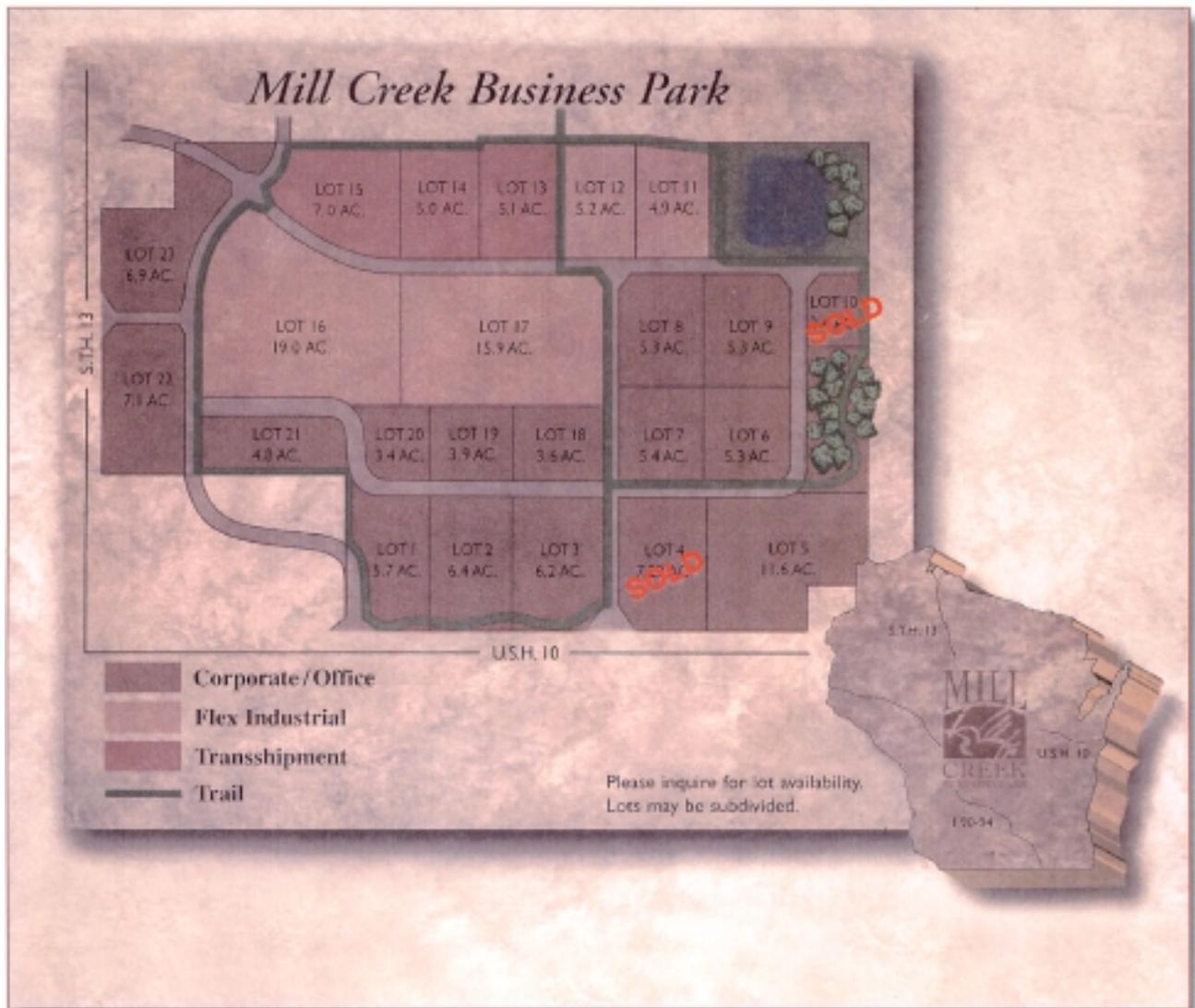


City of Marshfield, Wisconsin

Comprehensive

# ANNUAL REPORT

Financial



Including Auditors' Report  
for the fiscal year ended  
December 31, 2002

**CITY OF MARSHFIELD, WISCONSIN  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2002**

Prepared by:  
Finance Department  
Keith R. Strey, CPA  
Finance Director

**ON THE COVER: MILL CREEK BUSINESS PARK**

During 2002, construction began on significant infrastructure improvements to Mill Creek Business Park. These improvements will allow for development of this 200 acre business park located in TIF District # 5 and a State of WI Technology Zone. Construction of improvements will finish the planned infrastructure work in the park and is scheduled for completion in 2003.

