$ 225,973	\$ 435,126	\$ 322,827	\$ 211,651	\$ 13,133,643	\$ 12,970,134
-	39,017	-	-	282,128	208,035
<u>225,973</u>	<u>474,143</u>	<u>322,827</u>	<u>211,651</u>	<u>13,415,771</u>	<u>13,178,169</u>
116,557	2,120,417	230,082	178,440	5,557,717	5,049,232
60,202	862,696	27,286	22,257	2,582,063	2,286,576
8,098	269,588	27,853	49,108	1,020,148	918,267
35,386	4,677	152,140	35,588	922,711	915,169
150,513	235,702	71,834	46,498	2,786,391	2,383,568
-	-	-	-	1,038,188	1,000,620
-	-	-	-	734,688	673,432
<u>370,756</u>	<u>3,493,080</u>	<u>509,195</u>	<u>331,891</u>	<u>14,641,906</u>	<u>13,226,864</u>
<u>(144,783)</u>	<u>(3,018,937)</u>	<u>(186,368)</u>	<u>(120,240)</u>	<u>(1,226,135)</u>	<u>(48,695)</u>
-	2,990,982	-	-	2,990,982	1,912,053
-	-	-	-	766,944	1,147,299
(3,215)	(10,253)	(689)	(20,602)	(123,940)	(22,639)
-	-	-	(71,378)	(1,142,026)	(1,324,944)
-	-	-	-	(8,331)	(3,585)
<u>(3,215)</u>	<u>2,980,729</u>	<u>(689)</u>	<u>(91,980)</u>	<u>2,483,629</u>	<u>1,708,184</u>
<u>(147,998)</u>	<u>(38,208)</u>	<u>(187,057)</u>	<u>(212,220)</u>	<u>1,257,494</u>	<u>1,659,489</u>
-	762,923	114,534	145,120	1,022,577	690,269
<u>(147,998)</u>	<u>724,715</u>	<u>(72,523)</u>	<u>(67,100)</u>	<u>2,280,071</u>	<u>2,349,758</u>
-	-	-	-	-	141,915
-	-	25,000	-	1,576,126	-
<u>(147,998)</u>	<u>724,715</u>	<u>(47,523)</u>	<u>(67,100)</u>	<u>3,856,197</u>	<u>2,491,673</u>
<u>(1,127,226)</u>	<u>(275,899)</u>	<u>(1,097,521)</u>	<u>(233,518)</u>	<u>29,274,784</u>	<u>26,783,111</u>
<u>\$ (1,275,224)</u>	<u>\$ 448,816</u>	<u>\$ (1,145,044)</u>	<u>\$ (300,618)</u>	<u>\$ 33,130,981</u>	<u>\$ 29,274,784</u>

CITY OF EAU CLAIRE

ENTERPRISE FUNDS COMBINING STATEMENT OF CASH FLOWS Year Ended December 31, 2001 With Comparative Totals for the Year Ended December 31, 2000

	Water Utility	Sewer Utility
Cash flows from operating activities:		
Cash received from customers	\$ 6,393,259	\$ 5,499,191
Cash payments to suppliers for goods and services	(1,199,389)	(1,722,123)
Cash payments to employees for services	(1,339,188)	(1,573,033)
Administrative charges	(255,324)	(314,796)
Payment in lieu of taxes	(1,038,188)	-
	<u>2,561,170</u>	<u>1,889,239</u>
Cash flows from noncapital financing activities:		
Operating transfers in from other funds	-	-
Operating grants received	-	-
Principal paid on advances from other funds	(227,310)	(24,452)
Interest paid on advances from other funds	-	-
	<u>(227,310)</u>	<u>(24,452)</u>
Cash flows from capital and related financing activities:		
Net proceeds from sale of revenue bonds	4,615,000	-
Debt issuance costs	(160,870)	-
Principal paid on revenue bonds	(3,440,000)	(310,000)
Interest on long-term liabilities	(748,688)	(297,268)
Purchase of capital assets	(2,748,974)	(3,043,573)
Contributions received	646,379	504,747
Proceeds from sale of equipment	-	-
Special assessments received	215,736	230,468
Cost of removal of plant	(44,735)	-
Payment to TIF for special assessments	-	-
Capital transfers in from other funds	-	-
	<u>(1,666,152)</u>	<u>(2,915,626)</u>
Cash flows from investing activities:		
Investment income	242,372	524,572
	<u>910,080</u>	<u>(526,267)</u>
Net increase (decrease) in cash and cash equivalents	<u>910,080</u>	<u>(526,267)</u>
Cash and cash equivalents at beginning of year	<u>3,689,234</u>	<u>9,499,552</u>
Cash and cash equivalents at end of year	<u>\$ 4,599,314</u>	<u>\$ 8,973,285</u>

Parking Utility	Public Transit	Hobbs Ice Center	Outdoor Pool	Total	
				2001	2000
\$ 226,935	\$ 477,815	\$ 343,177	\$ 212,080	\$ 13,152,457	\$ 13,094,728
(112,667)	(2,770,319)	(196,955)	(104,384)	(6,105,837)	(4,374,835)
(112,981)	(116,557)	(230,082)	(178,440)	(3,550,281)	(5,035,286)
-	-	-	-	(570,120)	(673,432)
-	-	-	-	(1,038,188)	(1,000,620)
<u>1,287</u>	<u>(2,409,061)</u>	<u>(83,860)</u>	<u>(70,744)</u>	<u>1,888,031</u>	<u>2,010,555</u>
-	762,923	114,534	145,120	1,022,577	690,269
-	3,016,807	-	-	3,016,807	1,955,577
-	-	-	(90,000)	(341,762)	(360,620)
-	-	-	(71,378)	(71,378)	(77,285)
-	<u>3,779,730</u>	<u>114,534</u>	<u>(16,258)</u>	<u>3,626,244</u>	<u>2,207,941</u>
-	-	-	-	4,615,000	-
-	-	-	-	(160,870)	-
-	-	-	-	(3,750,000)	(770,000)
-	-	-	-	(1,045,956)	(1,256,001)
(188,111)	(1,225,134)	(361,398)	-	(7,567,190)	(4,593,475)
-	-	25,000	90,000	1,266,126	627,304
-	-	-	-	-	12,570
-	-	-	-	446,204	-
-	-	-	-	(44,735)	(56,664)
-	-	-	-	-	-
<u>100,000</u>	<u>10,000</u>	<u>249,000</u>	<u>-</u>	<u>359,000</u>	<u>258,509</u>
<u>(88,111)</u>	<u>(1,215,134)</u>	<u>(87,398)</u>	<u>90,000</u>	<u>(5,882,421)</u>	<u>(5,777,757)</u>
-	-	-	-	766,944	1,137,798
<u>(86,824)</u>	<u>155,535</u>	<u>(56,724)</u>	<u>2,998</u>	<u>398,798</u>	<u>(421,463)</u>
<u>343,672</u>	<u>350</u>	<u>107,066</u>	<u>12,919</u>	<u>13,652,793</u>	<u>14,074,256</u>
<u>\$ 256,848</u>	<u>\$ 155,885</u>	<u>\$ 50,342</u>	<u>\$ 15,917</u>	<u>\$ 14,051,591</u>	<u>\$ 13,652,793</u>

CITY OF EAU CLAIRE

ENTERPRISE FUNDS
 COMBINING STATEMENT OF CASH FLOWS
 Year Ended December 31, 2001 With Comparative
 Totals for the Year Ended December 31, 2000

	<u>Water Utility</u>	<u>Sewer Utility</u>
Operating income (loss)	\$ 1,314,306	\$ 929,887
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation	1,208,064	1,073,780
Nonoperating income	-	-
Depreciation reimbursement	82,977	-
Change in assets and liabilities:		
Taxes receivable	(107,642)	(126,002)
Accounts receivable	(25,111)	(99,908)
Other receivables	(16,842)	3,801
Inventories	16,674	-
Prepayments	(80)	-
Accounts payable	42,240	65,506
Accrued liabilities	46,584	42,175
Customer deposits	-	-
Due to other governments	-	-
Due to other funds	-	-
	<u>1,246,864</u>	<u>959,352</u>
Total adjustments		
Net cash provided by (used for) operating activities	<u>\$ 2,561,170</u>	<u>\$ 1,889,239</u>

Parking Utility	Public Transit	Hobbs Ice Center	Outdoor Pool	Totals	
				2001	2000
\$ (144,783)	\$ (3,018,937)	\$ (186,368)	\$ (120,240)	\$ (1,226,135)	\$ (48,695)
150,513	235,702	71,834	46,498	2,786,391	2,383,568
-	-	-	-	-	9,500
-	-	-	-	82,977	72,856
-	-	-	-	(233,644)	(73,003)
962	(2,040)	20,351	429	(105,317)	(55,808)
-	-	-	-	(13,041)	(32,737)
-	-	-	-	16,674	(27,380)
-	-	-	-	(80)	(309)
(8,981)	(28,128)	(15,223)	2,569	57,983	(188,623)
3,576	(48,112)	5,056	-	49,279	(16,808)
-	5,712	-	-	5,712	(4,245)
-	-	-	-	-	(7,761)
-	446,742	20,490	-	467,232	-
<u>146,070</u>	<u>609,876</u>	<u>102,508</u>	<u>49,496</u>	<u>3,114,166</u>	<u>2,059,250</u>
\$ <u>1,287</u>	\$ <u>(2,409,061)</u>	\$ <u>(83,860)</u>	\$ <u>(70,744)</u>	\$ <u>1,888,031</u>	\$ <u>2,010,555</u>

CITY OF EAU CLAIRE
WATER UTILITY
COMPARATIVE BALANCE SHEET
December 31, 2001 and 2000

ASSETS	2001	2000
Current assets:		
Cash and short term investments	\$ 3,027,109	\$ 2,181,499
Receivables:		
Taxes	411,396	303,754
Accounts	685,335	660,224
Other	518,695	501,853
Inventories, at cost	120,651	137,325
Prepayments	8,190	8,110
Total current assets	4,771,376	3,792,765
Equipment replacement account	268,000	273,000
Revenue bond debt service account	1,304,205	1,234,735
Total restricted assets	1,572,205	1,507,735
Property, plant and equipment:		
Source of supply	1,100,237	1,100,237
Pumping plant	4,436,429	4,416,091
Water treatment plant	4,926,749	4,769,799
Transmission and distribution plant	44,700,533	43,317,479
General plant	521,904	500,646
Construction in progress	1,790,843	1,358,768
Accumulated depreciation	(12,157,430)	(10,993,072)
Net property, plant, and equipment	45,319,265	44,469,948
Other assets:		
Special assessments:		
Non-current	845,336	356,847
Deferred	396,902	447,776
Total special assessments	1,242,238	804,623
Total other assets	1,242,238	804,623
Total assets	\$ 52,905,084	\$ 50,575,071

LIABILITIES AND FUND EQUITY	<u>2001</u>	<u>2000</u>
Current liabilities:		
Accounts payable	\$ 309,247	\$ 267,007
Accrued liabilities	73,551	30,616
Accrued compensated absences	43,493	39,844
Current portion of advances from other funds	<u>242,218</u>	<u>227,310</u>
Total current liabilities	<u>668,509</u>	<u>564,777</u>
Liabilities payable from restricted assets:		
Current portion of revenue bonds	480,000	500,000
Interest accrued	<u>151,438</u>	<u>123,066</u>
Total liabilities payable from restricted assets	<u>631,438</u>	<u>623,066</u>
Long-term liabilities (net of current portion):		
Revenue bonds	9,810,000	8,615,000
Unamortized loss on refunding	(156,124)	-
Advance from other funds	<u>5,148,695</u>	<u>5,390,913</u>
Total long-term liabilities	<u>14,802,571</u>	<u>14,005,913</u>
Total liabilities	<u>16,102,518</u>	<u>15,193,756</u>
Fund equity:		
External contribution	16,798,003	16,798,003
Municipal contribution	4,041,399	4,041,399
Retained earnings:		
Reserved for debt service	674,140	612,788
Unreserved	<u>15,289,024</u>	<u>13,929,125</u>
Total retained earnings	<u>15,963,164</u>	<u>14,541,913</u>
Total fund equity	<u>36,802,566</u>	<u>35,381,315</u>
Total liabilities and fund equity	<u>\$ 52,905,084</u>	<u>\$ 50,575,071</u>

CITY OF EAU CLAIRE

WATER UTILITY
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN RETAINED EARNINGS
 Years Ended December 31, 2001 and 2000

	2001	2000
Operating revenues:		
Charges for services:		
General customers:		
Residential	\$ 2,985,798	\$ 2,756,402
Commercial	1,206,176	1,121,293
Industrial	621,143	702,939
Fire protection service:		
Private	38,836	36,796
Public	1,087,343	994,826
Other sales to public authorities	318,175	316,883
Service charge for sewer collections	70,248	68,270
	6,327,719	5,997,409
 Other:		
Forfeited discounts	57,646	56,988
Miscellaneous revenues	74,512	51,035
	132,158	108,023
 Total operating revenues	6,459,877	6,105,432
 Operating expenses:		
Personal services	1,339,188	1,331,832
Contractual services	662,172	456,221
Supplies and materials	243,432	263,498
Utilities	312,266	329,558
Depreciation	1,208,064	930,312
Taxes	1,038,188	1,000,620
Administrative	342,261	296,965
	5,145,571	4,609,006
 Total operating expenses	5,145,571	4,609,006
 Operating income	1,314,306	1,496,426

	<u>2001</u>	<u>2000</u>
Non-operating revenues (expenses):		
Investment income	\$ 242,372	\$ 343,783
Interest expense	(777,060)	(935,051)
Amortization	<u>(4,746)</u>	<u>-</u>
Total non-operating revenues (expenses)	<u>(539,434)</u>	<u>(591,268)</u>
Income before contributions	774,872	905,158
Capital contributions	<u>646,379</u>	<u>-</u>
Increase in retained earnings	<u>1,421,251</u>	<u>905,158</u>
Retained earnings at beginning of year	<u>14,541,913</u>	<u>13,636,755</u>
Retained earnings at end of year	<u>\$ 15,963,164</u>	<u>\$ 14,541,913</u>

CITY OF EAU CLAIRE

WATER UTILITY
COMPARATIVE STATEMENT OF CASH FLOWS
 Years Ended December 31, 2000 and 2001

	2001	2000
Cash flows from operating activities:		
Cash received from customers	\$ 6,393,259	\$ 6,072,652
Cash payments to suppliers for goods and services	(1,199,389)	(1,275,939)
Cash payments to employees for services	(1,339,188)	(1,334,255)
Administrative charges	(255,324)	(296,965)
Payment in lieu of taxes	(1,038,188)	(1,000,620)
Net cash provided by operating activities	2,561,170	2,164,873
Cash flows from noncapital financing activities:		
Principal paid on advances from other funds	(227,310)	(213,419)
Net cash used for noncapital financing activities	(227,310)	(213,419)
Cash flows from capital and related financing activities:		
Net proceeds from sale of revenue bonds	4,615,000	-
Debt issuance costs	(160,870)	-
Principal paid on revenue bonds	(3,440,000)	(475,000)
Purchase of capital assets	(2,748,974)	(2,954,553)
Proceeds from sale of equipment	-	12,570
Special assessments received	215,736	-
Capital contributions	646,379	683,641
Cost of removal of property retired	(44,735)	(56,664)
Interest on long-term liabilities	(748,688)	(939,947)
Net cash used for capital and related financing activities	(1,666,152)	(3,729,953)
Cash flows from investing activities:		
Investment income	242,372	343,782
Net decrease in cash and cash equivalents	910,080	(1,434,717)
Cash and cash equivalents at beginning of year	3,689,234	5,123,951
Cash and cash equivalents at end of year	\$ 4,599,314	\$ 3,689,234

	2001	2000
Operating income	\$ 1,314,306	\$ 1,496,426
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	1,208,064	930,312
Depreciation reimbursement	82,977	72,856
Change in assets and liabilities:		
Taxes receivable	(107,642)	(28,050)
Accounts receivable	(25,111)	(63,696)
Other receivables	(16,842)	(13,888)
Inventories	16,674	(27,380)
Prepayments	(80)	(309)
Accounts payable	42,240	(173,320)
Accrued liabilities	46,584	(28,078)
Total adjustments	1,246,864	668,447
Net cash provided by operating activities	<u>\$ 2,561,170</u>	<u>\$ 2,164,873</u>

RECONCILIATION OF CASH PER STATEMENT OF CASH FLOWS TO THE BALANCE SHEET	Cash and Short Term Investments	Restricted Assets	Statement of Cash Flow Total
Cash - beginning	\$ 2,181,499	\$ 1,507,735	\$ 3,689,234
Net increase (decrease)	<u>845,610</u>	<u>64,470</u>	<u>910,080</u>
Cash - ending	<u>\$ 3,027,109</u>	<u>\$ 1,572,205</u>	<u>\$ 4,599,314</u>

CITY OF EAU CLAIRE
SEWER UTILITY
COMPARATIVE BALANCE SHEET
December 31, 2001 and 2000

ASSETS	<u>2001</u>	<u>2000</u>
Currents assets:		
Cash and short term investments	\$ 7,886,548	\$ 8,432,885
Receivables:		
Taxes	461,670	335,668
Accounts	647,094	547,186
Other	497,574	501,375
Total current assets	<u>9,492,886</u>	<u>9,817,114</u>
Restricted assets:		
Equipment replacement account	410,000	390,000
Revenue bond debt service account	676,737	676,667
Total restricted assets	<u>1,086,737</u>	<u>1,066,667</u>
Property, plant and equipment:		
Land and land improvements	109,339	110,339
Buildings	19,718,180	19,734,959
Sanitary sewer extensions	32,903,684	32,916,743
Equipment	1,486,994	1,671,465
Construction in progress	2,835,055	740,282
Accumulated depreciation	<u>(16,313,961)</u>	<u>(15,435,594)</u>
Net property, plant and equipment	<u>40,739,291</u>	<u>39,738,194</u>
Other assets:		
Special assessments:		
Non-current	1,133,636	467,244
Deferred	390,913	408,258
Total special assessments	<u>1,524,549</u>	<u>875,502</u>
Deferred debits:		
Debt discount and expense	<u>39,432</u>	<u>43,017</u>
Total other assets	<u>1,563,981</u>	<u>918,519</u>
Total assets	<u>\$ 52,882,895</u>	<u>\$ 51,540,494</u>

	2001	2000
LIABILITIES AND FUND EQUITY		
Current liabilities:		
Accounts payable	\$ 359,246	\$ 293,274
Accrued expense	72,604	26,421
Accrued compensated absences	47,750	51,758
Due to other governments	2,167	2,633
Current portion of advances from other funds	26,225	24,452
Total current liabilities	<u>507,992</u>	<u>398,538</u>
Liabilities payable from restricted assets:		
Current portion of revenue bonds	325,000	310,000
Interest accrued	51,964	55,644
Total liabilities payable from restricted assets	<u>376,964</u>	<u>365,644</u>
Long-term liabilities (net of current portion):		
Revenue bonds	3,730,000	4,055,000
Advance from other funds	979,548	1,005,773
Total long-term liabilities	<u>4,709,548</u>	<u>5,060,773</u>
Total liabilities	<u>5,594,504</u>	<u>5,824,955</u>
Fund equity:		
External contribution	25,993,776	25,993,776
Municipal contribution	1,854,728	2,254,728
Retained earnings:		
Reserved for debt service	299,773	311,023
Unreserved	19,140,114	17,156,012
Total retained earnings	<u>19,439,887</u>	<u>17,467,035</u>
Total fund equity	<u>47,288,391</u>	<u>45,715,539</u>
Total liabilities and fund equity	<u>\$ 52,882,895</u>	<u>\$ 51,540,494</u>

CITY OF EAU CLAIRE

SEWER UTILITY COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS Years Ended December 31, 2001 and 2000

	2001	2000
Operating revenues:		
Charges for services:		
Residential	\$ 2,611,939	\$ 2,651,291
Commercial	1,713,724	1,803,044
Industrial	558,631	555,745
Public	318,625	348,380
Other	407,428	463,433
Total charges for services	5,610,347	5,821,893
Other:		
Forfeited discounts	52,685	52,955
Miscellaneous revenues	58,268	31,288
Total other	110,953	84,243
Total operating revenues	5,721,300	5,906,136
Operating expenses:		
Personal services	1,573,033	1,526,352
Contractual services	947,450	902,221
Supplies and materials	422,069	332,884
Utilities	382,654	350,537
Depreciation	1,073,780	1,023,024
Administrative	392,427	376,467
Total operating expenses	4,791,413	4,511,485
Operating income	929,887	1,394,651

	<u>2001</u>	<u>2000</u>
Non-operating revenues (expenses):		
Investment income	\$ 524,572	\$ 794,016
Interest expense	(293,588)	(312,608)
Amortization	(3,585)	(3,585)
Loss on disposal of equipment	(89,181)	(2,895)
Total non-operating revenues (expenses)	<u>138,218</u>	<u>474,928</u>
Income before contributions	1,068,105	1,869,579
Capital contributions	<u>904,747</u>	<u>-</u>
Increase (decrease) in retained earnings	<u>1,972,852</u>	<u>1,869,579</u>
Retained earnings at beginning of year	<u>17,467,035</u>	<u>15,597,456</u>
Retained earnings at end of year	<u>\$ 19,439,887</u>	<u>\$ 17,467,035</u>

CITY OF EAU CLAIRE

SEWER UTILITY
COMPARATIVE STATEMENT OF CASH FLOWS
 Years Ended December 31, 2001 and 2000