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# **INTRODUCTORY SECTION**

Finance Department  
City of Marshfield  
City Hall Plaza  
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May 27, 2003

To the Honorable Mayor, members of the Common Council and the Citizens of the City of Marshfield:

The comprehensive annual financial report of the City of Marshfield for the fiscal year ended December 31, 2002, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of my knowledge and belief, the data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds, account groups and the cash flows of the proprietary funds and similar trust funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section, which is unaudited, includes this transmittal letter, a directory of the City's principal elected and appointed officials, and an organizational chart. The financial section includes the general purpose financial statements and the combining, individual fund and account group financial statements and schedules, as well as the independent auditor's report on these financial statements and schedules. The statistical section, which is unaudited, includes selected financial and demographic information, generally presented on a multi-year basis.

The City of Marshfield is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, the U.S. Office of Management and Budget's Circular A-133, and the Wisconsin Department of Administration's *State Single Audit Guidelines*. Information related to this single audit, including a schedule of federal and state financial assistance and the independent auditor's reports on the internal controls and compliance with applicable laws and regulations, is included in the single audit section of this report.

This report includes all funds and account groups of the City of Marshfield. The City provides a full range of services including police and fire protection; sanitation services; construction and maintenance of highways, streets and infrastructure; health services; planning and development; and library, recreational activities and cultural events. Also included are activities of the Board of Water and Light Commissioners, Fire and Police Commission, Library Board, and smaller boards and commissions over which the Common Council exercises, or has the ability to exercise direct administrative authority and/or responsibility.

## BACKGROUND/GENERAL INFORMATION

The City of Marshfield was incorporated in 1883, under the provisions of Chapter 280, Laws of Wisconsin, 1883. Marshfield is one of four major cities in the Central Wisconsin area, being located in the exact center of the state. Hence, Marshfield is known as the "City in the Center". The City currently has a land area of 13.3 square miles. It is a city rich in Wisconsin lore, with lumbering, rich farmlands and railroading dominating its earlier history.

The Marshfield Clinic, founded in 1916, is one of the largest rural medical centers and one of the ten largest physician led multispecialty clinics in the United States with over 700 physicians and medical specialists serving approximately 1,640,000 patient occurrences in Marshfield and 41 satellite locations in central, northern and western Wisconsin in 2002. Saint Joseph's Hospital, which adjoins the Clinic, is the third largest hospital and the only major rural referral center in Wisconsin. Among Saint Joseph's specialties are oncology and cardiac services. Marshfield Medical Research Foundation has over 200 research projects in process at any time. These studies provide knowledge to the medical community across the United States and around the world.

The City is governed by an elected mayor and common council under a mayor-council form of government. The Common Council meets in regular session twice monthly and performs the legislative and policy making functions of City government. By statute, the Mayor presides at Council meetings and serves as the Chief Executive Officer. Since 1989, administrative functions of city government have been delegated to a City Administrator who is hired by and reports to the Mayor and Common Council.

Under an organizational plan approved in 1989, the City Administrator is responsible for certain departments including Finance, Information Systems, Public Works, Parks and Recreation, and Planning and Economic Development. The City Administrator annually prepares and presents an executive budget recommendation to the Mayor and Common Council. In 1990, a 5-year Capital Improvement Program (CIP) policy statement was adopted by the Council and a 5-year Capital Improvement Program has been subsequently adopted every year.

With an estimated 2002 population of 18,908, the City has seen a slight decline in population and significant growth in its tax base over the past decade. In the 1990 publication, *The Rating Guide To Life In America's Small Cities*, Marshfield was ranked 14th in America, 3rd in the Midwest and 1st in Wisconsin for its quality of life. Each community was graded on its performance in ten clearly defined classifications: Climate/Environment, Diversions, Economics, Education, Sophistication, Health Care, Housing, Public Safety, Transportation and Urban Proximity. In addition, Marshfield was recently named as the 8<sup>th</sup> best place to live in America by *Demographics Daily*.

The City employs 202 full-time equivalent employees. The police department has 38 officers and 15 staff employees. Fire protection is provided by the Marshfield Fire and Rescue Department which employs 33 firefighters and one staff employee. The fire insurance rating is class 4.

The City has eighteen elementary and secondary schools, of which eight are public and ten are private. The area is also home to the Mid-State Technical College (offering 1-3 year programs) and the University of Wisconsin Center-Marshfield/Wood County campus (offering several 2-year degree programs and limited 4-year degree programs). Enrollment for the public School District of Marshfield is included in Table 13 located in the statistical section of this report.