	2001	2000
Cash flows from operating activities:		
Cash received from customers	\$ 5,499,191	\$ 5,863,042
Cash payments to suppliers for goods and services	(1,722,123)	(1,535,622)
Cash payments to employees for services	(1,573,033)	(1,530,647)
Administrative charges	(314,796)	(376,467)
Net cash provided by operating activities	1,889,239	2,420,306
Cash flows from noncapital financing activities:		
Principal paid on advances from other funds	(24,452)	(62,201)
Net cash used for noncapital financing activities	(24,452)	(62,201)
Cash flows from capital and related financing activities:		
Principal paid on revenue bonds	(310,000)	(295,000)
Purchase of capital assets	(3,043,573)	(1,581,034)
Capital contributions	504,747	(56,337)
Special assessments received	230,468	-
Interest on long-term liabilities	(297,268)	(316,054)
Net cash used for capital and related financing activities	(2,915,626)	(2,248,425)
Cash flows from investing activities:		
Investment income	524,572	794,016
Net increase in cash and cash equivalents	(526,267)	903,696
Cash and cash equivalents at beginning of year	9,499,552	8,595,856
Cash and cash equivalents at end of year	\$ 8,973,285	\$ 9,499,552

	2001	2000
Operating income	\$ 929,887	\$ 1,394,651
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	1,073,780	1,023,024
Change in assets and liabilities:		
Taxes receivable	(126,002)	(44,953)
Accounts receivable	(99,908)	20,708
Other receivables	3,801	(18,849)
Accounts payable	65,506	62,879
Accrued liabilities	42,175	(9,393)
Due to other governments	-	(7,761)
Total adjustments	959,352	1,025,655
Net cash provided by operating activities	<u>\$ 1,889,239</u>	<u>\$ 2,420,306</u>

RECONCILIATION OF CASH PER STATEMENT OF CASH FLOWS TO THE BALANCE SHEET	Cash and Short Term Investments	Restricted Assets	Statement of Cash Flow Total
Cash - beginning	\$ 8,432,885	\$ 1,066,667	\$ 9,499,552
Net increase (decrease)	<u>(546,337)</u>	<u>20,070</u>	<u>(526,267)</u>
Cash - ending	<u>\$ 7,886,548</u>	<u>\$ 1,086,737</u>	<u>\$ 8,973,285</u>

CITY OF EAU CLAIRE
PARKING UTILITY
COMPARATIVE BALANCE SHEET
December 31, 2001 and 2000

ASSETS	2001	2000
Currents assets:		
Cash and short term investments	\$ 256,848	\$ 343,672
Receivables:		
Accounts	3,458	4,420
Total current assets	260,306	348,092
Property, plant and equipment:		
Land and land improvements	1,397,051	1,413,307
Buildings	3,913,650	3,730,414
Equipment	41,329	41,329
Accumulated depreciation	(1,920,646)	(1,788,049)
Net property, plant, and equipment	3,431,384	3,397,001
Total assets	\$ 3,691,690	\$ 3,745,093
LIABILITIES AND FUND EQUITY		
Current liabilities:		
Accounts payable	\$ 9,222	\$ 18,203
Accrued liabilities	5,407	1,512
Accrued compensated absences	2,294	2,613
Total current liabilities	16,923	22,328
Fund equity:		
Municipal contribution	4,949,991	4,849,991
Retained earnings:		
Unreserved (deficit)	(1,275,224)	(1,127,226)
Total fund equity	3,674,767	3,722,765
Total liabilities and fund equity	\$ 3,691,690	\$ 3,745,093

CITY OF EAU CLAIRE

**PARKING UTILITY
COMPARATIVE STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
Years Ended December 31, 2001 and 2000**

	2001	2000
Operating revenues:		
Charges for services:		
On-street meters	\$ 16,813	\$ 18,073
Off-street meters	98,012	95,121
Off-street unmetered:		
Graham ramp	48,874	48,540
Farwell ramp	61,074	65,780
Miscellaneous	1,200	-
Total operating revenues	225,973	227,514
Operating expenses:		
Personal services	116,557	117,471
Contractual services	60,202	55,105
Supplies and materials	8,098	2,943
Utilities	35,386	39,910
Depreciation	150,513	138,804
Total operating expenses	370,756	354,233
Operating loss	(144,783)	(126,719)
Non-operating revenue (expenses)		
Transfers from other funds	-	12,916
Loss of disposal of equipment	(3,215)	(7,508)
Total non-operating income (expenses)	(3,215)	5,408
Net loss	(147,998)	(121,311)
Retained earnings (deficit) at beginning of year	(1,127,226)	(1,005,915)
Retained earnings (deficit) at end of year	\$ (1,275,224)	\$ (1,127,226)

CITY OF EAU CLAIRE

PARKING UTILITY
COMPARATIVE STATEMENT OF CASH FLOWS
 Years Ended December 31, 2001 and 2000

	2001	2000
Cash flows from operating activities:		
Cash received from customers	\$ 226,935	\$ 223,491
Cash payments to suppliers for goods and services	(112,667)	(85,886)
Cash payments to employees for services	(112,981)	(119,750)
Net cash provided by operating activities	1,287	17,855
Cash flows from noncapital financing activities		
Operating transfers from other funds	-	12,916
Net cash provided by noncapital financing activities	-	12,916
Cash flows from capital and related financing activities:		
Purchase of capital assets	(188,111)	(33,204)
Capital transfers in from other funds	100,000	100,000
Net cash provided (used for) capital and related financing activities	(88,111)	66,796
Net increase (decrease) in cash and cash equivalents	(86,824)	97,567
Cash and cash equivalents at beginning of year	343,672	246,105
Cash and cash equivalents at end of year	\$ 256,848	\$ 343,672
Operating loss	\$ (144,783)	\$ (126,719)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation	150,513	138,804
Change in assets and liabilities:		
Accounts receivable	962	(1,007)
Accounts payable	(8,981)	12,072
Accrued liabilities	3,576	(2,279)
Customer deposits	-	(3,016)
Total adjustments	146,070	144,574
Net cash provided by operating activities	\$ 1,287	\$ 17,855

CITY OF EAU CLAIRE
PUBLIC TRANSIT
COMPARATIVE BALANCE SHEET
December 31, 2001 and 2000

	2001	2000
ASSETS		
Currents assets:		
Cash and short term investments	\$ 155,885	\$ 350
Receivables:		
Accounts	11,742	1,369
Other	2,000	10,333
Due from other governments	739,659	765,484
Total current assets	909,286	777,536
Property, plant and equipment:		
Buildings	110,335	113,127
Equipment	3,673,354	3,083,671
Construction work in progress	-	370
Accumulated depreciation	(1,292,791)	(1,685,449)
Net property, plant, and equipment	2,490,898	1,511,719
Total assets	\$ 3,400,184	\$ 2,289,255
LIABILITIES AND FUND EQUITY		
Current liabilities:		
Accounts payable	\$ 72,470	\$ 100,598
Accrued liabilities	95,654	149,502
Accrued compensated absences	59,934	54,198
Deposits	21,164	15,452
Due to other funds	463,715	16,973
Total current liabilities	712,937	336,723
Fund equity:		
External contribution	1,147,292	1,147,292
Municipal contribution	1,091,139	1,081,139
Retained earnings:		
Unreserved (Deficit)	448,816	(275,899)
Total fund equity	2,687,247	1,952,532
Total liabilities and fund equity	\$ 3,400,184	\$ 2,289,255

CITY OF EAU CLAIRE

PUBLIC TRANSIT
COMPARATIVE STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
Years Ended December 31, 2001 and 2000

	2001	2000
Operating revenues:		
Charges for services:		
Passenger revenue	\$ 435,126	\$ 387,658
Other:		
Advertising	18,320	15,294
Miscellaneous	20,697	475
	39,017	15,769
 Total other		
	39,017	15,769
 Total operating revenues	474,143	403,427
 Operating expenses:		
Personal services	2,120,417	1,722,286
Contractual services	862,696	790,645
Supplies and materials	269,588	274,534
Utilities	4,677	5,380
Depreciation	235,702	198,162
	3,493,080	2,991,007
 Total operating expenses	3,493,080	2,991,007
 Operating loss	(3,018,937)	(2,587,580)
 Non-operating revenues:		
Operating grants:		
Federal	1,629,452	573,320
State	1,113,454	1,137,707
Local	248,076	201,026
	2,990,982	1,912,053
 Total operating grants	2,990,982	1,912,053
 Net loss on disposal of fixed assets	(10,253)	(12,236)
 Total non-operating revenues	2,980,729	1,899,817
 Loss before operating transfers	(38,208)	(687,763)
 Operating transfers from general fund	762,923	477,363
 Net income (loss)	724,715	(210,400)
 Transfer of depreciation to contributed capital	-	141,915
 Increase (decrease) in retained earnings	724,715	(68,485)
 Retained earnings at beginning of year	(275,899)	(207,414)
 Retained earnings at end of year	\$ 448,816	\$ (275,899)

CITY OF EAU CLAIRE

PUBLIC TRANSIT COMPARATIVE STATEMENT OF CASH FLOWS Years Ended December 31, 2001 and 2000

	2001	2000
Cash flows from operating activities:		
Cash received from customers	\$ 477,815	\$ 444,307
Cash payments to suppliers for goods and services	(2,770,319)	(1,177,728)
Cash payments to employees for services	(116,557)	(1,699,149)
Net cash used for operating activities	(2,409,061)	(2,432,570)
Cash flows from noncapital financing activities:		
Operating transfers in from other funds	762,923	477,363
Operating grants received	3,016,807	1,955,577
Net cash provided by noncapital financial activities	3,779,730	2,432,940
Cash flows from capital and related financing activities:		
Purchase of capital assets	(1,225,134)	(2,831)
Capital transfers in from other funds	10,000	2,461
Net cash provided by (used for) capital and related financing activities	(1,215,134)	(370)
Net increase (decrease) in cash and cash equivalents	155,535	-
Cash and cash equivalents at beginning of year	350	350
Cash and cash equivalents at end of year	\$ 155,885	\$ 350
Operating loss	\$ (3,018,937)	\$ (2,587,580)
Adjustments to reconcile operating loss to net cash used for operating activities:		
Depreciation	235,702	198,162
Change in assets and liabilities:		
Accounts receivable	(2,040)	42,111
Accounts payable	(28,128)	(107,170)
Due to other funds	446,742	-
Accrued liabilities	(48,112)	23,136
Customer deposits	5,712	(1,229)
Total adjustments	609,876	155,010
Net cash from (used) for operating activities	\$ (2,409,061)	\$ (2,432,570)

CITY OF EAU CLAIRE
HOBBS ICE CENTER
COMPARATIVE BALANCE SHEET
December 31, 2001 and 2000

ASSETS	<u>2001</u>	<u>2000</u>
Currents assets:		
Cash and short term investments	\$ 50,342	\$ 107,066
Receivables:		
Accounts	<u>59,989</u>	<u>80,339</u>
Total current assets	<u>110,331</u>	<u>187,405</u>
Property, plant and equipment:		
Land and land improvements	5,000	61,486
Buildings	1,918,442	1,603,637
Equipment	82,842	19,244
Construction in progress	26,774	7,875
Accumulated depreciation	<u>(768,036)</u>	<u>(716,094)</u>
Net property, plant, and equipment	<u>1,265,022</u>	<u>976,148</u>
Total assets	<u>\$ 1,375,353</u>	<u>\$ 1,163,553</u>
LIABILITIES AND FUND EQUITY		
Current liabilities:		
Accounts payable	\$ 21,071	\$ 36,294
Accrued liabilities	10,693	2,778
Accrued compensated absences	1,596	4,455
Due to other funds	<u>20,490</u>	<u>-</u>
Total current liabilities	<u>53,850</u>	<u>43,527</u>
Fund equity:		
External contribution	936,334	936,334
Municipal contribution	1,530,213	1,281,213
Retained earnings:		
Unreserved (deficit)	<u>(1,145,044)</u>	<u>(1,097,521)</u>
Total fund equity	<u>1,321,503</u>	<u>1,120,026</u>
Total liabilities and fund equity	<u>\$ 1,375,353</u>	<u>\$ 1,163,553</u>

CITY OF EAU CLAIRE

HOBBS ICE CENTER COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS Years Ended December 31, 2001 and 2000

	2001	2000
Operating revenues:		
Charges for services	\$ 322,827	\$ 351,612
Total operating revenues	322,827	351,612
Operating expenses:		
Personal services	230,082	199,706
Contractual services	27,286	60,489
Supplies and materials	27,853	13,149
Utilities	152,140	150,930
Depreciation	71,834	45,195
Total operating expenses	509,195	469,469
Operating loss	(186,368)	(117,857)
Non-operating revenues (expenses):		
Gifts and donations	-	9,500
Net loss on disposal of fixed assets	(689)	-
Loss before operating transfers	(187,057)	(108,357)
Operating transfers from other funds	114,534	63,161
Income before contributions	(72,523)	(45,196)
Capital contributions	25,000	-
Increase (decrease) in retained earnings	(47,523)	(45,196)
Retained earnings (deficit) at beginning of year	(1,097,521)	(1,052,325)
Retained earnings (deficit) at end of year	\$ (1,145,044)	\$ (1,097,521)

CITY OF EAU CLAIRE

HOBBS ICE CENTER COMPARATIVE STATEMENT OF CASH FLOWS Years Ended December 31, 2001 and 2000

	2001	2000
Cash flows from operating activities:		
Cash received from customers	\$ 343,177	\$ 307,615
Cash payments to suppliers for goods and services	(196,955)	(208,018)
Cash payments to employees for services	(230,082)	(199,900)
Net cash used for operating activities	(83,860)	(100,303)
Cash flows from noncapital financing activities:		
Operating transfers in from other funds	114,534	63,161
Cash flows from capital and related financing activities:		
Purchase of capital assets	(361,398)	(7,874)
Contributions received	25,000	-
Capital transfers in from other funds	249,000	70,000
Net cash provided by capital and related financing activities	(87,398)	62,126
Net increase (decrease) in cash and cash equivalents	(56,724)	24,984
Cash and cash equivalents at beginning of year	107,066	82,082
Cash and cash equivalents at end of year	\$ 50,342	\$ 107,066
Operating loss	\$ (186,368)	\$ (117,857)
Adjustments to reconcile operating loss to net cash used for operating activities:		
Non-operating income	-	9,500
Depreciation	71,834	45,195
Change in assets and liabilities:		
Accounts receivable	20,351	(53,497)
Accounts payable	(15,223)	16,550
Accrued liabilities	5,056	(194)
Due to other funds	20,490	-
Total adjustments	102,508	17,554
Net cash used for operating activities	\$ (83,860)	\$ (100,303)

CITY OF EAU CLAIRE
OUTDOOR POOL
COMPARATIVE BALANCE SHEET
December 31, 2001 and 2000

	2001	2000
ASSETS		
Currents assets:		
Cash and short term investments	\$ 15,917	\$ 12,919
Accounts receivable	-	428
Total current assets	15,917	13,347
Property, plant and equipment:		
Land and land improvements	1,342,687	1,342,687
Buildings	557,663	561,109
Equipment	-	25,547
Accumulated depreciation	(439,569)	(401,461)
Net property, plant, and equipment	1,460,781	1,527,882
Total assets	\$ 1,476,698	\$ 1,541,229
LIABILITIES AND FUND EQUITY		
Current liabilities:		
Accounts payable	\$ 3,228	\$ 659
Current portion of advances from other funds	100,000	90,000
Total current liabilities	103,228	90,659
Long-term liabilities (net of current portion):		
Advance from other funds	875,000	975,000
Total long-term liabilities	875,000	975,000
Total liabilities	978,228	1,065,659
Fund equity:		
Municipal contribution	799,088	709,088
Retained earnings:		
Unreserved (deficit)	(300,618)	(233,518)
Total fund equity	498,470	475,570
Total liabilities and fund equity	\$ 1,476,698	\$ 1,541,229

CITY OF EAU CLAIRE

OUTDOOR POOL
COMPARATIVE STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
Years Ended December 31, 2001 and 2000

	2001	2000
Operating revenues:		
Charges for services:		
Pool admissions	\$ 156,225	\$ 134,297
Pool concessions	41,473	37,507
Miscellaneous	13,953	12,244
Total operating revenues	211,651	184,048
Operating expenses:		
Personal services	178,440	151,585
Contractual services	22,257	21,895
Supplies and materials	49,108	38,854
Utilities	35,588	31,259
Depreciation	46,498	48,071
Total operating expenses	331,891	291,664
Operating loss	(120,240)	(107,616)
Non-operating expenses:		
Loss on disposal of fixed assets	(20,602)	-
Interest expense	(71,378)	(77,285)
Total non-operating expenses	(91,980)	(77,285)
Loss before operating transfers	(212,220)	(184,901)
Operating transfers from general fund	145,120	136,829
Net loss	(67,100)	(48,072)
Retained earnings (deficit) at beginning of year	(233,518)	(185,446)
Retained earnings (deficit) at end of year	\$ (300,618)	\$ (233,518)

CITY OF EAU CLAIRE

OUTDOOR POOL COMPARATIVE STATEMENT OF CASH FLOWS Years Ended December 31, 2001 and 2000

	2001	2000
Cash flows from operating activities:		
Cash received from customers	\$ 212,080	\$ 183,621
Cash payments to suppliers for goods and services	(104,384)	(91,642)
Cash payments to employees for services	(178,440)	(151,585)
Net cash used for operating activities	(70,744)	(59,606)
Cash flows from noncapital financing activities:		
Operating transfers in from other funds	145,120	136,829
Principal paid on advances from other funds	(90,000)	(85,000)
Interest paid on advances from other funds	(71,378)	(77,285)
Net cash used for noncapital financing activities	(16,258)	(25,456)
Cash flows from capital and related financing activities:		
Purchase of capital assets	-	(13,979)
Capital paid in by municipality	90,000	-
Capital transfers in from other funds	-	86,048
Net cash provided by capital and related financing activities	90,000	72,069
Net decrease in cash and cash equivalents	2,998	(12,993)
Cash and cash equivalents at beginning of year	12,919	25,912
Cash and cash equivalents at end of year	\$ 15,917	\$ 12,919
Operating loss	\$ (120,240)	\$ (107,616)
Adjustments to reconcile operating loss to net cash used for operating activities:		
Depreciation	46,498	48,071
Changes in assets and liabilities:		
Accounts receivable	429	(427)
Accounts payable	2,569	366
Total adjustments	49,496	48,010
Net cash used for operating activities	\$ (70,744)	\$ (59,606)

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

INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET
December 31, 2001 With Comparative
Totals as of December 31, 2000

<i>ASSETS</i>	Risk Management	Central Equipment	Totals	
			2001	2000
Current assets:				
Cash and short term investments	\$ 7,194,978	\$ 8,184,553	\$ 15,379,531	\$ 8,192,279
Receivables:				
Accounts	75,067	11,846	86,913	35,249
Due from other funds	-	93	93	37
Due from other governments	-	17,440	17,440	19,903
Inventories, at cost	-	411,759	411,759	358,825
Total current assets	<u>7,270,045</u>	<u>8,625,691</u>	<u>15,895,736</u>	<u>8,606,293</u>
Restricted assets:				
Equipment replacement account	-	-	-	7,022,696
Escrow account	107,058	-	107,058	170,934
Total restricted assets	<u>107,058</u>	<u>-</u>	<u>107,058</u>	<u>7,193,630</u>
Deposit in insurance pools	766,496	-	766,496	766,496
Net property, plant, and equipment	1,250	9,638,345	9,639,595	9,428,442
Total assets	<u>\$ 8,144,849</u>	<u>\$ 18,264,036</u>	<u>\$ 26,408,885</u>	<u>\$ 25,994,861</u>

<i>LIABILITIES AND EQUITY</i>	Risk Management	Central Equipment	Totals	
			2001	2000
Current liabilities:				
Accounts payable	\$ 17,658	\$ 490,133	\$ 507,791	\$ 133,059
Accrued liabilities	4,349	16,351	20,700	6,511
Due to other funds	98	-	98	-
Accrued compensated absences	3,272	15,622	18,894	18,716
Unpaid claims-current portion	<u>220,000</u>	<u>-</u>	<u>220,000</u>	<u>220,000</u>
Total current liabilities	<u>245,377</u>	<u>522,106</u>	<u>767,483</u>	<u>378,286</u>
Long-term liabilities (net of current portion):				
Unpaid claims	<u>1,045,894</u>	<u>-</u>	<u>1,045,894</u>	<u>1,332,853</u>
Total liabilities	<u>1,291,271</u>	<u>522,106</u>	<u>1,813,377</u>	<u>1,711,139</u>
Equity:				
External contribution	-	1,168,362	1,168,362	1,168,362
Municipal contribution	-	5,401,851	5,401,851	5,401,851
Retained earnings:				
Reserved:				
For restricted assets	107,058	-	107,058	170,934
For deposit in insurance pools	<u>766,496</u>	<u>-</u>	<u>766,496</u>	<u>766,496</u>
Total reserved	<u>873,554</u>	<u>-</u>	<u>873,554</u>	<u>937,430</u>
Unreserved	<u>5,980,024</u>	<u>11,171,717</u>	<u>17,151,741</u>	<u>16,776,079</u>
Total retained earnings	<u>6,853,578</u>	<u>11,171,717</u>	<u>18,025,295</u>	<u>17,713,509</u>
Total equity	<u>6,853,578</u>	<u>17,741,930</u>	<u>24,595,508</u>	<u>24,283,722</u>
Total liabilities and equity	<u>\$ 8,144,849</u>	<u>\$ 18,264,036</u>	<u>\$ 26,408,885</u>	<u>\$ 25,994,861</u>

CITY OF EAU CLAIRE

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS Year Ended December 31, 2001 With Comparative Totals for Year Ended December 31, 2000