## ECONOMIC CONDITION AND OUTLOOK

The Marshfield family of industries is best described as diversified with 61 manufacturing firms employing 6,867 employees, 14 industrial distribution firms employing 723, 4 transport firms employing 2,219, 26 utility, communication, and printing firms employing 363, and medical service firms employing 6,021.

The largest single industrial employer is Marshfield DoorSystems (formerly Weyerhaeuser Company) with 904 employees or 6% of the 16,193 full-time equivalent employees in all segments of industry and medical service. Medical services provides 37% of Marshfield's total employment, and the Marshfield Clinic is the largest single employer with 3,203 employees.

In addition to Marshfield being a major medical service center, the focus of the manufactured housing industry in the state, and the home for manufactured wood products, the City is also a strong metal-working and machinery center, especially stainless steel products.

Marshfield is known for its dairy food processing, most notably for its cheese. One unique business is Figi's Inc., a mail order cheese, sausage, gift firm which employs over 3,000 during the October-December peak gift period.

The Marshfield-Wood County area economy continued to experience a slowdown over the past twelve months. Most economic indicators are less positive than what they were twelve months ago. It appears the slowdown in our local economy corresponds to what is happening to the country as a whole. Employment growth was hard to come by in all sectors with the exception of Services. Manufacturing, trade, construction and government employment contracted since December 2001. Services, however, managed a 4.3% increase in positions. Marshfield's overall employment index increased by .8%. This suggests the Marshfield area continues to hold up well during the national recession.

Public assistance claims on a countywide basis increased from 2,980 in 2001 to 3,317 in 2002, an increase of 11.3%. Also, the total number of unemployment claims in Wood County increased from 1,307 claims in 2001 to 1,652 claims in 2002, an increase of 26.4%.

Marshfield's businesses continued to grow in 2002 with the addition 22 new commercial and industrial buildings valued at \$32,160,664. In addition, 83 businesses remodeled and/or expanded existing facilities valued at \$6,349,847. The City also experienced a significant increase in residential housing starts from 50 in 2001 to 63 in 2002 valued at \$9,284,600.

The City should continue to experience increased development as improvements are made to State Highway 13 on the north end of the City, completion of the new Veteran's Parkway (Marshfield Boulevard) in late 2003, completion of infrastructure construction in Mill Creek Business Park in 2003 and future development of Yellowstone Industrial Park.

## MAJOR INITIATIVES

**For the Year.** The City's staff, following specific directives of the Common Council and City Administrator, was involved in a variety of projects throughout the year. These projects reflect the City's commitment to ensuring that its citizens are able to live and work in a thriving community.

The City Administration identified several major improvements for 2002 that were needed to meet citizens' requests for services and improve the City's infrastructure to strengthen and safeguard the long-term vitality of the City. Principal among those tasks was the start of infrastructure construction in Mill Creek Business Park and continued construction of Veteran's Parkway (State Highway 13).

Other projects included over \$1 million of various other street and storm sewer improvements, \$1 million to replace or line deteriorated and cracked sanitary sewer lines, \$550,000 for facility enhancements at the University of Wisconsin Marshfield / Wood County and \$265,000 to construct an equipment storage building for the street division.

**For the Future.** The City continues as a major player in developing partnerships for creating new economic and community development opportunities. In 2002, the City entered into a developer's agreement for construction of a hotel / restaurant / conference center on the previously prepared site located on the south end of the City's downtown business district. Ground breaking is scheduled to occur in June of 2003 with project completion within 12 months. The City's cost of financing this project is to be recovered by the additional property taxes generated by the project.

The City started a significant infrastructure construction project in the Mill Creek Business Park during 2002 that will be completed in 2003. This should attract additional businesses to the park in the future. Yellowstone Industrial Park land was purchased for additional heavy industrial sites in the Southeast part of the City and a TIF created in 2001. Infrastructure construction for Yellowstone Industrial Park is planned to occur between 2005 and 2007.

## FINANCIAL INFORMATION

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

**SINGLE AUDIT:** As a recipient of federal, state and county financial assistance, the City is also responsible for establishing an adequate internal control structure to ensure compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management, its independent accountants, and audit staffs of the State and federal governments.

## SINGLE AUDIT (Continued):

As a part of the City's single audit, described earlier, tests were made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations. The results of the City's single audit for the fiscal year ended December 31, 2002 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

**BUDGETARY CONTROLS:** The City maintains extensive budgetary controls in order to ensure compliance with legal provisions embodied in the annual appropriated budget adopted by the Common Council. Activities of the general fund, certain special revenue funds, debt service funds and capital projects funds are included in the annual appropriated budget. In addition, project-length financial plans are adopted for most capital projects funds. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is at the activity level within each fund. The City does not maintain an encumbrance accounting system.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

**GENERAL GOVERNMENT FUNCTIONS:** The following schedule presents a summary of general fund, special revenue fund and debt service fund revenues for the fiscal year ended December 31, 2002 and the amount and percentage of increases and decreases in relation to prior year revenues.