	Risk Management	Central Equipment	Totals	
			2001	2000
Operating revenues:				
Service charges	\$ -	\$ 602,080	\$ 602,080	\$ 122,416
Rental of equipment	-	1,962,382	1,962,382	2,284,231
Insurance	<u>1,117,582</u>	-	<u>1,117,582</u>	<u>1,112,140</u>
 Total charges for services	<u>1,117,582</u>	<u>2,564,462</u>	<u>3,682,044</u>	<u>3,518,787</u>
 Other:				
Repayment of insurance claims	133,487	-	133,487	92,708
Building rental	-	162,549	162,549	146,050
Refund of prior year expenditures	-	5,300	5,300	-
Miscellaneous	-	<u>3,726</u>	<u>3,726</u>	-
 Total operating revenues	<u>1,251,069</u>	<u>2,736,037</u>	<u>3,987,106</u>	<u>3,757,545</u>
 Operating expenses:				
Personal services	105,996	497,465	603,461	553,262
Contractual services	18,998	509,415	528,413	752,307
Supplies and materials	3,633	544,411	548,044	529,418
Utilities	989	122,692	123,681	115,654
Depreciation	-	926,385	926,385	865,312
Claims	<u>510,313</u>	-	<u>510,313</u>	<u>551,043</u>
 Total operating expenses	<u>639,929</u>	<u>2,600,368</u>	<u>3,240,297</u>	<u>3,366,996</u>
 Operating income	<u>611,140</u>	<u>135,669</u>	<u>746,809</u>	<u>390,549</u>
 Non-operating revenues (expenses):				
Investment income	333,983	-	333,983	452,553
Net gain (loss) on disposal of fixed assets	<u>(8,788)</u>	<u>(35,218)</u>	<u>(44,006)</u>	<u>21,462</u>
 Total non-operating revenues (expenses)	<u>325,195</u>	<u>(35,218)</u>	<u>289,977</u>	<u>474,015</u>
 Net income	936,335	100,451	1,036,786	864,564
 Retained earnings at beginning of year	6,642,243	11,071,266	17,713,509	17,073,945
 Residual equity transfer out	<u>(725,000)</u>	-	<u>(725,000)</u>	<u>(225,000)</u>
 Retained earnings at end of year	<u>\$ 6,853,578</u>	<u>\$ 11,171,717</u>	<u>\$ 18,025,295</u>	<u>\$ 17,713,509</u>

CITY OF EAU CLAIRE

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF CASH FLOWS Year Ended December 31, 2001 With Comparative Totals for Year Ended December 31, 2000

	Risk Management	Central Equipment	2001	2000
Cash flows from operating activities:				
Cash received from customers	\$ 1,211,251	\$ 2,726,598	\$ 3,937,849	\$ 3,712,150
Cash payments to suppliers for goods and services	(11,662)	(852,213)	(863,875)	(1,667,446)
Cash payments to employees for services	(105,996)	(497,465)	(603,461)	(556,188)
Claims paid	(890,941)	-	(890,941)	(637,516)
Repayment of insurance claims	93,669	-	93,669	92,932
Net cash provided by operating activities	<u>296,321</u>	<u>1,376,920</u>	<u>1,673,241</u>	<u>943,932</u>
Cash flows from capital and related financing activities:				
Purchase of capital assets	-	(1,181,544)	(1,181,544)	(1,018,217)
Proceeds from sale of equipment	-	-	-	-
Capital transfers out to other funds	<u>(725,000)</u>	<u>-</u>	<u>(725,000)</u>	<u>(225,000)</u>
Net cash used for capital and related financing activities	<u>(725,000)</u>	<u>(1,181,544)</u>	<u>(1,906,544)</u>	<u>(1,243,217)</u>
Cash flows from investing activities:				
Investment income	<u>333,983</u>	<u>-</u>	<u>333,983</u>	<u>452,553</u>
Net increase in cash and cash equivalents	(94,696)	195,376	100,680	153,268
Cash and cash equivalents at beginning of year	<u>7,396,732</u>	<u>7,989,177</u>	<u>15,385,909</u>	<u>15,232,641</u>
Cash and cash equivalents at end of year	<u>\$ 7,302,036</u>	<u>\$ 8,184,553</u>	<u>\$ 15,486,589</u>	<u>\$ 15,385,909</u>

CITY OF EAU CLAIRE

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF CASH FLOWS (cont'd) Year Ended December 31, 2001 With Comparative Totals for Year Ended December 31, 2000

	Risk Management	Central Equipment	2001	2000
Operating income	\$ 611,140	\$ 135,669	\$ 746,809	\$ 390,549
Adjustments to reconcile operating income to net cash provided by operating activities:				
Nonoperating income	-	-	-	23,566
Depreciation	-	926,385	926,385	865,312
Change in assets and liabilities:				
Accounts receivable	(39,818)	(9,439)	(49,257)	23,971
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Inventories	-	(52,934)	(52,934)	(41,378)
Accounts payable	7,728	367,102	374,830	(228,689)
Accrued liabilities	4,230	10,137	14,367	(2,926)
Unpaid claims	(286,959)	-	(286,959)	(86,473)
Total adjustments	<u>(314,819)</u>	<u>1,241,251</u>	<u>926,432</u>	<u>553,383</u>
Net cash provided by operating activities	<u>\$ 296,321</u>	<u>\$ 1,376,920</u>	<u>\$ 1,673,241</u>	<u>\$ 943,932</u>

CITY OF EAU CLAIRE

**RISK MANAGEMENT
COMPARATIVE BALANCE SHEET
December 31, 2001 and 2000**

ASSETS	<u>2001</u>	<u>2000</u>
Current assets:		
Cash and short term investments	\$ 7,194,978	\$ 7,225,798
Receivables:		
Accounts	<u>75,067</u>	<u>35,249</u>
Total current assets	<u>7,270,045</u>	<u>7,261,047</u>
Restricted assets:		
Escrow account	107,058	170,934
Deposit in insurance pools	766,496	766,496
Property, plant and equipment:		
Equipment	25,000	40,833
Accumulated depreciation	<u>(23,750)</u>	<u>(30,795)</u>
Net property, plant, and equipment	<u>1,250</u>	<u>10,038</u>
Total assets	<u>\$ 8,144,849</u>	<u>\$ 8,208,515</u>
 LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$ 17,658	\$ 10,028
Accrued liabilities	4,349	679
Due to other funds	98	-
Accrued compensated absences	3,272	2,712
Unpaid claims-current portion	<u>220,000</u>	<u>220,000</u>
Total current liabilities	<u>245,377</u>	<u>233,419</u>
Long-term liabilities (net of current portion):		
Unpaid claims	<u>1,045,894</u>	<u>1,332,853</u>
Total liabilities	<u>1,291,271</u>	<u>1,566,272</u>
Equity:		
Retained earnings:		
Reserved:		
For restricted assets	107,058	170,934
For deposit in insurance pools	<u>766,496</u>	<u>766,496</u>
Total reserved	<u>873,554</u>	<u>937,430</u>
Unreserved	5,980,024	5,704,813
Total equity	<u>6,853,578</u>	<u>6,642,243</u>
Total liabilities and equity	<u>\$ 8,144,849</u>	<u>\$ 8,208,515</u>

CITY OF EAU CLAIRE

**RISK MANAGEMENT
COMPARATIVE STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS
Years Ended December 31, 2001 and 2000**

	<u>2001</u>	<u>2000</u>
Operating revenues:		
Charges for services:		
Insurance	\$ 1,117,582	\$ 1,112,140
Other:		
Repayment of insurance claims	<u>133,487</u>	<u>92,708</u>
 Total operating revenues	 <u>1,251,069</u>	 <u>1,204,848</u>
 Operating expenses:		
Personal services	105,996	96,475
Contractual services	18,998	254,683
Supplies and materials	3,633	4,978
Utilities	989	1,668
Depreciation	-	1,832
Claims	<u>510,313</u>	<u>551,043</u>
 Total operating expenses	 <u>639,929</u>	 <u>910,679</u>
 Operating income	 <u>611,140</u>	 <u>294,169</u>
 Non-operating revenues (expenses):		
Investment income	333,983	451,074
Net loss on disposal of fixed assets	<u>(8,788)</u>	<u>(2,104)</u>
 Total non-operating revenues (expenses)	 <u>325,195</u>	 <u>448,970</u>
 Net income	 936,335	 743,139
 Retained earnings at beginning of year	 6,642,243	 6,124,104
 Residual equity transfer out	 <u>(725,000)</u>	 <u>(225,000)</u>
 Retained earnings at end of year	 <u>\$ 6,853,578</u>	 <u>\$ 6,642,243</u>

CITY OF EAU CLAIRE

RISK MANAGEMENT COMPARATIVE STATEMENT OF CASH FLOWS Years Ended December 31, 2001 and 2000

	2001	2000
Cash flows from operating activities:		
Cash received from customers	\$ 1,211,251	\$ 1,112,140
Cash payments to suppliers for goods and services	(11,662)	(260,623)
Cash payments to employees for services	(105,996)	(99,255)
Claims paid	(890,941)	(637,516)
Repayment of insurance claims	93,669	92,932
Net cash provided by operating activities	296,321	207,678
Cash flows from noncapital financing activities:		
Contributions to other funds	(725,000)	(225,000)
Net cash used for capital and related financing activities:	(725,000)	(225,000)
Cash flows from investing activities:		
Investment income	333,983	451,074
Net increase in cash and cash equivalents	(94,696)	433,752
Cash and cash equivalents at beginning of year	7,396,732	6,962,980
Cash and cash equivalents at end of year	\$ 7,302,036	\$ 7,396,732
Operating income	\$ 611,140	\$ 294,169
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	-	1,832
Change in assets and liabilities:		
Accounts receivable	(39,818)	224
Accounts payable	7,728	706
Accrued liabilities	4,230	(2,780)
Unpaid claims	(286,959)	(86,473)
Total adjustments	(314,819)	(86,491)
Net cash provided by operating activities	\$ 296,321	\$ 207,678

CITY OF EAU CLAIRE

RISK MANAGEMENT
COMPARATIVE STATEMENT OF CASH FLOWS (cont'd)
Years Ended December 31, 2001 and 2000

RECONCILIATION OF CASH PER STATEMENT OF CASH FLOWS TO THE BALANCE SHEET	Cash and Short Term Investments	Restricted Assets	Statement of Cash Flow Total
Cash - beginning	\$ 7,225,798	\$ 170,934	\$ 7,396,732
Net increase	<u>(30,820)</u>	<u>(63,876)</u>	<u>(94,696)</u>
Cash - ending	<u>\$ 7,194,978</u>	<u>\$ 107,058</u>	<u>\$ 7,302,036</u>

CITY OF EAU CLAIRE

CENTRAL EQUIPMENT COMPARATIVE BALANCE SHEET December 31, 2001 and 2000

	<u>2001</u>	<u>2000</u>
ASSETS		
Current assets:		
Cash and short term investments	\$ 8,184,553	\$ 7,989,177
Receivables:		
Accounts	11,846	-
Due from other funds	93	37
Due from other governments	17,440	19,903
Inventories, at cost	<u>411,759</u>	<u>358,825</u>
Total current assets	<u>8,625,691</u>	<u>8,367,942</u>
Property, plant and equipment:		
Land and land improvements	257,876	263,806
Buildings	5,519,619	5,529,704
Equipment	182,974	281,615
Rental equipment	10,919,229	10,471,791
Construction in progress	122,443	-
Accumulated depreciation	<u>(7,363,796)</u>	<u>(7,128,512)</u>
Net property, plant, and equipment	<u>9,638,345</u>	<u>9,418,404</u>
Total assets	<u>\$ 18,264,036</u>	<u>\$ 17,786,346</u>

CITY OF EAU CLAIRE

CENTRAL EQUIPMENT
COMPARATIVE BALANCE SHEET (cont'd)
December 31, 2001 and 2000

	<u>2001</u>	<u>2000</u>
<i>LIABILITIES AND EQUITY</i>		
Current liabilities:		
Accounts payable	\$ 490,133	\$ 123,031
Accrued liabilities	16,351	5,832
Accrued compensated absences	<u>15,622</u>	<u>16,004</u>
Total liabilities	<u>522,106</u>	<u>144,867</u>
Equity:		
External contribution	1,168,362	1,168,362
Municipal contribution	5,401,851	5,401,851
Retained earnings:		
Reserved:		
Unreserved	<u>11,171,717</u>	<u>11,071,266</u>
Total retained earnings	<u>11,171,717</u>	<u>11,071,266</u>
Total equity	<u>17,741,930</u>	<u>17,641,479</u>
Total liabilities and equity	<u>\$ 18,264,036</u>	<u>\$ 17,786,346</u>

CITY OF EAU CLAIRE

CENTRAL EQUIPMENT COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS Years Ended December 31, 2001 and 2000

	<u>2001</u>	<u>2000</u>
Operating revenues:		
Charges for services:		
Rental of equipment	\$ 602,080	\$ 122,416
Other:		
Building rental	1,962,382	2,284,231
Refund of prior year expenditures	162,549	146,050
Miscellaneous	5,300	-
	<u>3,726</u>	<u>-</u>
 Total operating revenues	 <u>2,736,037</u>	 <u>2,552,697</u>
 Operating expenses:		
Personal services	497,465	456,787
Contractual services	509,415	497,624
Supplies and materials	544,411	524,440
Utilities	122,692	113,986
Depreciation	<u>926,385</u>	<u>863,480</u>
 Total operating expenses	 <u>2,600,368</u>	 <u>2,456,317</u>
 Operating income	 <u>135,669</u>	 <u>96,380</u>
 Non-operating revenues:		
Investment income	-	1,479
Net gain (loss) on disposal of fixed assets	<u>(35,218)</u>	<u>23,566</u>
 Total non-operating revenues (expenses)	 <u>(35,218)</u>	 <u>25,045</u>
 Net income	 100,451	 121,425
 Retained earnings at beginning of year	 <u>11,071,266</u>	 <u>10,949,841</u>
 Retained earnings at end of year	 <u>\$ 11,171,717</u>	 <u>\$ 11,071,266</u>

CITY OF EAU CLAIRE

CENTRAL EQUIPMENT COMPARATIVE STATEMENT OF CASH FLOWS Years Ended December 31, 2001 and 2000

	<u>2001</u>	<u>2000</u>
Cash flows from operating activities:		
Cash received from customers	\$ 2,726,598	\$ 2,600,010
Cash payments to suppliers for goods and services	(852,213)	(1,406,823)
Cash payments to employees for services	(497,465)	(456,933)
Net cash provided by operating activities	<u>1,376,920</u>	<u>736,254</u>
Cash flows from capital and related financing activities:		
Purchase of capital assets	<u>(1,181,544)</u>	<u>(1,018,217)</u>
Net cash used for capital and related financing activities	<u>(1,181,544)</u>	<u>(1,018,217)</u>
Cash flows from investing activities:		
Investment income	<u>-</u>	<u>1,479</u>
Net increase (decrease) in cash and cash equivalents	195,376	(280,484)
Cash and cash equivalents at beginning of year	<u>7,989,177</u>	<u>8,269,661</u>
Cash and cash equivalents at end of year	<u>\$ 8,184,553</u>	<u>\$ 7,989,177</u>
Operating income	\$ 135,669	\$ 96,380
Adjustments to reconcile operating income to net cash provided by operating activities:		
Non operating income	-	23,566
Depreciation	926,385	863,480
Change in assets and liabilities:		
Accounts receivable	(9,439)	23,747
Inventories	(52,934)	(41,378)
Accounts payable	367,102	(229,395)
Accrued liabilities	10,137	(146)
Total adjustments	<u>1,241,251</u>	<u>616,308</u>
Net cash provided by operating activities	<u>\$ 1,376,920</u>	<u>\$ 712,688</u>

CITY OF EAU CLAIRE

CENTRAL EQUIPMENT COMPARATIVE STATEMENT OF CASH FLOWS (cont'd) Years Ended December 31, 2001 and 2000

RECONCILIATION OF CASH PER STATEMENT OF CASH FLOWS TO THE BALANCE SHEET	Cash and Short Term Investments	Restricted Assets	Statement of Cash Flow Total
Cash - beginning	\$ 966,481	\$ 7,022,696	\$ 7,989,177
Net decrease	<u>5,465,862</u>	<u>(5,270,486)</u>	<u>195,376</u>
Cash - ending	<u>\$ 6,432,343</u>	<u>\$ 1,752,210</u>	<u>\$ 8,184,553</u>

Trust and Agency Funds

Expendable Trust Funds

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.

Agency Fund

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

CITY OF EAU CLAIRE

TRUST AND AGENCY FUNDS
 COMBINING BALANCE SHEET
 December 31, 2001 With Comparative
 Totals as of December 31, 2000

	<u>Expendable Trust Fund</u>	<u>Agency Fund</u>	<u>Totals</u>	
	<u>Former Landfill Escrow</u>	<u>Tax Collection</u>	<u>2001</u>	<u>2000</u>
ASSETS				
Cash and short term investments	\$ 125,476	\$ 7,364,435	\$ 7,489,911	\$ 9,052,962
Receivables:				
Taxes	<u>-</u>	<u>39,354,970</u>	<u>39,354,970</u>	<u>35,624,728</u>
Total assets	<u>\$ 125,476</u>	<u>\$ 46,719,405</u>	<u>\$ 46,844,881</u>	<u>\$ 44,677,690</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 5,802	\$ -	\$ 5,802	\$ 21,418
Due to other governments	-	46,719,405	46,719,405	44,602,430
Deposits	<u>119,674</u>	<u>-</u>	<u>119,674</u>	<u>53,842</u>
Total liabilities	<u>125,476</u>	<u>46,719,405</u>	<u>46,844,881</u>	<u>44,677,690</u>
Fund balances:				
Reserved:	-	-	-	-
Unreserved:				
Designated for subsequent years expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 125,476</u>	<u>\$ 46,719,405</u>	<u>\$ 46,844,881</u>	<u>\$ 44,677,690</u>

CITY OF EAU CLAIRE

EXPENDABLE TRUST FUND -
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
Year Ended December 31, 2001 With Comparative
Totals for Year Ended December 31, 2000

	Expendable Trust Fund Former Landfill Escrow	
	2001	2000
Revenues:		
Taxes:		
Charges for services	\$ 81,516	\$ 89,908
Expenditures:		
Landfill closing	81,516	89,908
Excess of revenues over expenditures	-	-
Fund balances at beginning of year	-	-
Fund balances at end of year	\$ -	\$ -

CITY OF EAU CLAIRE

AGENCY FUND
STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES
Year Ended December 31, 2001

	<u>Balance</u> <u>Jan. 1, 2001</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec. 31, 2001</u>
<u>Tax Collection Fund</u>				
Assets:				
Cash and cash equivalents	\$ 8,977,702	\$ 55,477,540	\$ 57,090,807	\$ 7,364,435
Taxes receivable	<u>35,624,728</u>	<u>56,464,230</u>	<u>52,733,988</u>	<u>39,354,970</u>
Total assets	<u>\$ 44,602,430</u>	<u>\$ 111,941,770</u>	<u>\$ 109,824,795</u>	<u>\$ 46,719,405</u>
Liabilities:				
Due to other governments	<u>\$ 44,602,430</u>	<u>\$ 46,719,405</u>	<u>\$ 44,602,430</u>	<u>\$ 46,719,405</u>

CITY OF EAU CLAIRE

EXPENDABLE TRUST FUND
STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL
Year Ended December 31, 2001 With Comparative
Actual Totals For Year Ended December 31, 2000

	Former Landfill Escrow			
	2001 Budget	2001 Actual	Variance - Favorable (Unfavorable)	2000 Actual
Revenues:				
Charges for services	\$ 500,000	\$ 81,516	\$ (418,484)	\$ 89,908
Total revenues	<u>500,000</u>	<u>81,516</u>	<u>(418,484)</u>	<u>89,908</u>
Expenditures:				
Landfill closing	<u>500,000</u>	<u>81,516</u>	<u>418,484</u>	<u>89,908</u>
Total expenditures	<u>500,000</u>	<u>81,516</u>	<u>418,484</u>	<u>89,908</u>
Excess of revenues over expenditures	-	-	-	-
Fund balances at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

General Fixed Assets Account Group

The **General Fixed Assets Account Group** accounts for all fixed assets not accounted for in enterprise and internal service funds.

CITY OF EAU CLAIRE

SCHEDULE OF GENERAL FIXED ASSETS-
BY SOURCES
December 31, 2001 and 2000

	<u>2001</u>	<u>2000</u>
General fixed assets:		
Land and land improvements	\$ 13,252,704	\$ 16,893,459
Building and improvements	12,640,248	10,656,001
Machinery and equipment	5,565,840	6,027,406
Improvements and infrastructure	3,575,068	-
Construction in progress	<u>4,554,744</u>	<u>1,798,572</u>
Total general fixed assets	<u>\$ 39,588,604</u>	<u>\$ 35,375,438</u>
Investment in general fixed assets from:		
General fund revenues	\$ 33,909,997	\$ 29,660,355
Federal grants	4,194,407	4,126,135
State grants	712,041	772,646
Federal revenue sharing	<u>772,159</u>	<u>816,302</u>
Total investment in general fixed assets	<u>\$ 39,588,604</u>	<u>\$ 35,375,438</u>

CITY OF EAU CLAIRE

SCHEDULE OF GENERAL FIXED ASSETS-
BY FUNCTION AND ACTIVITY
December 31, 2001

<i>Function and Activity</i>	<u>Land and Land Improvements</u>	<u>Buildings and Improvements</u>	<u>Improvements and Infrastructure</u>	<u>Machinery and Equipment</u>	<u>Total</u>
General government:					
City manager	\$ -	\$ 25,402	-	\$ 1,773,833	\$ 1,799,235
Finance	1,198,026	236,399	-	250,892	1,685,317
Human resources	-	-	-	8,500	8,500
Land use planning	-	-	-	8,881	8,881
Total general government	<u>1,198,026</u>	<u>261,801</u>	<u>-</u>	<u>2,042,106</u>	<u>3,501,933</u>
Public safety:					
Police	58,144	312,946	-	844,937	1,216,027
Fire	<u>352,741</u>	<u>1,937,413</u>	<u>-</u>	<u>321,678</u>	<u>2,611,832</u>
Total public safety	<u>410,885</u>	<u>2,250,359</u>	<u>-</u>	<u>1,166,615</u>	<u>3,827,859</u>
Public works	3,767,556	2,977,332	530,089	489,734	7,764,711
Parks and recreation	3,943,958	3,520,676	3,034,849	384,599	10,884,082
Community development	3,674,774	466,646	4,160	33,184	4,178,764
Library	257,505	3,163,434	5,970	1,253,781	4,680,690
Health	-	-	-	195,821	195,821
Total general fixed assets allocated to functions	<u>\$ 13,252,704</u>	<u>\$ 12,640,248</u>	<u>\$ 3,575,068</u>	<u>\$ 5,565,840</u>	<u>35,033,860</u>
Construction in progress					<u>4,554,744</u>
Total general fixed assets					<u>\$ 39,588,604</u>

CITY OF EAU CLAIRE

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS-
BY FUNCTION AND ACTIVITY
Year Ended December 31, 2001

<i>Function and Activity</i>	Balance	<u>Additions</u>	<u>Deductions</u>	Balance
	Jan. 1, 2001			Dec. 31, 2001
General government:				
City manager	\$ 1,854,956	\$ 988,268	\$ 1,043,989	\$ 1,799,235
Legal	2,098	-	2,098	-
Finance	1,875,257	763,702	953,642	1,685,317
Human resources	24,771	-	16,271	8,500
Land use planning	<u>1,105,475</u>	<u>8,881</u>	<u>1,105,475</u>	<u>8,881</u>
 Total general government	 <u>4,862,557</u>	 <u>1,760,851</u>	 <u>3,121,475</u>	 <u>3,501,933</u>
 Public safety:				
Police	1,228,271	647,981	660,225	1,216,027
Fire	<u>2,880,490</u>	<u>54,058</u>	<u>322,716</u>	<u>2,611,832</u>
 Total public safety	 <u>4,108,761</u>	 <u>702,039</u>	 <u>982,941</u>	 <u>3,827,859</u>
 Public works	7,770,246	251,212	256,747	7,764,711
Parks and recreation	9,060,876	1,856,643	33,437	10,884,082
Community development	3,193,954	989,714	4,904	4,178,764
Library	4,254,277	895,425	469,012	4,680,690
Health	326,195	-	130,374	195,821
Construction in progress	<u>1,798,572</u>	<u>2,756,172</u>	<u>-</u>	<u>4,554,744</u>
 Total general fixed assets	 <u>\$ 35,375,438</u>	 <u>\$ 9,212,056</u>	 <u>\$ 4,998,890</u>	 <u>\$ 39,588,604</u>

General Long-Term Obligations Account Group

The **General Long-Term Obligations Account Group** accounts for all unmatured long-term debt and accrued employee benefits that are secured by the full faith and credit of the city.