<u>Revenues</u>	<u>2002 Amount</u>	<u>Percent Of Total</u>	<u>Increase (Decrease) From 2001</u>	<u>Percentage Increase (Decrease)</u>
Taxes	\$ 9,396,043	47.6%	\$ 685,988	7.9%
Special Assessments	609,635	3.1	80,498	15.2
Intergovernmental	7,647,193	38.8	(227,444)	(2.9)
Licenses and Permits	310,263	1.6	73,623	31.1
Fines, Forfeitures And Penalties	146,385	0.7	803	0.6
Charges for Services	612,334	3.1	(733,599)	(54.5)
Miscellaneous	<u>1,009,094</u>	<u>5.1</u>	<u>(80,814)</u>	<u>(7.4)</u>
	<u>\$19,730,948</u>	<u>100.0%</u>	<u>\$ (200,945)</u>	<u>(1.0)%</u>

The largest revenue increase (\$685,988) came from tax revenues and was due to increased property tax collections. Special assessment revenues increased (\$80,498) due to increased collections in 2002. Licenses and permit fees increased (\$73,623) due to additional collections for both types of fees. Fines, forfeitures and penalties increased (\$803) due to a slight increase in collections for all three areas. Miscellaneous revenues decreased (\$80,814) because of a reduction in other miscellaneous revenue. Intergovernmental revenues decreased (\$227,444) due to reductions in State Economic Development and Law Enforcement grants. Charges for services decreased (\$733,599) as a result of the transfer of Ambulance Service revenue to the Emergency Medical Service Enterprise fund in 2002.

**GENERAL GOVERNMENT FUNCTIONS (Continued):**

The following schedule presents a summary of general fund, special revenue fund and debt service fund expenditures for the fiscal year ended December 31, 2002 and the percentage of increases and decreases in relation to prior year amounts.

<u>Expenditures</u>	<u>2002 Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 2001</u>	<u>Percentage Increase (Decrease)</u>
<b>Current:</b>				
General Government	\$ 2,222,403	11.3%	\$ 49,221	2.3%
Public Safety	6,622,689	33.6	(449,295)	(6.4)
Public Works	4,236,289	21.5	(318,641)	(7.0)
Health & Human Services	123,881	0.6	1,371	1.1
Recreation & Education	2,546,139	12.9	33,674	1.3
Conservation & Development	456,041	2.3	54,179	13.5
Capital Outlay	399,222	2.0	118,199	42.1
<b>Debt Service:</b>				
Principal	2,104,869	10.7	20,297	1.0
Interest/Fiscal Charges	998,430	5.1	45,564	4.8
	<u>\$19,709,963</u>	100.0%	<u>(445,431)</u>	<u>(2.2%)</u>

The largest increase in Capital Outlay (\$118,199) is due largely to construction of the Wildwood Park Restroom Building. The increases for principal (\$20,297) and interest (\$45,564) were due to the City's increased debt obligations over the past few years to fund several major projects. Conservation and development increased (\$54,179) primarily because the Planning and Economic Development Department added a second position which was filled in June 2001. The increase in general government (\$49,221) is due to increased personnel costs. Recreation and education increased (\$33,674) because of increased personnel and maintenance costs at recreation facilities. Health and human services increased (\$1,371) because of increased personnel costs.

The decrease in public works (\$318,641) is due to decreased highway and street maintenance expenditures. Public Safety decreased (\$449,295) as a result of the transfer of Ambulance Service Expenditures to the Emergency Medical Service Enterprise fund in 2002.

**GENERAL FUND BALANCE:** The unreserved fund balance of the general fund increased by 5.7% or \$390,911 in 2002. The undesignated portion of unreserved general fund equity decreased by \$169,076, or 2.8%, as a result of the increase in the designated portion of the unreserved general fund equity. The designated portion of unreserved general fund equity increased by \$559,987 or 101.3%.

**ENTERPRISE OPERATIONS:** For 2002, the City's enterprise operations were comprised of three separate and distinct activities: a joint Water and Electric Utility, a Wastewater Utility and an Emergency Medical Services enterprise. In 2003, a fourth enterprise may start if the creation of a Storm Water Utility is approved by the Common Council.