CITY OF EAU CLAIRE

COMPARATIVE STATEMENT OF GENERAL
LONG-TERM OBLIGATIONS
December 31, 2001 and 2000

	2001	2000
Amount available in other funds for debt service	\$ 7,207,857	\$ 5,570,891
Amount to be provided:		
Debt service	41,140,493	37,106,129
Employee benefits	15,532,602	14,959,275
Total to be provided	56,673,095	52,065,404
Total available and to be provided	\$ 63,880,952	\$ 57,636,295
General long-term obligations payable:		
Debt:		
Notes payable	\$ 118,350	\$ 142,020
Bonds payable	37,010,000	30,925,000
Bonds payable - TIF Districts	11,220,000	11,610,000
Total general obligation debt payable	48,348,350	42,677,020
Accrued employee benefits:		
Police and fire pensions	989,834	1,141,910
State retirement fund	7,820,725	7,538,535
Retiree health insurance	1,725,419	1,525,308
Accumulated compensated absences	1,031,159	925,102
Duty disability	3,965,465	3,828,420
Total accrued employee benefits	15,532,602	14,959,275
Total general long-term obligations payable	\$ 63,880,952	\$ 57,636,295

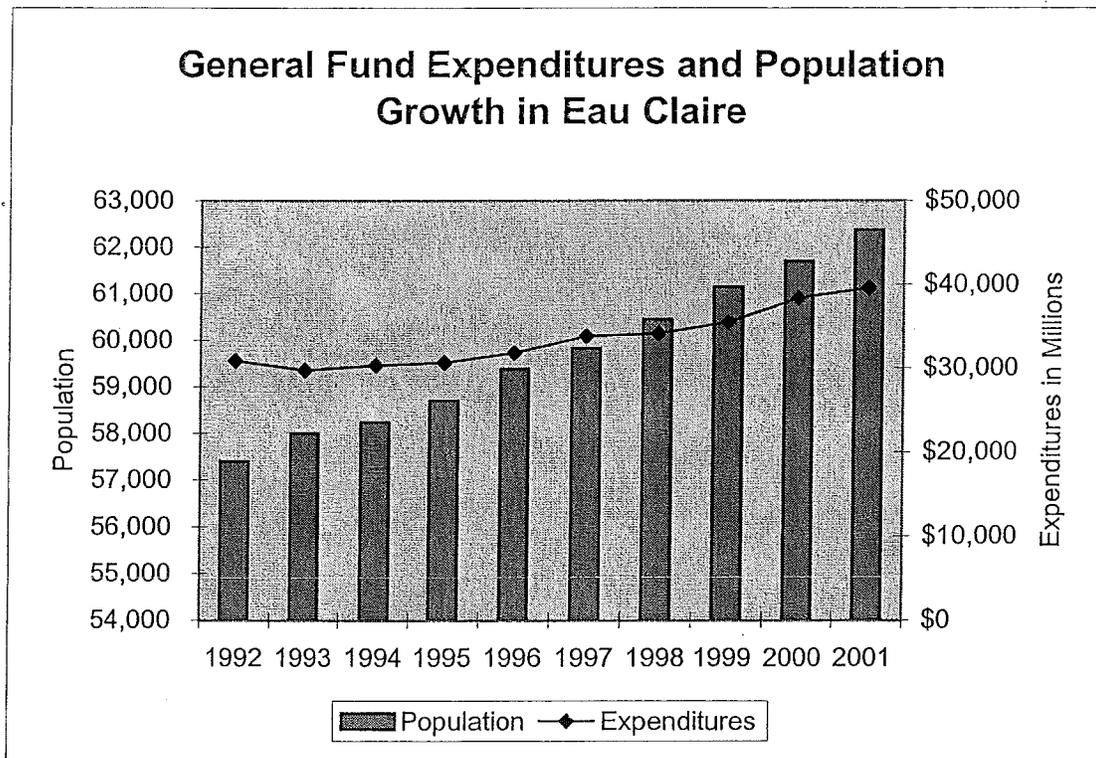
STATISTICAL SECTION
(Unaudited)

This section includes ten-year trend data for revenues, expenditures (expenses), taxes, debt ratios, and other supplemental statistical data. The information is provided to give report users a better historical perspective and assists in assessing current financial trends.

CITY OF EAU CLAIRE

**TABLE 1 - GENERAL FUND EXPENDITURES AND
OTHER FINANCING USES BY FUNCTION**
Last Ten Fiscal Years
(Dollars in Thousands)

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
General Government	\$4,096	\$4,162	\$4,305	\$4,384	\$4,543	\$4,615	\$4,587	\$4,729	\$5,106	\$5,299
Public Works	5,960	6,303	6,393	5,829	6,201	6,170	5,998	6,149	7,681	6,893
Parks & Recreation	3,177	3,173	3,298	3,239	2,916	3,106	3,231	3,229	3,330	3,672
Public Safety	11,690	12,028	12,625	13,070	13,474	14,117	15,161	15,884	16,307	17,470
Miscellaneous	620	917	919	572	200	200	223	401	504	441
Total expenditures	25,543	26,583	27,540	27,094	27,334	28,208	29,200	30,392	32,928	33,775
Other financing uses:										
Operating transfers	5,292	2,740	2,192	2,774	3,688	4,011	3,806	3,623	3,865	4,012
Indebtedness	0	440	598	777	820	1,608	1,109	1,463	1,588	1,751
Total expenditures and other financing uses	\$30,835	\$29,763	\$30,330	\$30,645	\$31,842	\$33,827	\$34,115	\$35,478	\$38,381	\$39,538
 Population	 57,403	 58,005	 58,239	 58,702	 59,383	 59,832	 60,449	 61,150	 61,704	 62,368

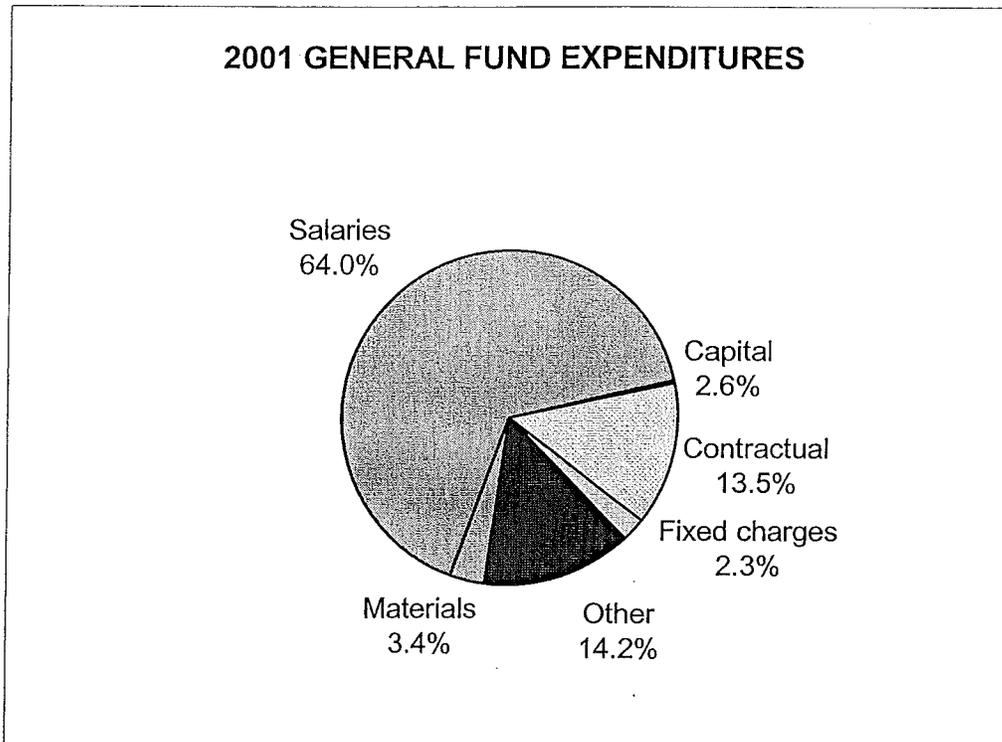


Source: City of Eau Claire Comprehensive Annual Financial Reports

CITY OF EAU CLAIRE

**TABLE 2 - GENERAL FUND EXPENDITURES AND
OTHER FINANCING USES BY CLASS
Last Ten Fiscal Years
(Dollars in Thousands)**

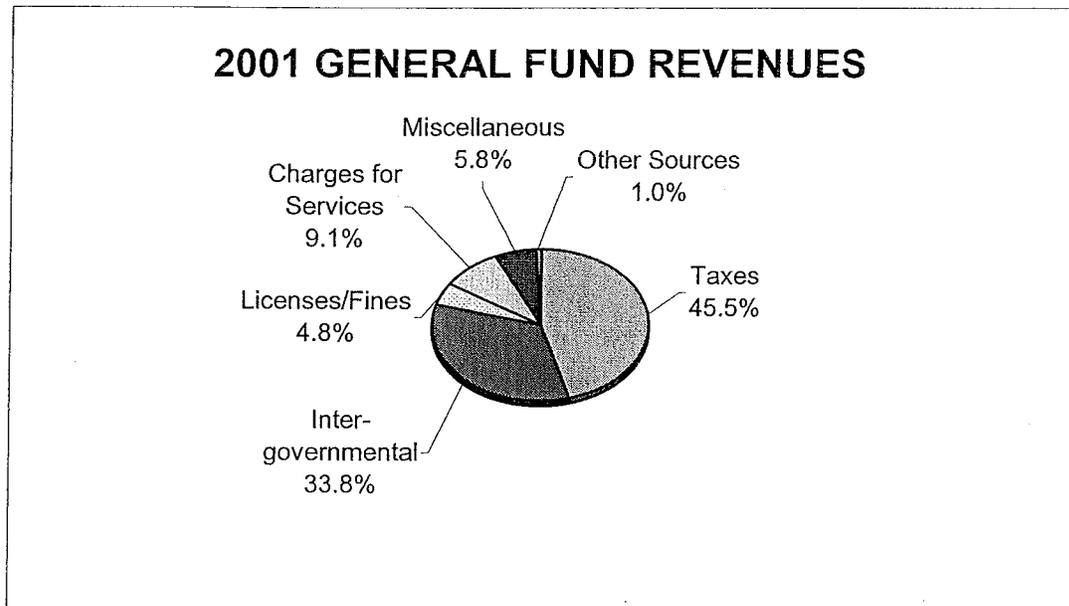
	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Salaries and benefits	\$19,229	\$19,850	\$20,844	\$20,819	\$21,390	\$21,782	\$22,829	\$23,749	\$24,554	\$25,995
Contractual services	4,520	4,815	4,794	4,255	3,954	4,360	4,543	4,559	5,196	5,532
Materials & supplies	806	877	870	820	990	1,019	992	1,079	1,301	1,283
Fixed charges	813	928	889	918	890	881	668	829	872	825
Capital outlay	175	113	142	282	110	166	168	176	1,004	140
Total expenditures	25,543	26,583	27,539	27,094	27,334	28,208	29,200	30,392	32,927	33,775
Other financing uses	5,292	3,180	2,791	3,551	4,508	5,619	4,915	5,086	5,454	5,763
Total expenditures and other financing uses	\$30,835	\$29,763	\$30,330	\$30,645	\$31,842	\$33,827	\$34,115	\$35,478	\$38,381	\$39,538



CITY OF EAU CLAIRE

**TABLE 3 - GENERAL FUND REVENUES AND
OTHER FINANCING SOURCES BY SOURCE**
Last Ten Fiscal Years
(Dollars in Thousands)

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Taxes:										
General property (1)	\$8,599	\$8,913	\$9,311	\$9,225	\$9,970	\$11,307	\$13,105	\$14,532	\$15,699	\$17,117
Special assessments	1,751	1,589	1,500	1,291	1,056	880	713	573	426	299
Intergovernmental	14,575	14,153	14,400	14,707	14,089	13,878	13,744	13,511	14,144	12,957
Licenses and permits	675	716	839	911	846	879	990	981	1,633	1,295
Fines and forfeits	475	485	510	480	476	433	533	523	526	553
Charges for services	1,752	1,846	2,182	2,202	2,473	2,647	2,689	2,842	2,807	3,465
Miscellaneous:										
Interest	1,732	1,585	1,782	2,324	2,125	2,222	2,011	1,723	2,075	1,708
Other	203	150	116	139	51	237	116	111	120	531
Total revenues	29,762	29,437	30,640	31,279	31,086	32,483	33,901	34,796	37,430	37,925
Other financing sources	181	200	186	200	162	262	168	168	389	369
Total revenues and other financing sources	\$29,943	\$29,637	\$30,826	\$31,479	\$31,248	\$32,745	\$34,069	\$34,964	\$37,819	\$38,294



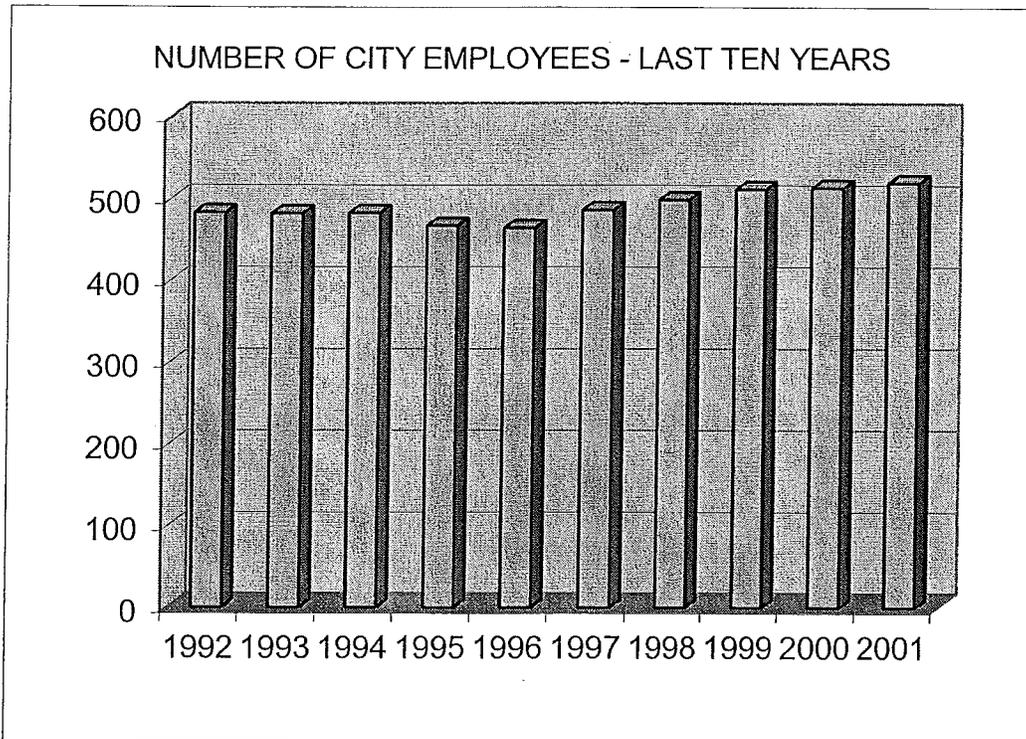
(1) NOTE: Includes real estate tax, mobile home fees, payment in lieu of taxes, and interest on delinquent personal property taxes.

Source: City of Eau Claire Comprehensive Annual Financial Reports

CITY OF EAU CLAIRE

TABLE 4 - EMPLOYEE SUMMARY -
NUMBER OF MUNICIPAL EMPLOYEES
Last Ten Fiscal Years

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
General Government	64.8	64.8	64.3	61.5	60.6	61.6	62.6	65.8	66.8	69.9
Public Works	75.2	75.2	75.2	67.3	66.3	66.0	68.5	72.0	73.5	73.0
Parks & Recreation	43.8	44.8	44.8	42.8	39.8	39.8	39.8	40.8	40.8	40.8
Public Safety	203.0	203.0	203.0	200.0	200.0	213.0	222.0	222.0	224.0	227.0
Enterprise Funds	86.5	84.5	85.0	86.0	88.0	96.3	96.2	101.3	100.8	101.3
Internal Service Funds	10.0	10.0	10.5	10.0	10.0	10.0	10.0	10.0	8.0	8.0
Total Employees	483.3	482.3	482.8	467.5	464.6	486.6	499.1	511.9	513.9	519.9



NOTE: Public Library and City-County Health employees are not included.

Source: City of Eau Claire Program of Services

CITY OF EAU CLAIRE

TABLE 5 - EMPLOYEE SUMMARY
 SCHEDULE OF COMPENSATED ABSENCES
 Last Ten Fiscal Years
 (Total Unused Time In Days)

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Compensatory leave	327	392	507	423	489	545	610	666	736	630
Vacation leave	5,064	4,956	5,195	5,314	5,309	5,313	5,398	5,792	5,574	5,992
	5,391	5,348	5,702	5,737	5,798	5,858	6,008	6,458	6,310	6,622
Sick leave	40,243	38,471	39,161	38,047	37,688	37,630	37,268	37,261	37,241	36,917
Total compensatory, vacation, and sick leave	45,634	43,819	44,863	43,784	43,486	43,488	43,276	43,719	43,551	43,539

NOTE: Unused compensatory and vacation leave are paid upon retirement and the value of accrued time is included in the Long-Term Obligations Account Group. Sick leave is paid only as used during employment.

CITY OF EAU CLAIRE

TABLE 6 - REAL AND PERSONAL PROPERTY TAX
LEVIES AND COLLECTIONS
Last Ten Fiscal Years
(Dollars in Thousands)

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Total tax levy	\$6,972	\$7,114	\$7,545	\$7,960	\$8,756	\$10,119	\$11,737	\$13,284	\$14,296	\$15,751
Current tax collections (1)	6,921	7,051	7,497	7,944	8,732	10,104	11,720	13,180	14,206	15,579
Collection of delinquent personal property taxes from prior years	18	47	44	64	32	17	171	102	102	141
Total tax collections (2)	<u>\$6,939</u>	<u>\$7,098</u>	<u>\$7,541</u>	<u>\$8,008</u>	<u>\$8,764</u>	<u>\$10,121</u>	<u>\$11,891</u>	<u>\$13,282</u>	<u>\$14,308</u>	<u>\$15,720</u>
Percent of current collections to tax levy	99.3%	99.1%	99.4%	99.8%	99.7%	99.9%	99.9%	99.2%	99.4%	98.9%
Percent of total tax collections to tax levy	99.5%	99.8%	99.9%	100.6%	100.1%	100.0%	101.3%	100.0%	100.1%	99.8%
Total delinquent taxes outstanding	\$99	\$110	\$108	\$57	\$51	\$50	\$38	\$43	\$57	\$61

(1) 1998 includes transfer of excess TIF taxes.

(2) 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 7 - EQUALIZED VALUE OF TAX INCREMENT DISTRICTS Last Ten Fiscal Years (Dollars in Thousands)

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
TID #2 equalized valuation:										
Base	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increment	5,434	5,558	5,497	5,225	5,495	6,042	6,221	0	0	0
Total TID #2	\$5,434	\$5,558	\$5,497	\$5,225	\$5,495	\$6,042	\$6,221	\$0	\$0	\$0
TID #3 equalized valuation:										
Base	\$204	\$204	\$204	\$204	\$204	\$204	\$204	\$0	\$0	\$0
Increment	23,438	32,195	34,106	32,431	35,953	35,793	39,464	0	0	0
Total TID #3	\$23,642	\$32,399	\$34,310	\$32,635	\$36,157	\$35,997	\$39,668	\$0	\$0	\$0
TID #4 equalized valuation:										
Base	\$0	\$103	\$103	\$103	\$103	\$256	\$256	\$256	\$256	\$256
Increment	0	0	3,118	6,419	10,113	25,707	51,902	59,058	60,240	62,127
Total TID #4	\$0	\$103	\$3,221	\$6,522	\$10,216	\$25,963	\$52,158	\$59,314	\$60,496	\$62,383
TID #5 equalized valuation:										
Base	\$0	\$0	\$0	\$0	\$0	\$0	\$130	\$130	\$130	\$130
Increment	0	0	0	0	0	0	0	1,190	1,425	2,821
Total TID #5	\$0	\$0	\$0	\$0	\$0	\$0	\$130	\$1,320	\$1,555	\$2,951
TID #6 equalized valuation:										
Base	\$0	\$0	\$0	\$0	\$0	\$0	\$986	\$986	\$986	\$986
Increment	0	0	0	0	0	0	0	2,221	2,308	2,871
Total TID #6	\$0	\$0	\$0	\$0	\$0	\$0	\$986	\$3,207	\$3,294	\$3,857
TID #7 equalized valuation:										
Base	\$0	\$0	\$0	\$0	\$0	\$0	\$115	\$115	\$115	\$115
Increment	0	0	0	0	0	0	0	0	875	3,174
Total TID #7	\$0	\$0	\$0	\$0	\$0	\$0	\$115	\$115	\$990	\$3,289
ALL PROPERTY										
All property - w/o TIDs	\$1,272,371	\$1,334,660	\$1,433,600	\$1,519,294	\$1,671,083	\$1,890,434	\$2,040,972	\$2,257,099	\$2,414,238	\$2,634,494
Base valuation - TIDs	204	307	307	307	307	460	1,691	1,487	1,487	1,487
All property - w/o TID increment	1,272,575	1,334,967	1,433,907	1,519,601	1,671,390	1,890,894	2,042,663	2,258,586	2,415,725	2,635,981
Increment valuation - TIDs	28,872	37,753	42,721	44,075	51,561	67,542	97,587	62,469	64,848	70,993
Equalized valuation - all property	\$1,301,447	\$1,372,720	\$1,476,628	\$1,563,676	\$1,722,951	\$1,958,436	\$2,140,250	\$2,321,055	\$2,480,573	\$2,706,974

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

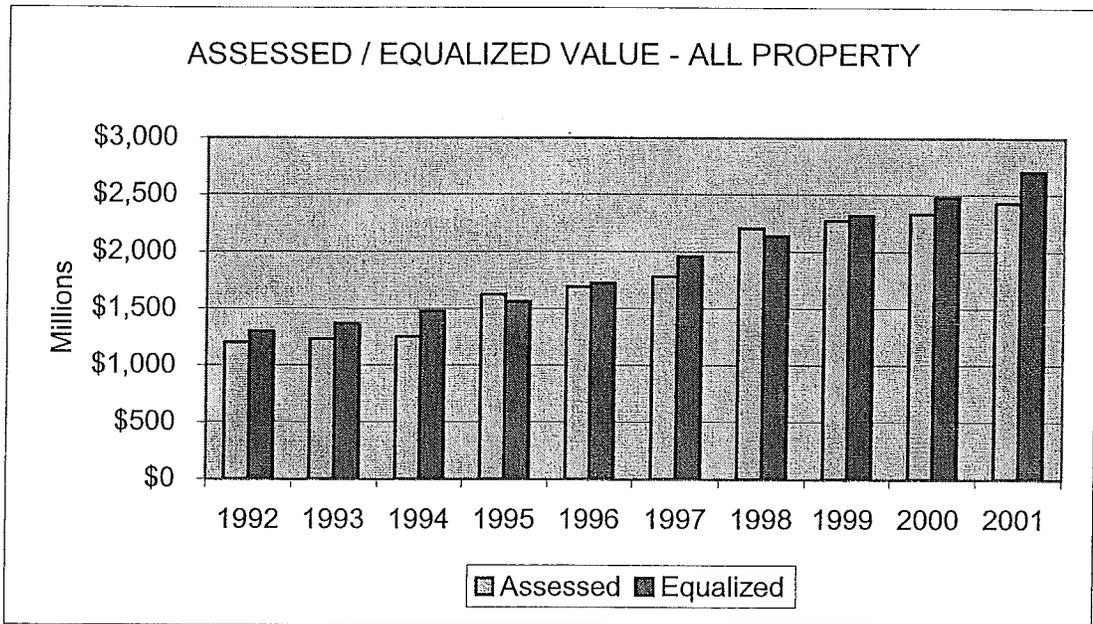
NOTE: TIF #2 and #3 were closed in 1998.

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 EQUALIZED VALUE
OF ALL TAXABLE PROPERTY
Last Ten Fiscal Years
(Dollars in Thousands)**

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
ALL PROPERTY										
Real property:										
Assessed value	\$1,121,461	\$1,152,550	\$1,181,525	\$1,540,507	\$1,595,652	\$1,678,145	\$2,071,849	\$2,146,317	\$2,224,512	\$2,309,955
Equalized value (1)	1,212,254	1,283,009	1,392,711	1,481,256	1,626,169	1,841,479	2,007,308	2,187,062	2,361,217	2,574,728
Personal property:										
Assessed value	\$80,614	\$80,756	\$71,633	\$82,534	\$93,995	\$105,471	\$133,486	\$131,294	\$110,929	\$119,618
Equalized value	89,193	89,711	83,918	82,419	96,783	116,957	132,942	133,993	119,040	133,993
Total:										
Assessed value	\$1,202,075	\$1,233,306	\$1,253,158	\$1,623,041	\$1,689,647	\$1,783,616	\$2,205,335	\$2,277,611	\$2,335,150	\$2,429,573
Equalized value	1,301,447	1,372,720	1,476,629	1,563,675	1,722,952	1,958,436	2,140,250	2,321,055	2,480,574	2,708,721
Ratio of total assessed to total equalized value	92.36%	89.84%	84.87%	103.80%	98.07%	91.07%	103.04%	98.13%	94.14%	89.69%



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.

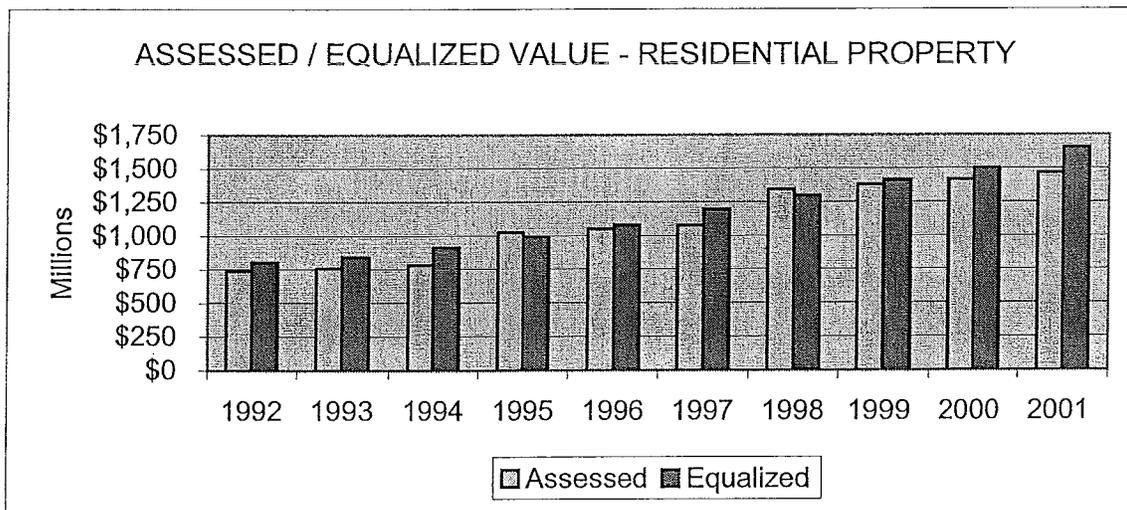
(1) NOTE: Equalized valuation (est. market value) is set by the Wisconsin Department of Revenue.

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 9 - ASSESSED AND EQUALIZED VALUE
OF RESIDENTIAL PROPERTY
Last Ten Fiscal Years
(Dollars in Thousands)**

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
RESIDENTIAL										
Real property:										
Assessed value	\$739,374	\$760,432	\$783,269	\$1,025,586	\$1,051,573	\$1,076,577	\$1,345,786	\$1,379,766	\$1,418,484	\$1,468,692
Equalized value	808,305	846,207	913,490	995,156	1,081,740	1,197,482	1,300,087	1,415,248	1,504,694	1,658,487
Personal property: (1)										
Assessed value	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equalized value	0	0	0	0	0	0	0	0	0	0
Total residential:										
Assessed value	\$739,374	\$760,432	\$783,269	\$1,025,586	\$1,051,573	\$1,076,577	\$1,345,786	\$1,379,766	\$1,418,484	\$1,468,692
Equalized value	808,305	846,207	913,490	995,156	1,081,740	1,197,482	1,300,087	1,415,248	1,504,694	1,658,487
Total all classes:										
Assessed value	\$1,202,075	\$1,233,306	\$1,253,158	\$1,623,041	\$1,689,647	\$1,783,616	\$2,205,335	\$2,277,611	\$2,335,150	\$2,429,573
Equalized value	1,301,447	1,372,720	1,476,629	1,563,675	1,722,952	1,958,436	2,140,250	2,321,055	2,480,574	2,708,721
Residential property as a percentage of total:										
Assessed value	61.51%	61.66%	62.50%	63.19%	62.24%	60.36%	61.02%	60.58%	60.74%	60.45%
Equalized value	62.11%	61.64%	61.86%	63.64%	62.78%	61.14%	60.74%	60.97%	60.66%	61.23%
Number of parcels (2)										
Number of parcels	17,696	17,734	17,816	17,682	17,855	17,955	18,186	18,217	18,447	18,814
Number of parcels with improvements	15,124	15,266	15,411	15,431	15,603	15,758	15,943	16,193	16,413	16,729



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.

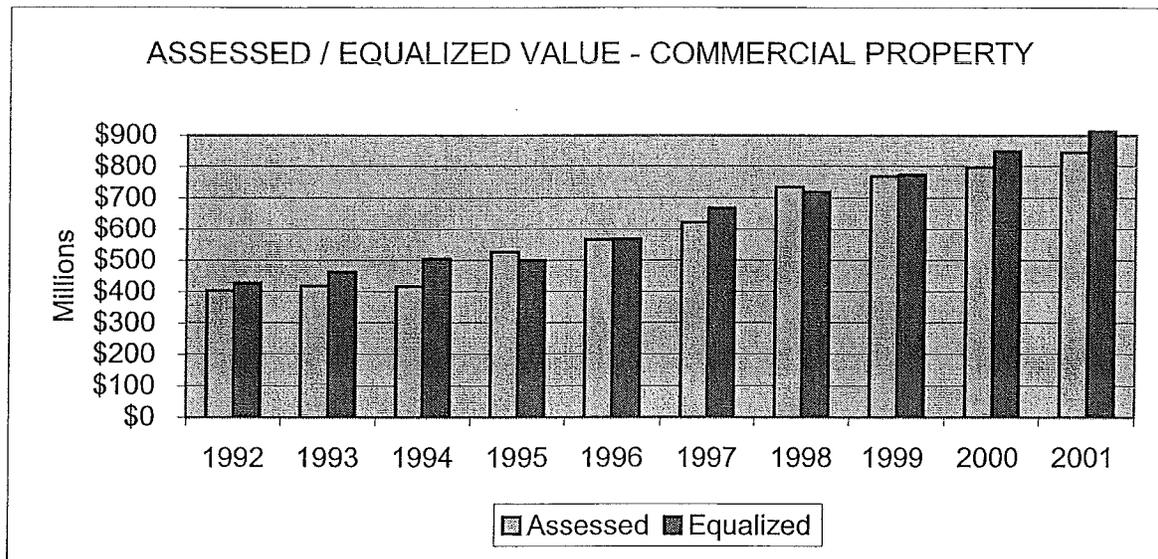
(2) NOTE: In 1994, apartment properties with 4-7 units were reclassified from residential to commercial.

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 10 - ASSESSED AND EQUALIZED VALUE
OF COMMERCIAL PROPERTY
Last Ten Fiscal Years
(Dollars in Thousands)**

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
COMMERCIAL										
Real property:										
Assessed value	\$337,331	\$350,873	\$355,293	\$457,292	\$486,938	\$533,437	\$626,208	\$665,623	\$707,721	\$746,582
Equalized value	354,866	387,926	432,110	430,869	486,086	569,608	610,037	668,550	752,655	810,573
Personal property:										
Assessed value	\$66,102	\$68,279	\$62,129	\$70,205	\$80,984	\$88,982	\$109,341	\$104,514	\$90,341	\$99,819
Equalized value	73,120	75,608	73,100	70,595	82,555	98,873	109,459	106,647	96,120	106,647
Total commercial:										
Assessed value	\$403,433	\$419,152	\$417,422	\$527,497	\$567,922	\$622,419	\$735,549	\$770,137	\$798,062	\$846,401
Equalized value	427,986	463,534	505,210	501,464	568,641	668,481	719,496	775,197	848,775	917,220
Total all classes:										
Assessed value	\$1,202,075	\$1,233,306	\$1,253,158	\$1,623,041	\$1,689,647	\$1,783,616	\$2,205,335	\$2,277,611	\$2,335,150	\$2,429,573
Equalized value	1,301,447	1,372,720	1,476,629	1,563,675	1,722,952	1,958,436	2,140,250	2,321,055	2,480,574	2,708,721
Commercial property as a percentage of total:										
Assessed value	33.56%	33.99%	33.31%	32.50%	33.61%	34.90%	33.35%	33.81%	34.18%	34.84%
Equalized value	32.89%	33.77%	34.21%	32.07%	33.00%	34.13%	33.62%	33.40%	34.22%	33.86%
Number of parcels	2,216	2,221	2,204	2,423	2,409	2,483	2,528	2,559	2,601	2,635
Number of parcels with improvements	1,190	1,197	1,200	1,387	1,424	1,471	1,509	1,552	1,592	1,642



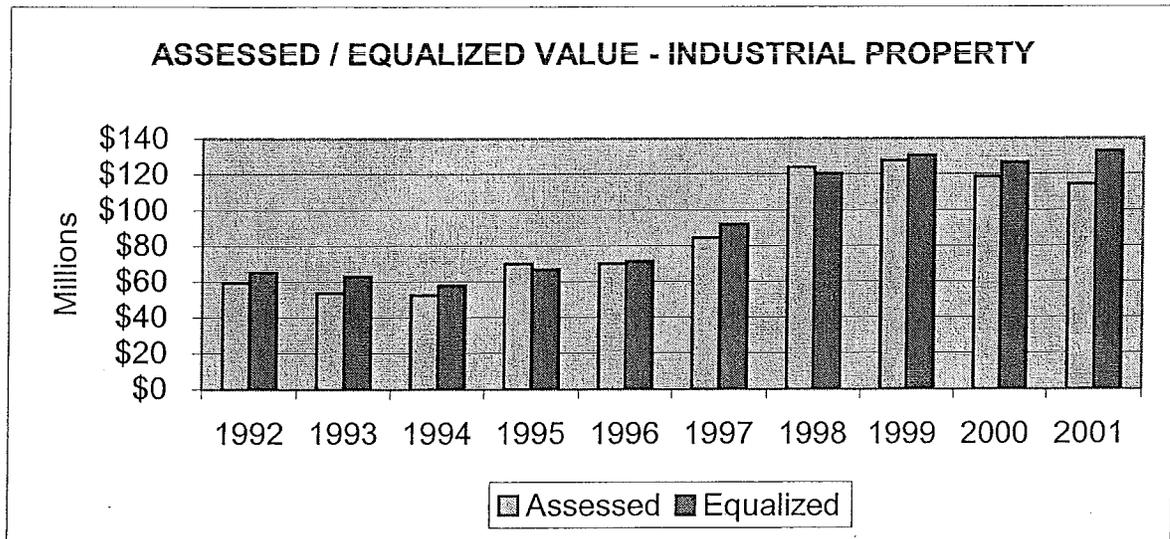
NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year. Values are for both Eau Claire and Chippewa Counties. Tax incremental districts have been included.

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 11 - ASSESSED AND EQUALIZED VALUE
OF INDUSTRIAL PROPERTY
Last Ten Fiscal Years
(Dollars in Thousands)**

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
INDUSTRIAL										
Real property:										
Assessed value	\$44,756	\$41,245	\$42,963	\$57,629	\$57,141	\$68,131	\$99,854	\$100,928	\$98,016	\$94,681
Equalized value	49,083	48,876	47,111	55,232	58,249	74,090	97,185	103,264	103,868	105,668
Personal property:										
Assessed value	\$14,512	\$12,477	\$9,504	\$12,329	\$13,011	\$16,489	\$24,145	\$26,780	\$20,588	\$19,799
Equalized value	16,073	14,103	10,818	11,823	13,263	18,084	23,483	27,346	22,920	27,346
Total industrial:										
Assessed value	\$59,268	\$53,722	\$52,467	\$69,958	\$70,152	\$84,620	\$123,999	\$127,708	\$118,604	\$114,480
Equalized value	65,156	62,979	57,929	67,055	71,512	92,174	120,668	130,610	126,788	133,014
Total all classes:										
Assessed	\$1,202,075	\$1,233,306	\$1,253,158	\$1,623,041	\$1,689,647	\$1,783,616	\$2,205,335	\$2,277,611	\$2,335,150	\$2,429,573
Equalized	1,301,447	1,372,720	1,476,629	1,563,675	1,722,952	1,958,436	2,140,250	2,321,055	2,480,574	2,708,721
Industrial property as a percentage of total:										
Assessed value	4.93%	4.36%	4.19%	4.31%	4.15%	4.74%	5.62%	5.61%	5.08%	4.71%
Equalized value	5.01%	4.59%	3.92%	4.29%	4.15%	4.71%	5.64%	5.63%	5.11%	4.91%
Number of parcels										
Number of parcels	91	90	92	93	96	101	104	99	100	107
Number of parcels with improvements										
Number of parcels with improvements	75	74	78	79	81	84	87	84	84	92



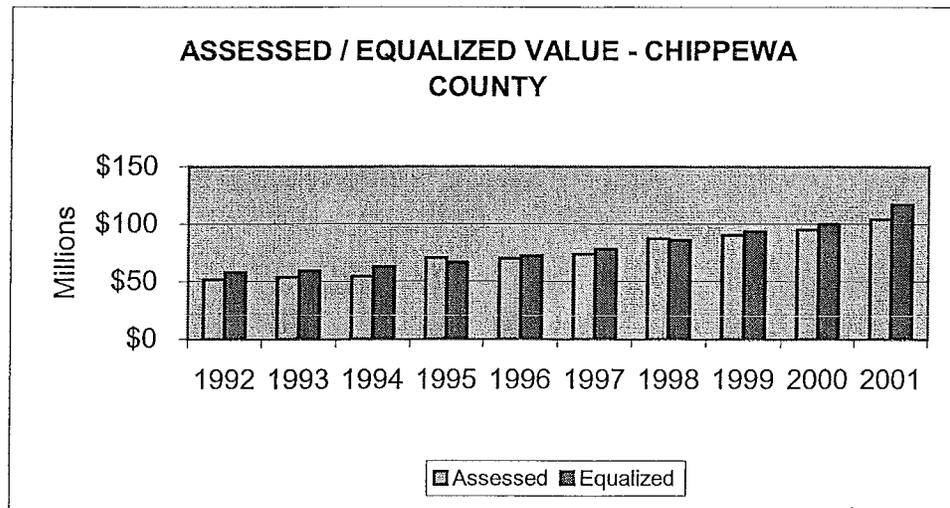
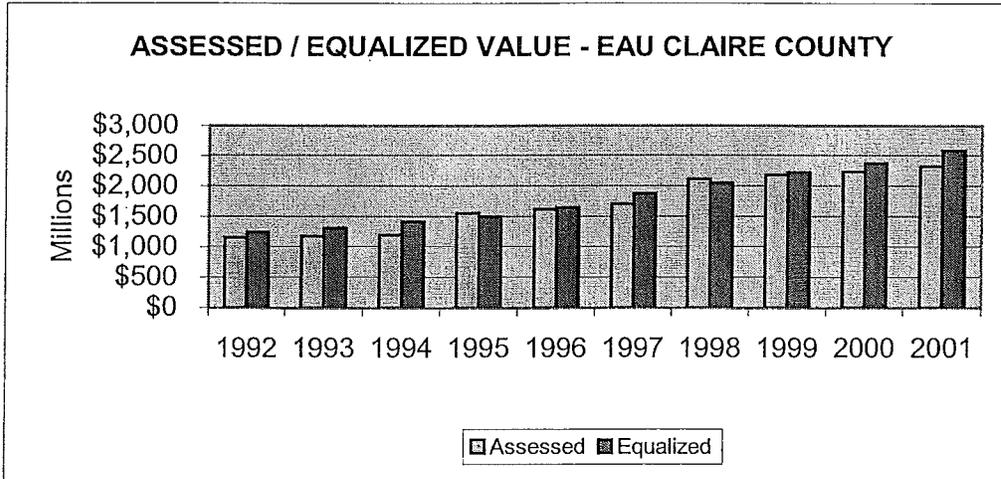
NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year. Values are for both Eau Claire and Chippewa Counties. Tax incremental districts have been included.

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 12 - ASSESSED AND EQUALIZED VALUE
OF TAXABLE PROPERTY BY COUNTY
Last Ten Fiscal Years
(Dollars in Thousands)**

PORTION OF CITY IN:	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
EAU CLAIRE COUNTY										
Assessed value	\$1,150,450	\$1,179,401	\$1,198,833	\$1,552,544	\$1,619,510	\$1,709,671	\$2,117,731	\$2,187,453	\$2,240,430	\$2,325,108
Equalized value	1,243,476	1,313,211	1,413,913	1,496,923	1,650,842	1,880,032	2,054,047	2,227,487	2,380,504	2,590,133
Ratio of assessment	92.52%	89.81%	84.79%	103.72%	98.10%	90.94%	103.10%	98.20%	94.12%	89.77%
CHIPPEWA COUNTY										
Assessed value	\$51,625	\$53,905	\$54,325	\$70,497	\$70,137	\$73,945	\$87,604	\$90,157	\$95,012	\$104,200
Equalized value	57,971	59,509	62,716	66,752	72,110	78,404	86,203	93,568	100,069	116,841
Ratio of assessment	89.05%	90.58%	86.62%	105.61%	97.26%	94.31%	101.63%	96.35%	94.95%	89.18%



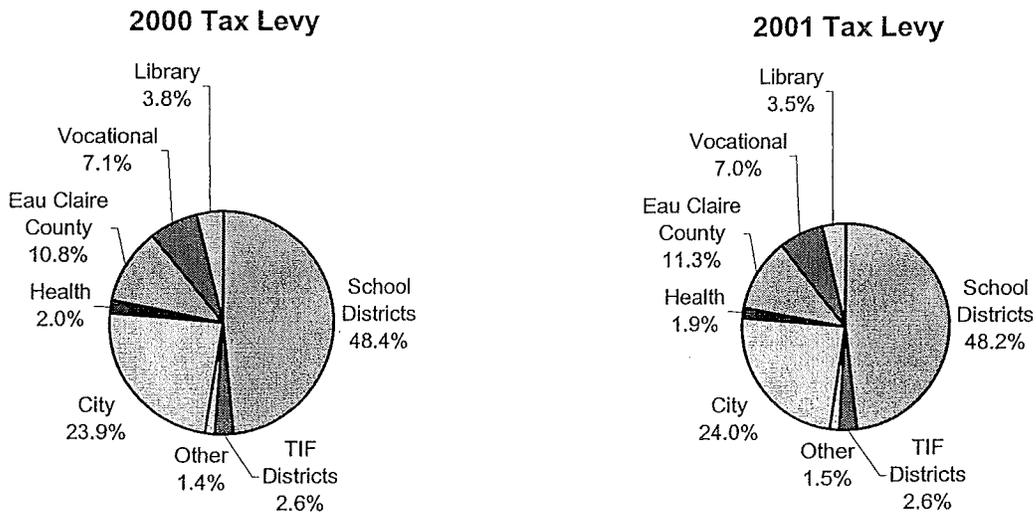
NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year. Values are for both Eau Claire and Chippewa Counties. Tax incremental districts have been included.

CITY OF EAU CLAIRE

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

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
City	\$6,972	\$7,114	\$7,545	\$7,960	\$8,756	\$10,118	\$11,737	\$13,284	\$14,296	\$15,750
TIF Districts	940	1,243	1,435	1,389	1,537	1,656	2,423	1,492	1,548	1,703
Library	1,339	1,362	1,466	1,513	1,546	1,585	1,710	2,206	2,247	2,305
Health	842	929	975	1,001	1,039	1,078	1,117	1,196	1,219	1,268
Eau Claire School District	24,452	26,138	29,239	28,079	27,710	21,749	23,293	25,595	28,857	31,391
Chippewa Falls School District (1)	25	48	23	19	23	35	34	30	31	111
Altoona School District (2)	0	0	0	0	0	0	12	74	105	117
Vocational District	2,234	2,403	2,567	2,849	3,075	3,332	3,548	3,890	4,223	4,615
Eau Claire County	5,293	5,711	6,066	6,180	7,329	8,099	8,875	7,486	6,495	7,401
Chippewa County	219	227	237	254	277	303	334	336	350	427
State Forestry- Eau Claire County	249	263	283	300	330	376	411	445	476	518
State Forestry- Chippewa County	12	12	12	13	14	16	17	19	20	23
Total tax levy	\$42,577	\$45,450	\$49,848	\$49,557	\$51,636	\$48,347	\$53,511	\$56,053	\$59,867	\$65,629
City percent of total levy	16.38%	15.65%	15.14%	16.06%	16.96%	20.93%	21.93%	23.70%	23.88%	24.00%

CHANGES IN PROPORTIONS - TAX LEVIES BY ENTITY



(1) NOTE: 1991 was the first year that any City of Eau Claire residents living in Chippewa County, were in the Chippewa Falls Area School District.
 (2) NOTE: 1998 was the first year that any City of Eau Claire residents living in Eau Claire County, were in the Altoona School District.

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

CITY OF EAU CLAIRE

TABLE 14 - PROPERTY TAX RATES -
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Year
(Per \$1,000 Assessed Valuation)

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
City Property Located in Eau Claire County (Eau Claire Area School District)										
City	\$5.931	\$5.931	\$6.200	\$5.047	\$5.342	\$5.876	\$5.576	\$5.994	\$6.286	\$6.658
Library	1.140	1.135	1.205	0.959	0.943	0.921	0.812	0.995	0.988	0.974
Health	0.716	0.775	0.801	0.635	0.634	0.626	0.531	0.540	0.536	0.536
Eau Claire School Dist.	20.827	21.836	24.072	17.831	16.916	12.673	11.085	11.588	12.760	13.376
Vocational District	1.901	2.003	2.111	1.808	1.875	1.938	1.685	1.754	1.858	1.950
Eau Claire County	4.710	4.986	5.217	4.101	4.671	4.914	4.400	3.517	2.977	3.268
State Forestry	0.216	0.223	0.236	0.193	0.204	0.220	0.194	0.204	0.212	0.223
Gross Tax Rate	35.441	36.889	39.842	30.574	30.585	27.168	24.283	24.592	25.617	26.985
Less State Credit	2.432	2.418	2.371	1.865	1.779	2.474	1.921	1.833	1.805	1.853
Net Tax Rate	\$33.009	\$34.471	\$37.471	\$28.709	\$28.806	\$24.694	\$22.362	\$22.759	\$23.812	\$25.132

City Property Located in
Eau Claire County (Altoona School District) (1)

City	\$0	\$0	\$0	\$0	\$0	\$0	\$5.576	\$5.994	\$6.286	\$6.658
Library	0	0	0	0	0	0	0.812	0.995	0.988	0.974
Health	0	0	0	0	0	0	0.531	0.540	0.536	0.536
Eau Claire School Dist.	0	0	0	0	0	0	10.203	11.782	11.598	12.049
Vocational District	0	0	0	0	0	0	1.685	1.754	1.858	1.950
Eau Claire County	0	0	0	0	0	0	4.400	3.517	2.977	3.268
State Forestry	0	0	0	0	0	0	0.194	0.204	0.212	0.223
Gross Tax Rate	0.000	0.000	0.000	0.000	0.000	0.000	23.401	24.786	24.455	25.658
Less State Credit	0.000	0.000	0.000	0.000	0.000	0.000	1.921	1.833	1.805	1.853
Net Tax Rate	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$21.480	\$22.953	\$22.650	\$23.805

(1) NOTE: 1998 was the first year that any City of Eau Claire residents living in Eau Claire County, were in the Altoona School District.

Source: City of Eau Claire Annual Program of Services

(Continued)

CITY OF EAU CLAIRE

TABLE 14 - PROPERTY TAX RATES -
DIRECT AND OVERLAPPING GOVERNMENTS (cont'd)
Last Ten Fiscal Years
(Per \$1,000 Assessed Valuation)

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
City Property Located in Chippewa County (Eau Claire Area School District)										
City	\$5.931	\$5.931	\$6.200	\$5.047	\$5.342	\$5.876	\$5.576	\$5.994	\$6.286	\$6.658
Library	1.140	1.135	1.205	0.959	0.943	0.921	0.812	0.995	0.988	0.974
Health	0.716	0.775	0.801	0.635	0.634	0.626	0.531	0.540	0.536	0.536
Eau Claire School Dist.	20.827	21.836	23.563	17.570	17.062	12.219	11.246	11.811	12.648	13.466
Vocational District	1.901	2.003	2.066	1.775	1.891	1.868	1.709	1.787	1.841	1.963
Chippewa County	4.240	4.205	4.367	3.607	3.956	4.098	3.808	3.816	3.773	4.197
State Forestry	0.225	0.221	0.231	0.189	0.206	0.212	0.197	0.208	0.211	0.224
Gross Tax Rate	34.980	36.106	38.433	29.782	30.034	25.820	23.879	25.151	26.283	28.018
Less State Credit	2.505	2.472	2.459	1.909	1.887	2.599	2.075	1.957	1.825	1.759
Net Tax Rate	\$32.475	\$33.634	\$35.974	\$27.873	\$28.147	\$23.221	\$21.804	\$23.194	\$24.458	\$26.259

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
City Property Located in Chippewa County (Chippewa Falls Area School District) (1)										
City	\$5.931	\$5.931	\$6.200	\$5.047	\$5.342	\$5.876	\$5.576	\$5.994	\$6.286	\$6.658
Library	1.140	1.135	1.205	0.959	0.943	0.921	0.812	0.995	0.988	0.974
Health	0.716	0.775	0.801	0.635	0.634	0.626	0.531	0.540	0.536	0.536
Chippewa Falls School Dist.	18.824	20.025	19.810	12.195	14.605	10.188	10.132	9.994	10.430	11.086
Vocational District	1.901	2.003	2.066	1.775	1.892	1.868	1.709	1.787	1.841	1.963
Chippewa County	4.240	4.205	4.367	3.607	3.956	4.098	3.808	3.816	3.773	4.197
State Forestry	0.225	0.221	0.231	0.189	0.206	0.212	0.197	0.208	0.211	0.224
Gross Tax Rate	32.977	34.295	34.680	24.407	27.578	23.789	22.765	23.334	24.065	25.638
Less State Credit	2.505	2.472	2.459	1.909	1.887	2.599	2.075	1.957	1.825	1.759
Net Tax Rate	\$30.472	\$31.823	\$32.221	\$22.498	\$25.691	\$21.190	\$20.690	\$21.377	\$22.240	\$23.879

(1) NOTE: 1991 was the first year that any City of Eau Claire residents living in Chippewa County, were in the Chippewa Falls Area School District.

Source: City of Eau Claire Annual Program of Services

CITY OF EAU CLAIRE

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

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Total assessments levied each fiscal period: (1)										
General fund	\$1,385	\$1,265	\$1,216	\$1,187	\$1,212	\$1,472	\$691	\$563	\$457	\$365
Business Improvement										
Districts	64	64	64	64	64	68	68	74	74	74
Debt Service	83	79	75	72	68	0	756	1,017	1,160	1,289
Water Utility	157	170	202	211	198	233	214	87	86	101
Sewer Utility	120	132	160	170	163	210	219	95	104	120
Delinquent utility bills	404	423	433	399	381	437	469	442	420	450
Total assessments levied	\$2,213	\$2,133	\$2,150	\$2,103	\$2,086	\$2,420	\$2,417	\$2,278	\$2,301	\$2,399
Current collections (2)	\$2,213	\$2,133	\$2,150	\$2,103	\$2,086	\$2,420	\$2,417	\$2,278	\$2,301	\$2,399
Delinquent collections	40	9	4	1	2	1	2	0	0	0
Total collections	\$2,253	\$2,142	\$2,154	\$2,104	\$2,088	\$2,421	\$2,419	\$2,278	\$2,301	\$2,399
Delinquent S/A outstanding	\$94	\$66	\$62	\$61	\$59	\$58	\$56	\$56	\$0	\$0

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

(2) After 1989, both county governments within which the City is located began purchasing the unpaid balance of current special assessments.

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

CITY OF EAU CLAIRE

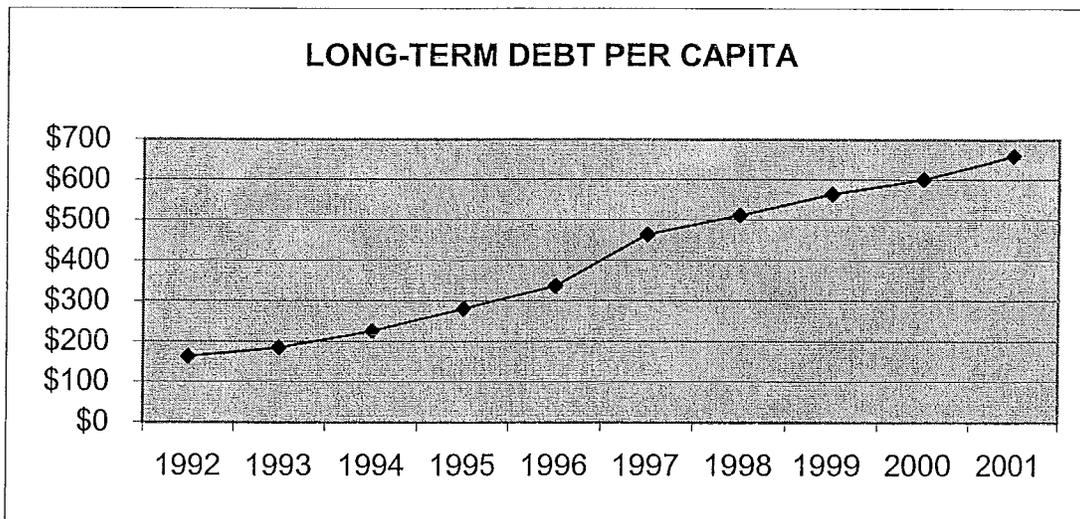
TABLE 16 - SCHEDULE OF DELINQUENT TAXES RECEIVABLE
Year Ended December 31, 2001

Tax Roll Year	<u>1992 And Prior</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>Total</u>
Personal Property	<u>\$0</u>	<u>\$499</u>	<u>\$59</u>	<u>\$129</u>	<u>\$141</u>	<u>\$4,318</u>	<u>\$8,752</u>	<u>\$43,576</u>	<u>\$60,559</u>	<u>\$118,033</u>

CITY OF EAU CLAIRE

**TABLE 17 - RATIO OF NET LONG-TERM DEBT TO EQUALIZED VALUE
AND NET GENERAL LONG-TERM DEBT PER CAPITA
Last Ten Fiscal Years
(Dollars in Thousands)**

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Population	57,403	58,005	58,239	58,702	59,383	59,832	60,449	61,150	61,704	62,368
Equalized valuation	\$1,372,720	\$1,476,629	\$1,563,675	\$1,722,952	\$1,958,436	\$2,140,250	\$2,321,055	\$2,480,574	\$2,706,974	\$2,889,295
Total long-term debt (1)	\$17,550	\$18,078	\$17,652	\$18,947	\$21,983	\$30,183	\$34,334	\$38,766	\$42,677	\$48,348
Resources on hand for payment of debt	\$8,236	\$7,357	\$4,530	\$2,446	\$1,960	\$2,379	\$3,362	\$4,232	\$5,571	\$7,208
Net long-term debt	\$9,314	\$10,721	\$13,122	\$16,501	\$20,023	\$27,804	\$30,972	\$34,534	\$37,106	\$41,140
Percent of net long-term debt to equalized value	0.68%	0.73%	0.84%	0.96%	1.02%	1.30%	1.33%	1.39%	1.37%	1.42%
Net long-term debt per capita (not in thousands)	\$162	\$185	\$225	\$281	\$337	\$465	\$512	\$565	\$601	\$660



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

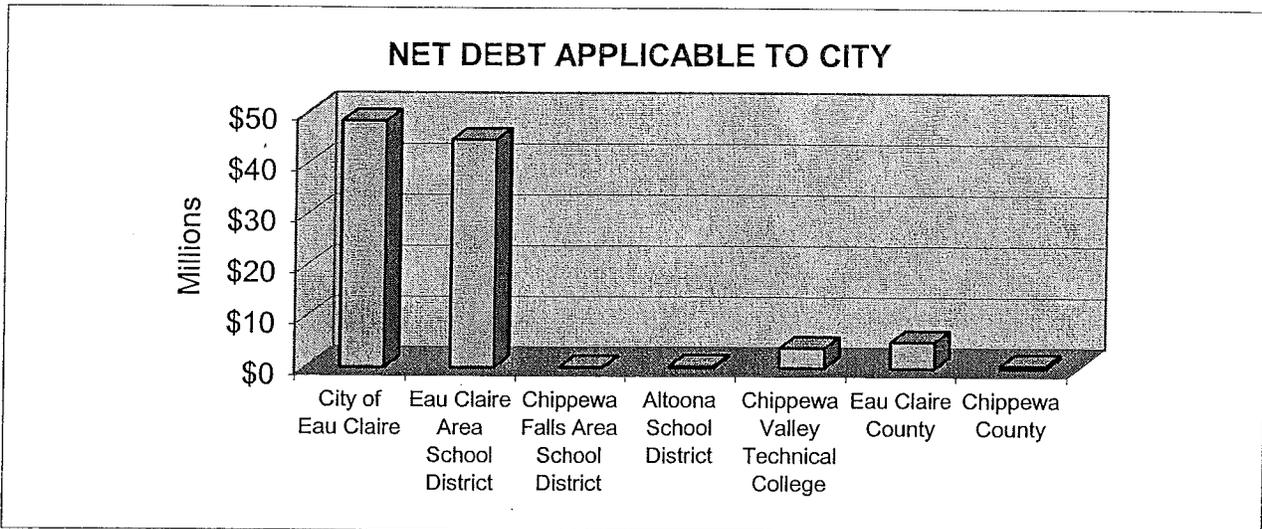
	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Transfers to Debt Service fund	\$0	\$440	\$598	\$777	\$820	\$1,608	\$1,109	\$1,463	\$1,588	\$1,751
Total expenditures and other financing uses	\$30,835	\$29,763	\$30,330	\$30,645	\$31,842	\$33,827	\$34,115	\$35,478	\$38,381	\$39,538
Percent of debt transfers to expenditures and other financing uses	0.0%	1.5%	2.0%	2.5%	2.6%	4.8%	3.3%	4.1%	4.1%	4.4%

Source: City of Eau Claire Annual Program of Services

CITY OF EAU CLAIRE

**TABLE 19 - SCHEDULE OF DIRECT AND INDIRECT
GENERAL OBLIGATION DEBT
December 31, 2001**

<u>Governmental Unit</u>	<u>Total Debt</u>	<u>% of Debt Applicable To City (1)</u>	<u>Net Debt Applicable To City</u>
Direct debt:			
City of Eau Claire	<u>\$48,348,350</u>	100.00%	<u>\$48,348,350</u>
Indirect debt:			
Eau Claire Area School District	59,843,304	74.79%	44,754,504
Chippewa Falls Area School District	17,279,636	0.76%	132,176
Altoona School District	9,250,000	3.24%	299,750
Chippewa Valley Technical College	18,990,903	20.85%	3,959,116
Eau Claire County	8,517,394	60.78%	5,176,621
Chippewa County	<u>13,800,000</u>	4.08%	<u>562,740</u>
Total indirect debt	<u>127,681,237</u>		<u>54,884,907</u>
Total direct and indirect debt	<u>\$176,029,587</u>		<u>\$103,233,257</u>
Indirect debt per capita			\$880
Indirect debt as a % of equalized value			1.90%
Total direct and indirect debt per capita			\$1,655
Total direct and indirect debt as a % of equalized value			3.57%



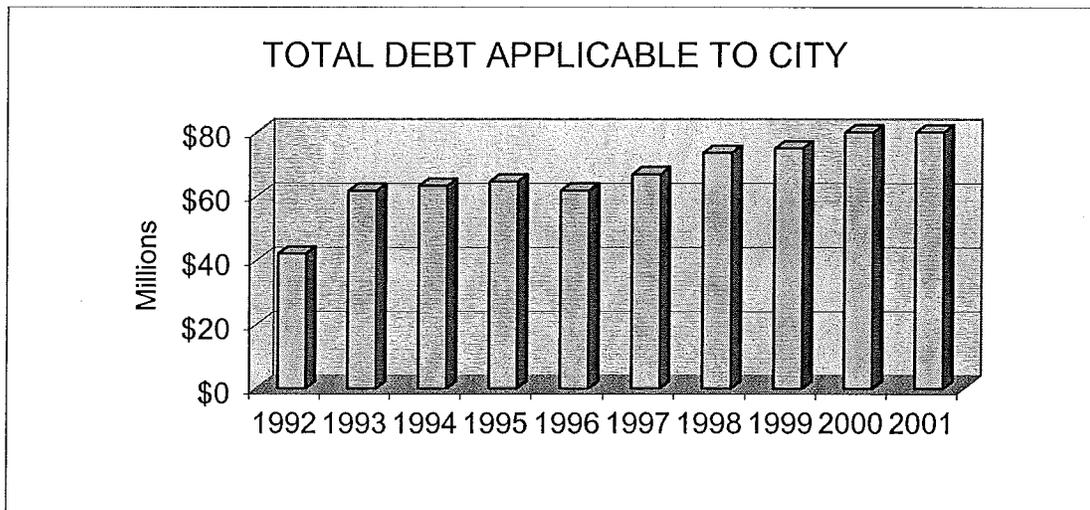
(1) NOTE: The percentage of debt applicable to the City is based on the most recent equalized value of the taxing districts within the City as compared to the entire district.

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

CITY OF EAU CLAIRE

**TABLE 20 - SCHEDULE OF DIRECT AND INDIRECT
GENERAL OBLIGATION DEBT
Last Ten Fiscal Years
(Dollars in Thousands)**

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Total debt applicable to City	\$42,018	\$61,686	\$63,256	\$64,552	\$61,758	\$66,865	\$73,564	\$74,929	\$106,623	\$103,233
Direct debt:										
General City	\$17,550	\$18,078	\$17,652	\$18,947	\$21,983	\$30,183	\$34,334	\$38,766	\$42,677	\$48,348
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	\$11,150	\$28,516	\$30,364	\$29,691	\$28,814	\$27,988	\$26,808	\$24,992	\$52,325	\$44,755
Percent	76.11%	76.37%	75.68%	75.81%	76.40%	75.46%	76.28%	75.81%	75.98%	74.79%
Chippewa Falls Area (1) School District	\$7	\$4	\$10	\$15	\$31	\$64	\$53	\$48	\$165	\$132
Percent	0.37%	0.18%	0.15%	0.18%	0.39%	0.32%	0.26%	0.25%	0.82%	0.76%
Altoona School District (2)	\$0	\$0	\$0	\$0	\$0	\$16	\$137	\$316	\$309	\$300
Percent	0.00%	0.00%	0.00%	0.00%	0.00%	0.48%	2.44%	3.27%	3.34%	3.24%
C.V. Technical College	\$2,054	\$1,974	\$2,550	\$2,165	\$1,886	\$2,360	\$4,324	\$3,732	\$3,977	\$3,959
Percent	21.91%	22.29%	22.08%	22.24%	22.78%	22.36%	22.54%	22.04%	21.78%	20.85%
Eau Claire County	\$10,816	\$12,683	\$12,263	\$13,333	\$8,658	\$6,254	\$7,907	\$6,637	\$6,550	\$5,177
Percent	63.02%	63.60%	63.07%	63.27%	62.73%	61.86%	62.80%	62.05%	62.06%	60.78%
Chippewa County	\$440	\$431	\$416	\$401	\$386	\$0	\$0	\$438	\$619	\$563
Percent	4.70%	4.70%	4.64%	4.57%	4.63%	0.00%	0.00%	4.38%	4.49%	4.08%



(1) NOTE: 1991 was the first year that any portion of the Chippewa Falls School District was included in the City of Eau Claire.

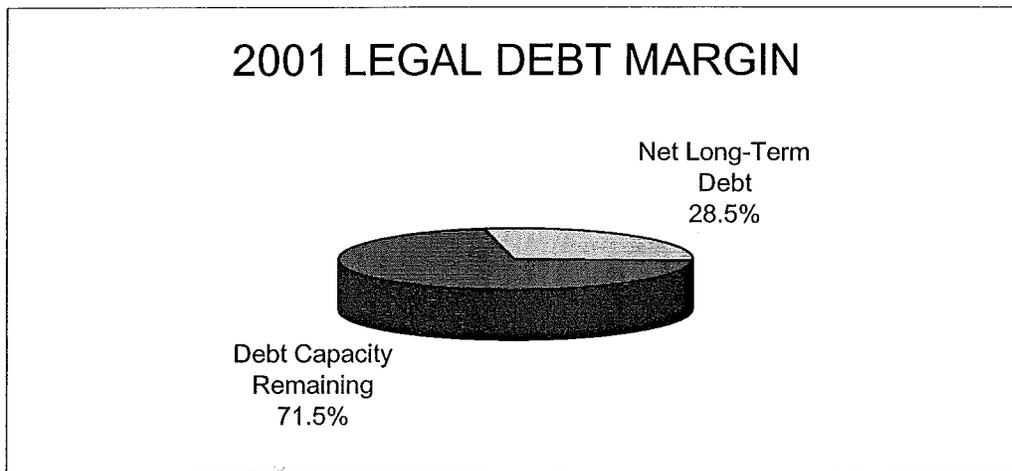
(2) NOTE: 1997 was the first year that any portion of the Altoona School District was included in the City of Eau Claire.

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

CITY OF EAU CLAIRE

TABLE 21 - COMPUTATION OF LEGAL DEBT MARGIN
 Last Ten Fiscal Years
 (Dollars in Thousands)

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Equalized valuation	\$1,372,720	\$1,476,629	\$1,563,675	\$1,722,952	\$1,958,436	\$2,140,250	\$2,321,055	\$2,480,574	\$2,706,974	\$2,889,295
Legal debt percentage	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Legal debt limit	\$68,636	\$73,831	\$78,184	\$86,148	\$97,922	\$107,013	\$116,053	\$124,029	\$135,349	\$144,465
Resources on hand for payment of debt	\$8,236	\$7,357	\$4,530	\$2,446	\$1,960	\$2,379	\$3,362	\$4,232	\$5,571	\$7,208
Net long-term debt	\$9,314	\$10,721	\$13,122	\$16,501	\$20,023	\$27,804	\$30,972	\$34,534	\$37,106	\$41,140
Legal debt margin	\$59,322	\$63,110	\$65,062	\$69,647	\$77,899	\$79,209	\$85,080	\$89,495	\$98,243	\$103,325
Percentage of debt capacity remaining	86%	85%	83%	81%	80%	74%	73%	72%	73%	72%



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

CITY OF EAU CLAIRE

TABLE 22 - SCHEDULE OF REVENUE BOND COVERAGE
Last Ten Fiscal Years
(Dollars in Thousands)

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
<u>WATER UTILITY</u>										
Operating revenue	\$4,302	\$4,385	\$4,581	\$4,697	\$4,779	\$5,122	\$5,615	\$5,911	\$6,105	\$6,460
Operating expense (1)	\$2,051	\$2,082	\$2,210	\$2,077	\$2,253	\$2,090	\$2,237	\$2,359	\$2,678	\$2,900
Income available for debt service	\$2,251	\$2,303	\$2,371	\$2,620	\$2,526	\$3,032	\$3,378	\$3,552	\$3,427	\$3,560
Debt service current year (2)	\$484	\$686	\$768	\$827	\$975	\$1,047	\$1,100	\$989	\$987	\$944
Coverage	4.65	3.36	3.09	3.17	2.59	2.90	3.07	3.59	3.47	3.77
Debt service for highest principal and interest year in retirement schedule	\$650	\$846	\$846	\$991	\$1,047	\$1,100	\$989	\$988	\$988	\$1,034
Coverage on highest year	3.46	2.72	2.80	2.64	2.41	2.76	3.42	3.60	3.47	3.44
<u>SEWER UTILITY</u>										
Operating revenue	\$4,073	\$4,339	\$4,866	\$5,136	\$5,080	\$5,302	\$5,765	\$5,869	\$5,906	\$5,721
Operating expense (1)	\$2,545	\$2,708	\$2,746	\$2,944	\$3,456	\$3,117	\$3,026	\$3,551	\$3,488	\$3,718
Income available for debt service	\$1,528	\$1,631	\$2,120	\$2,192	\$1,624	\$2,185	\$2,739	\$2,318	\$2,418	\$2,003
Debt service current year (2)	\$523	\$641	\$652	\$795	\$895	\$904	\$900	\$535	\$531	\$533
Coverage	2.92	2.54	3.25	2.76	1.81	2.42	3.04	4.33	4.55	3.76
Debt service for highest principal and interest year in retirement schedule	\$674	\$817	\$795	\$904	\$904	\$904	\$544	\$544	\$544	\$544
Coverage on highest year	2.27	2.00	2.67	2.42	1.80	2.42	5.03	4.26	4.44	3.68

(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 23 - SCHEDULE OF ANNUAL
DEBT SERVICE
December 31, 2001

TOTAL GENERAL OBLIGATION DEBT

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Requirement</u>
2002	\$3,443,670	\$2,386,627	\$5,830,297
2003	3,303,670	2,171,840	5,475,510
2004	3,418,670	2,010,136	5,428,806
2005	3,413,670	1,844,741	5,258,411
2006	3,258,670	1,682,193	4,940,863
2007	3,350,000	1,518,648	4,868,648
2008	2,890,000	1,363,599	4,253,599
2009	2,810,000	1,220,893	4,030,893
2010	2,530,000	1,087,312	3,617,312
2011	2,590,000	959,403	3,549,403
2012	2,615,000	828,116	3,443,116
2013	2,175,000	696,730	2,871,730
2014	2,290,000	584,061	2,874,061
2015	2,120,000	472,119	2,592,119
2016	2,125,000	363,830	2,488,830
2017	1,935,000	259,836	2,194,836
2018	1,450,000	173,404	1,623,404
2019	1,140,000	106,583	1,246,583
2020	935,000	52,116	987,116
2021	555,000	13,872	568,872
	<u> </u>	<u> </u>	<u> </u>
Balance at 12/31/01	<u>\$48,348,350</u>	<u>\$19,796,059</u>	<u>\$68,144,409</u>

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

CITY OF EAU CLAIRE

TABLE 23 - SCHEDULE OF ANNUAL
DEBT SERVICE (cont'd)
December 31, 2001

TOTAL REVENUE BONDS - WATER UTILITY

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Requirement</u>
2002	\$480,000	\$523,285	1,003,285
2003	505,000	473,415	978,415
2004	530,000	450,005	980,005
2005	550,000	425,200	975,200
2006	580,000	399,270	979,270
2007	605,000	371,820	976,820
2008	635,000	342,790	977,790
2009	665,000	312,285	977,285
2010	700,000	280,059	980,059
2011	735,000	245,707	980,707
2012	770,000	210,423	980,423
2013	810,000	172,754	982,754
2014	850,000	134,353	984,353
2015	890,000	93,185	983,185
2016	985,000	49,140	1,034,140
	<u>985,000</u>	<u>49,140</u>	<u>1,034,140</u>
Balance at 12/31/01	<u>\$10,290,000</u>	<u>\$4,483,691</u>	<u>\$14,773,691</u>

TOTAL REVENUE BONDS - SEWER UTILITY

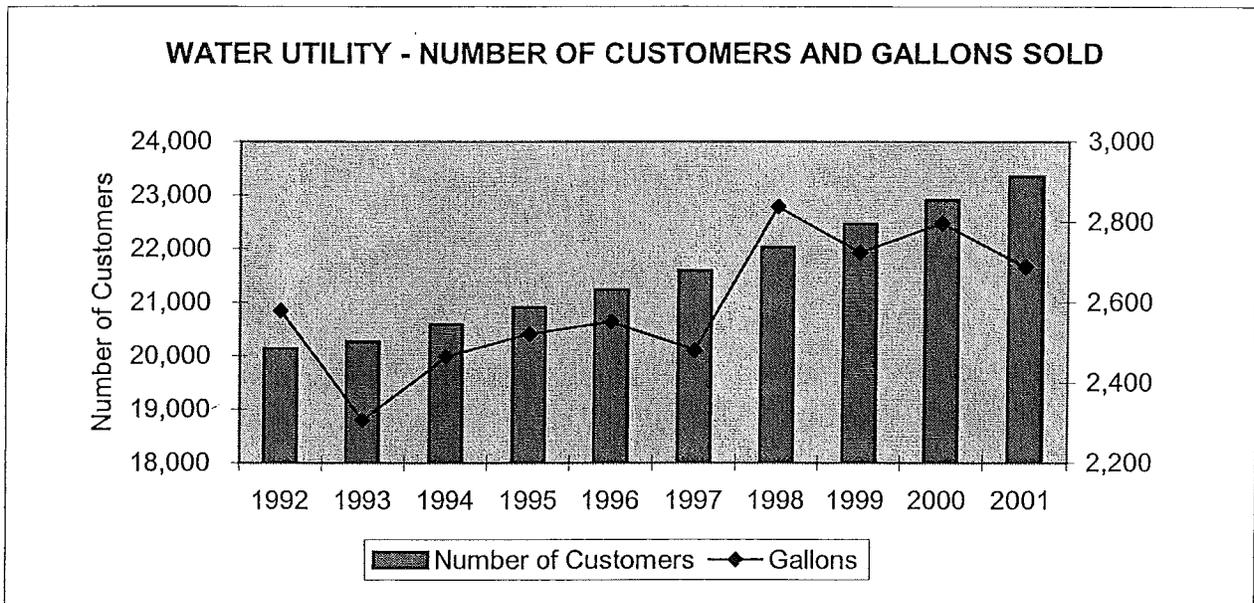
<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Requirement</u>
2002	325,000	207,855	532,855
2003	340,000	192,167	532,167
2004	360,000	175,533	535,533
2005	385,000	157,705	542,705
2006	405,000	138,522	543,522
2007	425,000	117,953	542,953
2008	445,000	96,122	541,122
2009	310,000	73,020	383,020
2010	330,000	56,695	386,695
2011	355,000	39,280	394,280
2012	375,000	20,195	395,195
	<u>375,000</u>	<u>20,195</u>	<u>395,195</u>
Balance at 12/31/01	<u>\$4,055,000</u>	<u>\$1,275,047</u>	<u>\$5,330,047</u>

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

CITY OF EAU CLAIRE

TABLE 24 - WATER UTILITY CUSTOMER SUMMARY Last Ten Fiscal Years

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Residential:										
Customers	17,753	17,876	18,175	18,448	18,751	19,089	19,464	19,851	20,254	20,650
Gallons (thousands)	1,189,921	1,008,442	1,117,377	1,117,208	1,122,248	1,090,933	1,269,242	1,148,110	1,198,843	1,204,880
Commercial:										
Customers	2,170	2,171	2,195	2,225	2,240	2,259	2,303	2,342	2,373	2,407
Gallons (thousands)	635,419	611,324	623,056	633,210	647,595	645,015	702,248	709,245	681,275	704,283
Industrial:										
Customers	75	76	78	83	84	87	96	102	105	108
Gallons (thousands)	550,139	491,170	510,931	553,241	556,646	544,750	632,586	655,984	700,216	572,885
Public:										
Customers	138	141	145	151	158	162	166	173	181	184
Gallons (thousands)	203,758	194,356	212,568	217,530	224,367	199,913	234,432	210,948	216,808	206,609
Total:										
Customers	20,136	20,264	20,593	20,907	21,233	21,597	22,029	22,468	22,913	23,349
Gallons (thousands)	2,579,237	2,305,292	2,463,932	2,521,189	2,550,856	2,480,611	2,838,508	2,724,287	2,797,142	2,688,657



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

CITY OF EAU CLAIRE

TABLE 25 - WATER UTILITY - LARGEST SYSTEM CUSTOMERS
December 31, 2001

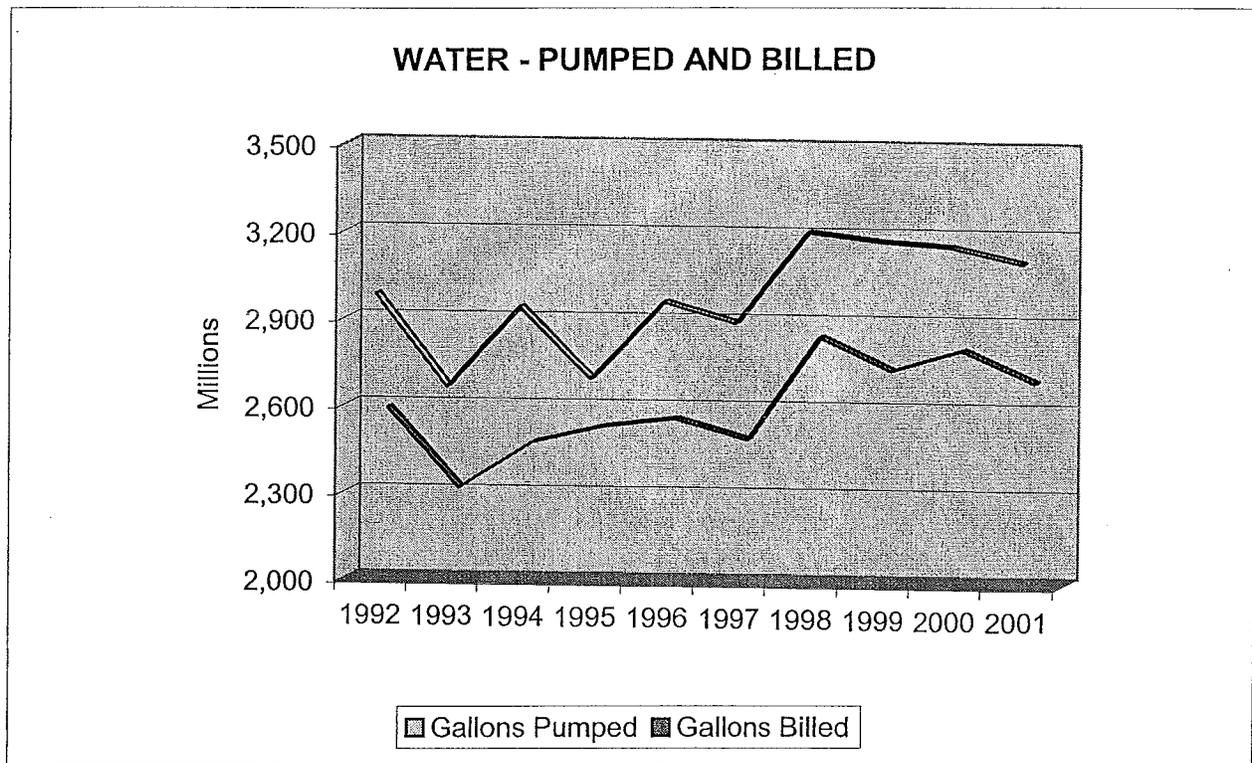
<u>Customer</u>	<u>Gallons Billed</u>	<u>% of Total</u>	<u>Amount Billed</u>	<u>% of Total</u>
Plainwell Tissue	164,072,304	6.1%	\$149,160	2.4%
Nestles Food Company	152,396,024	5.7%	170,238	2.7%
University of Wisconsin-Eau Claire	76,278,048	2.8%	109,223	1.7%
Luther Midelfort-Mayo Health	55,167,992	2.1%	79,113	1.3%
Hutchinson Technology	46,308,680	1.7%	48,867	0.8%
American Phoenix	41,745,132	1.6%	45,719	0.7%
3M	36,205,444	1.3%	42,921	0.7%
Sacred Heart Hospital	34,379,576	1.3%	51,627	0.8%
Eau Claire School District	30,204,240	1.1%	49,981	0.8%
Oakwood Mall	15,899,488	0.6%	22,770	0.4%
Huebsch Laundry Co.	<u>14,436,400</u>	<u>0.5%</u>	<u>20,344</u>	<u>0.3%</u>
Subtotal	<u>667,093,328</u>	<u>24.8%</u>	<u>789,963</u>	<u>12.6%</u>
All other customers	<u>2,021,563,672</u>	<u>75.2%</u>	<u>5,467,508</u>	<u>87.4%</u>
Total	<u><u>2,688,657,000</u></u>	<u><u>100.0%</u></u>	<u><u>\$6,257,471</u></u>	<u><u>100.0%</u></u>

Source: Customer Services - City of Eau Claire

CITY OF EAU CLAIRE

TABLE 26 - WATER UTILITY - PRODUCTION STATISTICS
Last Ten Fiscal Years

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Average number of water customers	20,136	20,264	20,593	20,907	21,233	21,597	22,029	22,468	22,913	23,349
Total gallons pumped (in thousands)	2,993,180	2,676,417	2,953,147	2,707,239	2,975,091	2,904,112	3,220,545	3,191,406	3,175,349	3,120,404
Total gallons billed (in thousands)	2,579,237	2,305,292	2,463,932	2,521,189	2,550,856	2,480,611	2,838,508	2,724,287	2,797,142	2,688,657
Percent of water billed	86.17%	86.13%	83.43%	93.13%	85.74%	85.42%	88.14%	85.36%	88.09%	86.16%
Miles of main	297	298	301	306	318	319	322	330	335	336
Number of fire hydrants	2,827	2,835	2,856	2,877	2,987	2,864	3,007	3,060	3,136	3,230
Residential customer's average quarterly water bill	\$31.91	\$31.91	\$32.52	\$32.52	\$32.52	\$34.61	\$34.61	\$37.74	\$37.74	\$40.86

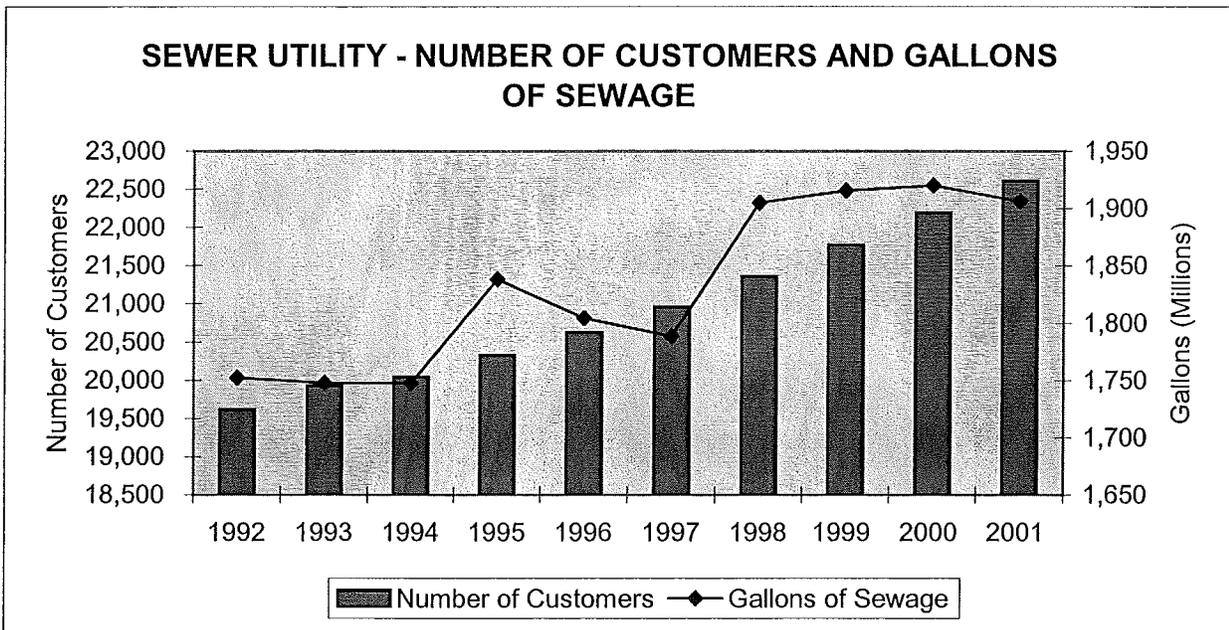


Source: Public Service Commission Reports

CITY OF EAU CLAIRE

TABLE 27 - SEWER UTILITY CUSTOMER SUMMARY
Last Ten Fiscal Years

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Residential:										
Customers	17,352	17,645	17,745	18,005	18,281	18,596	18,951	19,316	19,697	20,078
Gallons (thousands)	907,519	896,025	882,526	923,752	908,718	896,473	921,117	910,597	935,340	957,711
Commercial:										
Customers	2,072	2,084	2,099	2,116	2,136	2,152	2,185	2,222	2,255	2,280
Gallons (thousands)	591,778	576,594	581,269	606,572	593,776	600,133	635,590	634,185	617,395	628,365
Industrial:										
Customers	69	71	72	75	76	79	85	89	91	93
Gallons (thousands)	118,565	136,364	149,340	157,931	152,832	164,396	209,958	237,705	240,671	204,831
Public:										
Customers	124	126	126	131	135	139	141	147	153	156
Gallons (thousands)	134,253	138,839	134,378	149,929	148,847	127,536	138,403	133,152	126,492	115,112
Total:										
Customers	19,617	19,926	20,042	20,326	20,628	20,964	21,362	21,774	22,196	22,607
Gallons (thousands)	1,752,115	1,747,822	1,747,513	1,838,184	1,804,173	1,788,538	1,905,068	1,915,639	1,919,898	1,906,019



Source: Customer Services - City of Eau Claire

CITY OF EAU CLAIRE

TABLE 28 - SEWER UTILITY - LARGEST SYSTEM CUSTOMERS
December 31, 2001

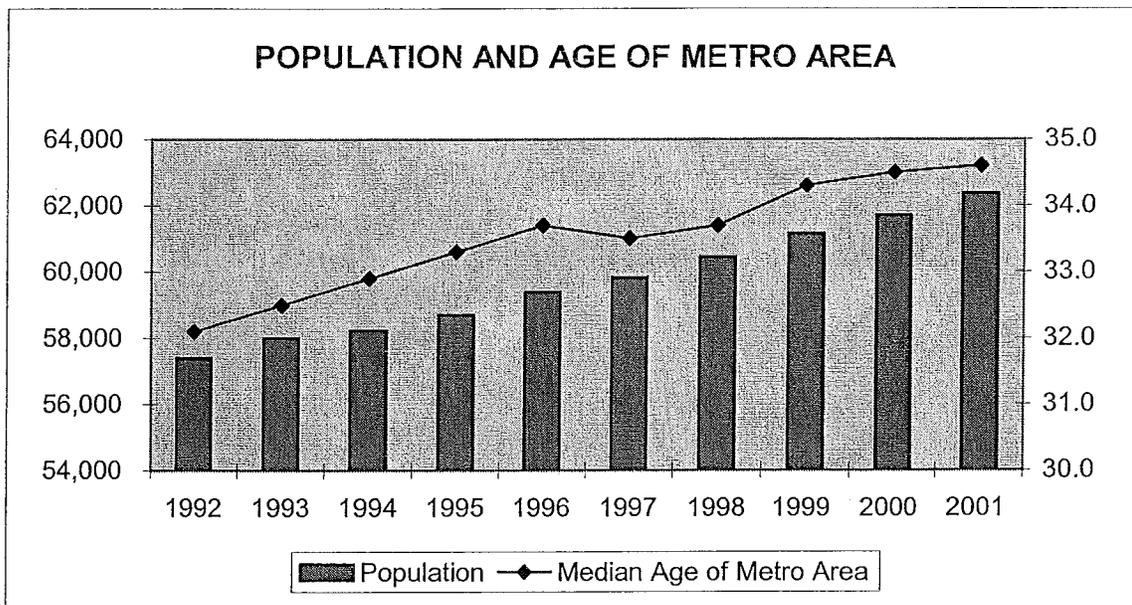
<u>Customer</u>	<u>Gallons Billed</u>	<u>% of Total</u>	<u>Amount Billed</u>	<u>% of Total</u>
Nestles Food Company	64,150,900	3.4%	\$174,957	3.4%
University of Wisconsin-Eau Claire	56,806,622	3.0%	154,927	3.0%
Luther Midelfort-Mayo Health	50,169,900	2.6%	136,827	2.6%
Sacred Heart Hospital	31,442,033	1.6%	85,751	1.6%
3-M Companies	29,704,767	1.6%	81,013	1.6%
Hutchinson Technology	29,193,633	1.5%	79,619	1.5%
Eau Claire School District	20,514,633	1.1%	55,949	1.1%
Oakwood Mall	14,539,433	0.8%	39,653	0.8%
Huebsch Laundry Co.	14,436,033	0.8%	39,371	0.8%
Oakridge Village Mobile Home	11,822,433	0.6%	32,243	0.6%
Larson Management	<u>9,384,467</u>	<u>0.5%</u>	<u>25,594</u>	<u>0.5%</u>
Subtotal	<u>332,164,854</u>	<u>11.1%</u>	<u>905,904</u>	<u>11.1%</u>
All other customers	<u>1,573,854,146</u>	<u>88.9%</u>	<u>4,362,692</u>	<u>88.9%</u>
Total	<u><u>1,906,019,000</u></u>	<u><u>100.0%</u></u>	<u><u>\$5,198,236</u></u>	<u><u>100.0%</u></u>

Source: Customer Services - City of Eau Claire

CITY OF EAU CLAIRE

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

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Population	57,403	58,005	58,239	58,702	59,383	59,832	60,449	61,150	61,704	62,368
Median age of Metro Area	32.1	32.5	32.9	33.3	33.7	33.5	33.7	34.3	34.5	34.6
Consumer price index (1)	139.6	144.5	148.2	152.0	156.5	160.2	163.1	166.6	174.0	177.1
Per capita income (2)	\$13	\$14	\$14	\$13	\$13	\$13	\$14	\$14	\$15	\$15
Effective buying income of population (2)	\$744,093	\$812,515	\$836,810	\$760,231	\$789,788	\$795,000	\$819,660	\$854,247	\$927,164	\$948,183
Number of business properties	1,325	1,335	1,350	1,370	1,385	1,400	1,410	1,425	1,445	1,455
Acres devoted to business	2,627	2,643	2,674	2,858	3,033	3,003	3,013	3,080	3,110	3,135



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

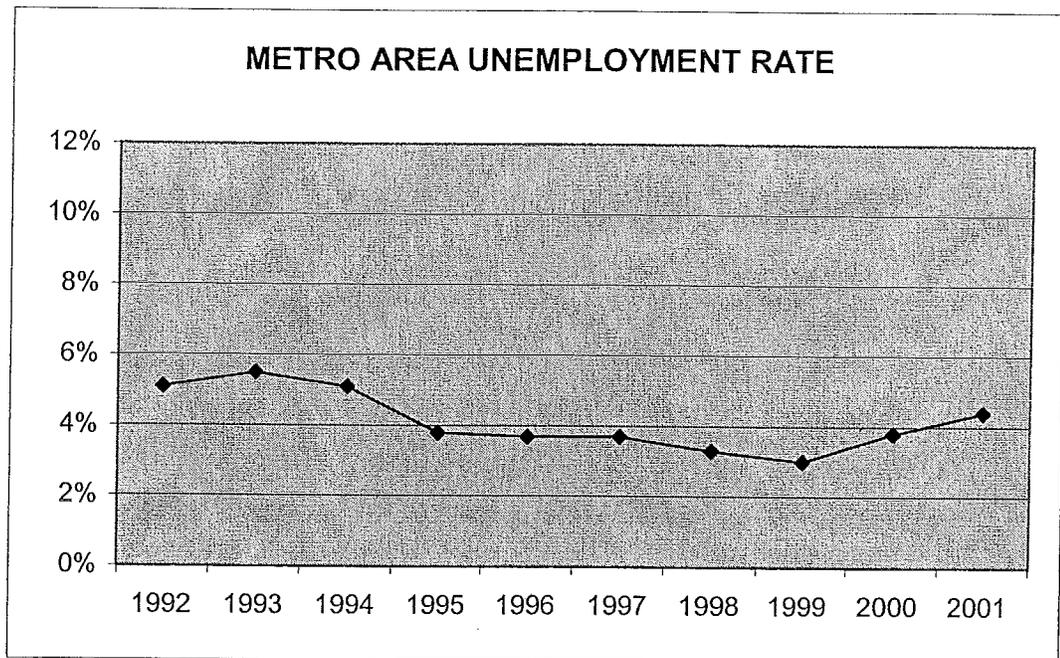
(2) NOTE: Estimated.

Sources: Sale and Marketing Management "Survey of Buying Power" Annual Report
City of Eau Claire Department of Community Development

CITY OF EAU CLAIRE

TABLE 29 - DEMOGRAPHIC STATISTICS (cont'd)
Last Ten Fiscal Years

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Number of residential parcels	17,696	17,734	17,816	17,682	17,855	17,955	18,186	18,447	18,472	18,814
Vacancy rates (per cent):										
Residential	3.00	3.00	2.75	2.75	2.75	3.00	3.00	3.00	3.00	3.50
Commercial	13.00	13.50	12.75	10.00	8.00	8.50	9.00	7.00	7.00	8.80
Industrial	5.00	5.50	5.00	4.50	4.00	3.50	4.50	2.00	2.00	6.50
Unemployment rate E.C. Metro Area	5.1%	5.5%	5.1%	3.8%	3.7%	3.7%	3.3%	3.0%	3.8%	4.4%



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

CITY OF EAU CLAIRE

TABLE 30 - PRINCIPAL TAXPAYERS
December 31, 2001
(Dollars in Thousands)

Name	Type of Business	Assessed Valuation (1)	Equalized Valuation	% Total Equalized Valuation
Oakwood Mall - General Growth	Mall	\$48,674	\$47,123	1.90%
Keystone Corporation	Investment real estate	36,395	35,526	1.43%
Midelfort Clinic	Medical facility	34,374	33,279	1.34%
Hutchinson Technology Inc.	Computer equipment manufacturing	27,550	26,673	1.08%
Sam's Club - Walmart	Retail	21,352	18,901	0.76%
Camation Corporation - Nestle Foods	Manufacturing	19,523	20,672	0.83%
Dayton Hudson Corporation	Retail	18,999	18,394	0.74%
Marshfield Clinic	Medical facility	17,296	16,745	0.68%
Phillips Properties (1)	Investment real estate	14,119	13,866	0.56%
Cascades Tissue Group	Paper products manufacturing	12,341	11,948	0.48%
Principal taxpayers total		250,623	243,127	9.80%
All other taxpayers		2,084,527	2,237,447	90.20%
Total valuation		<u>\$2,335,150</u>	<u>\$2,480,574</u>	<u>100.00%</u>

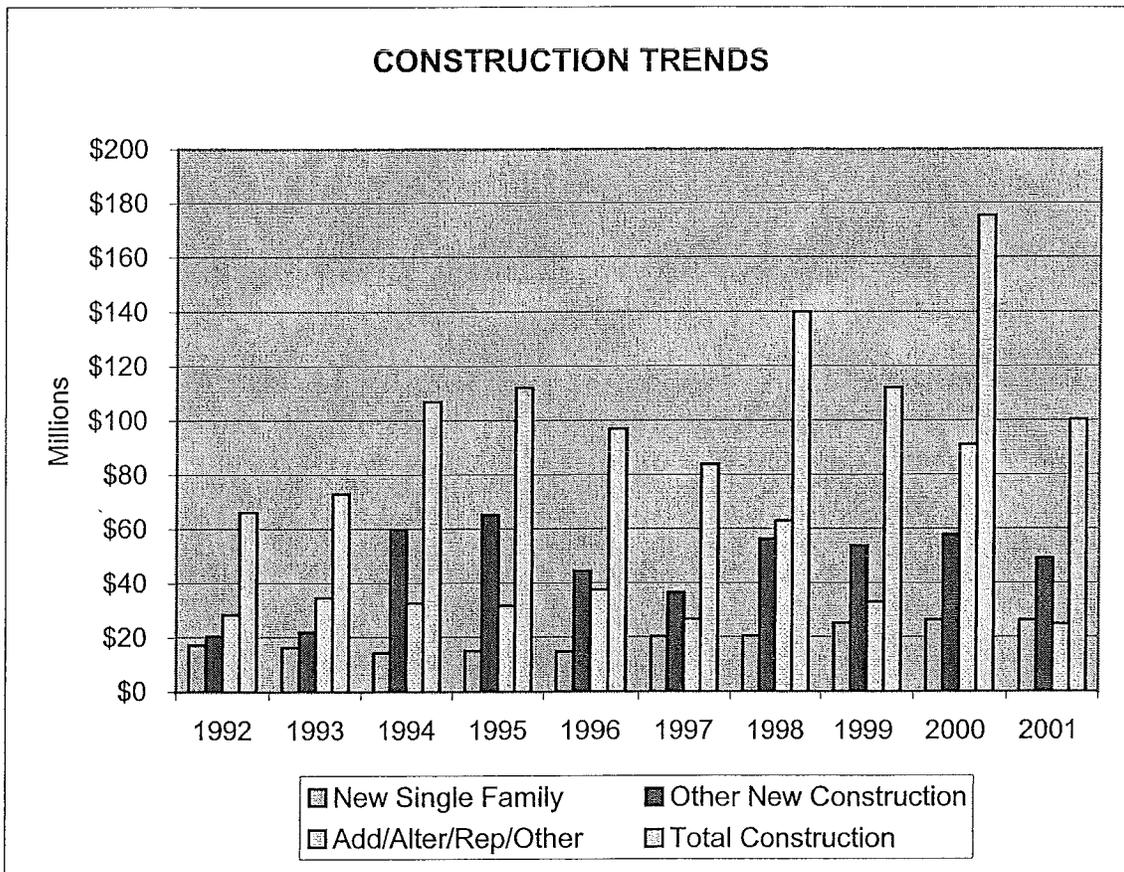
(1) NOTE: Equalization is based on both Eau Claire and Chippewa Counties.

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 31 - PROPERTY VALUE AND CONSTRUCTION Last Ten Fiscal Years (Dollars in Thousands)

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
New single family dwellings:										
# of units	162	146	124	135	131	167	174	188	189	170
Value	\$17,304	\$16,346	\$14,297	\$15,034	\$14,812	\$20,372	\$20,536	\$25,294	\$26,432	\$26,303
Other new construction	\$20,415	\$22,048	\$59,961	\$65,310	\$44,497	\$36,688	\$56,421	\$53,827	\$57,946	\$49,208
Additions/alterations/repairs & all other types of const.	\$28,383	\$34,631	\$32,681	\$31,716	\$37,592	\$26,796	\$63,023	\$33,003	\$91,173	\$24,864
Total construction	\$66,102	\$73,025	\$106,939	\$112,060	\$96,901	\$83,856	\$139,980	\$112,124	\$175,551	\$100,375



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

CITY OF EAU CLAIRE

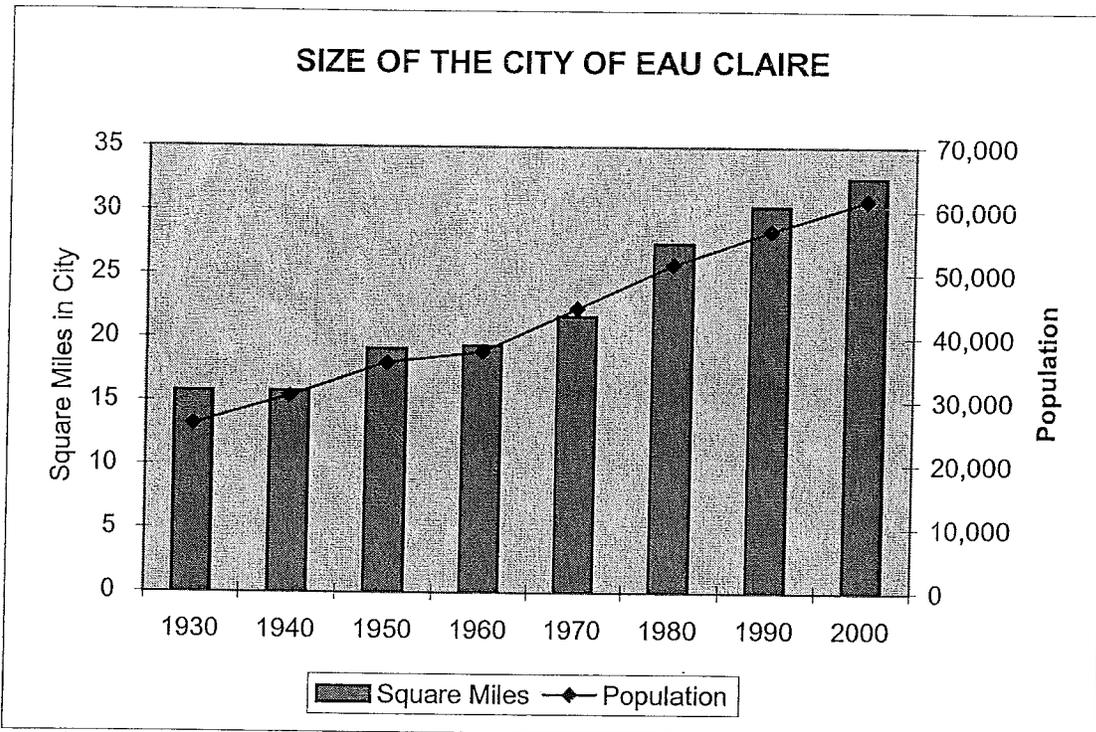
TABLE 32 - SUPPLEMENTAL INFORMATION
Year Ended December 31, 2001
 (Dollars in Thousands)

Date of incorporation: 1872

Form of government: Council - Manager, Council President & 10 Council members

Size and Area of the City of Eau Claire

<u>Year</u>	<u>Area</u>	<u>Population</u>
1940	15.77 square miles	30,745
1950	19.12 square miles	36,058
1960	19.38 square miles	37,787
1970	21.71 square miles	44,619
1980	27.45 square miles	51,509
1990	30.34 square miles	56,856
1991	30.49 square miles	57,069
1992 (1)	30.20 square miles	57,403
1993	30.38 square miles	58,005
1994	30.50 square miles	58,239
1995	30.96 square miles	58,702
1996	31.61 square miles	59,383
1997	31.90 square miles	59,832
1998	32.00 square miles	60,449
1999	32.23 square miles	61,150
2000	32.59 square miles	61,704
2001	32.33 square miles	62,368



(1) NOTE: Loss of 65 acres due to the reversal of a 1990 annexation.

Source: City of Eau Claire Community Development

CITY OF EAU CLAIRE

TABLE 32 - SUPPLEMENTAL INFORMATION (cont'd)
Year Ended December 31, 2001
(Dollars in Thousands)

Building permits and total construction valuation

<u>Year</u>	<u>Number of Permits</u>	<u>Total Valuation</u>
1988	763	43,253
1989	767	43,466
1990	846	60,990
1991	797	42,514
1992	996	66,102
1993	1,121	73,025
1994	1,341	106,939
1995	1,321	112,060
1996	1,472	96,901
1997	1,441	83,856
1998	1,516	139,980
1999	1,431	112,124
2000	1,479	175,551
2001	1,443	100,375
 <u>Fire protection</u>		
Number of stations		6
Number of employees		95
Number of firefighting vehicles		10
Number of ambulances		5
Number of HazMat Vehicles		2
Other Fire department vehicles		4
Number of boats		5
Number of Fire Department incidents		4,614
Number of inspections		5,752
 <u>Police protection</u>		
Number of sworn personnel-authorized positions		99
Number of non-sworn personnel-authorized positions		29
Number of Community Service Officers		8
Number of calls for service		33,371
Number of adult arrests		4,311
Number of juvenile referrals		2,318
Number of marked squad cars		21
Number of unmarked vehicles		14
Number of animal control / parking enforcement vehicles		3
Number of incident command / evidence tech vehicles		3
 <u>Parks and Recreation</u>		
Number of indoor skating facilities		2
Number of outdoor skating facilities:		
Supervised		17
Non-supervised		3
Number of playgrounds		19
Number of parks:		
Neighborhood		7
Community		8
Special areas		14
Total park and playground area (in acres)		950
 <u>Library</u>		
Circulation		969,344
Number of volumes owned		267,617

Sources: City Community Development, Fire, Police, and Parks & Recreation Departments, Public Library

CITY OF EAU CLAIRE

TABLE 32 - SUPPLEMENTAL INFORMATION (cont'd)
Year Ended December 31, 2001

	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
<u>Public Education</u>					
Number of school campuses	23	22	22	22	22
Elementary schools	17	16	16	16	16
Middle schools	3	3	3	3	3
High schools	2	2	2	2	2
Charter school	1	1	1	1	1
Number of personnel (full-time equivalents)	1,345	1,349	1,389	1,360	1,368
Number of students registered	11,496	11,409	11,293	11,268	11,131
Area of district (sq.miles)	200	200	200	200	200
<u>Private Schools</u>					
Elementary schools	11	8	10	10	0
High Schools	5	4	4	3	0
Number of students registered	1,560	1,440	1,690	1,613	0
<u>Colleges</u>					
University of Wisconsin - Eau Claire					
Chippewa Valley Technical College					
Immanuel Lutheran College					
Number of students enrolled for credit	16,508	15,628	16,538	14,275	0
<u>Municipal water and sewer plant</u>					
Water system:					
Number of meters in service					24,500
Average daily consumption (in gallons):					
Measured					7,366,184
Pumped					8,549,052
Maximum daily capacity (in gallons)					20,000,000
Number of gallons sold (in thousands)					2,688,657
Water mains (in miles)					336
Fire hydrants					3,230
Maximum gallons pumped in any one day (July 10, 2001)					18,602,000
Minimum gallons pumped in any one day (April 5, 2001)					4,500,000
Storage capacity (in gallons)					15,000,000
Sewers:					
Sewer customers					22,607
<u>Total miles of streets within the City</u>					
City jurisdiction					321.5
Other jurisdictions					28.7
Total Miles					350.2
<u>Elections</u>					
Number of wards					35
Number of votes cast in last municipal election (April 3, 2001)					8,700
Total number of current registered voters					48,892
Percentage of registered voters voting in last election					18%

Sources: Eau Claire Area School District, City Customer Services Division, City Engineer, City Clerk
Eau Claire Area Economic Profile, Industrial Development Corporation

CITY OF EAU CLAIRE

TABLE 33 - INSURANCE COVERAGES December 31, 2001

	<u>Coverage Limits</u>	<u>Deductible or Self-Insured Retention (SIR)</u>
Worker's Compensation	Statutory	\$250,000 per occurrence
Commercial general liability:		
Bodily injury and property damage liability	\$5,000,000	\$200,000 (SIR) per occurrence \$400,000 (SIR) annual aggregate
Boiler and machinery	\$50,000,000	\$5,000
Fire and extended coverage	\$131,857,736	\$100
Inland marine - all risks (contractor's equipment)	\$2,377,271	\$100
Money and securities - broad form coverage	\$10,000	\$100
Public official liability insurance (includes police)	\$5,000,000	\$200,000 (SIR) per occurrence \$400,000 (SIR) annual aggregate
Automobile and truck insurance (excluding Transit):		
Bodily injury and property damage liability	\$5,000,000	\$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	\$6,184,745	\$100
Collision	\$6,184,745	\$3,000
Transit		
Bodily injury and property damage liability	\$6,250,000	\$0
Public official surety bond		
Chief of Police	\$10,000	N/A
Director of Finance	\$10,000	N/A

Source: City of Eau Claire Risk Manager