**RETIREMENT PROGRAM:** All eligible City of Marshfield employees participate in the Wisconsin Retirement System (System), a cost-sharing, multiple-employer, defined benefit public employee retirement system (PERS). The payroll for employees covered by the System for the year ended December 31, 2002 was \$10,268,861; the employer's total payroll was \$10,756,541. Additional information is provided in Section III, Note 5 of the Notes to Financial Statements.

**DEBT ADMINISTRATION:** As of December 31, 2002, the City had 28 debt issues outstanding. These issues included \$23,203,814 of general obligation bonds, notes and land contracts and \$21,731,098 of mortgage revenue bonds. The City has continually maintained its "Aa rating from Moody's Investors Service on general obligation debt issues and its electric mortgage revenue bond issues and an "A" rating on its water mortgage revenue bond issues. Under Wisconsin statutes, general obligation debt is subject to a legal limitation based on 5% of total equalized value of real and personal property. As of December 31, 2002, the City's net general obligation debt of \$23,203,814 was well below the legal limit of \$45,205,725. Net bonded debt per capital equaled \$1,153. The City adheres to an aggressive repayment policy and uses capital financing to augment a "pay as you go" philosophy.

During the year, the City issued \$4,170,000 of general obligation notes to fund various capital projects and equipment purchases. The City also issued additional mortgage revenue bonds of \$249,764 for costs associated with construction of a new wastewater treatment plant and related interceptor sewer.

**CASH MANAGEMENT:** Cash temporarily idle during the year was invested in demand deposits, government agencies, corporate bonds, and the State of Wisconsin Local Government Investment Pool. The average yield on investments ranged from 1.38% to 6.3%. The City and its proprietary funds earned interest revenue of \$577,101 on all investments for the year ended December 31, 2002.

The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, it is the City's policy that deposits are either insured by federal depository insurance or collateralized. For brief periods of time certain amounts were not collateralized pending transfer to the State of Wisconsin Local Government Investment Pool. All collateral on deposits was held either by the City, our agent or a financial institution's trust department in the City's name.

Remaining investments were held in long-term securities in accordance with State Statutes and the City's investment policy adopted in 2001. During 2002, the City has invested \$6,500,00 in long-term government agency securities of varying maturity dates with interest rates between 6.0% and 6.3% with an emphasis on Safety, Liquidity and Yield on the funds invested.

**RISK MANAGEMENT:** The City is a member of the League of Wisconsin Municipalities Insurance Plan. This plan provides workers' compensation, casualty, professional liability and errors and omissions coverage tailored specifically for Wisconsin municipalities. The City is also a member of the WI Local Government Property Insurance Fund program for property coverage needs for Wisconsin municipalities.

#### **INDEPENDENT AUDIT**

City policy is in accordance with local, state and federal requirements to provide for an annual audit by independent Certified Public Accountants. The independent accounting firm of Hawkins, Ash, Baptie & Company was selected by the City. The audit is to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the U.S. General Accounting Office's (GAO) Governmental Auditing Standards (1994), the provisions of the Federal Single Audit Act of 1984 and U.S. Office of Management and Budget (OMB) Circular A-133, and the Wisconsin Department of

Administration's *State Single Audit Guidelines*. The auditor's report on the general purpose financial statements, footnotes, combining and individual fund and account group financial statements and schedules is included in the financial section of this report. The independent auditor's reports related specifically to the single audit are included in the single audit section.

### **REPORTING ACHIEVEMENTS**

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 Marshfield for its comprehensive annual financial report for the fiscal year ended December 31, 2001. The certificate is the highest form of recognition for state and local governments. This was the eighth consecutive year that the City of Marshfield Finance Department has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

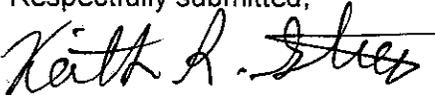
### **ACKNOWLEDGMENTS**

I would like to acknowledge and express my sincere appreciation to the entire staff of the Finance Department for their outstanding work throughout the year. In particular, I wish to acknowledge Assistant Finance Director Tim Lightfoot for his efforts with this report. His valuable assistance played a crucial role in the preparation of this comprehensive annual financial report through his efficient and dedicated service to the City of Marshfield.

I would also like to thank our independent auditors, Hawkins, Ash, Baptie & Company for their assistance and professional input, which contributed significantly to the report quality and adherence to professional accounting standards. Their experience and expertise was extremely valuable during this period of transition for the Finance department.

Finally, I would like to acknowledge the City Administrator, City departments and all others who assisted and contributed to its preparation. Without their support, preparation of this report would not have been possible.

Respectfully submitted,



Keith R. Strey, CPA  
Finance Director

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Marshfield,  
Wisconsin

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2001

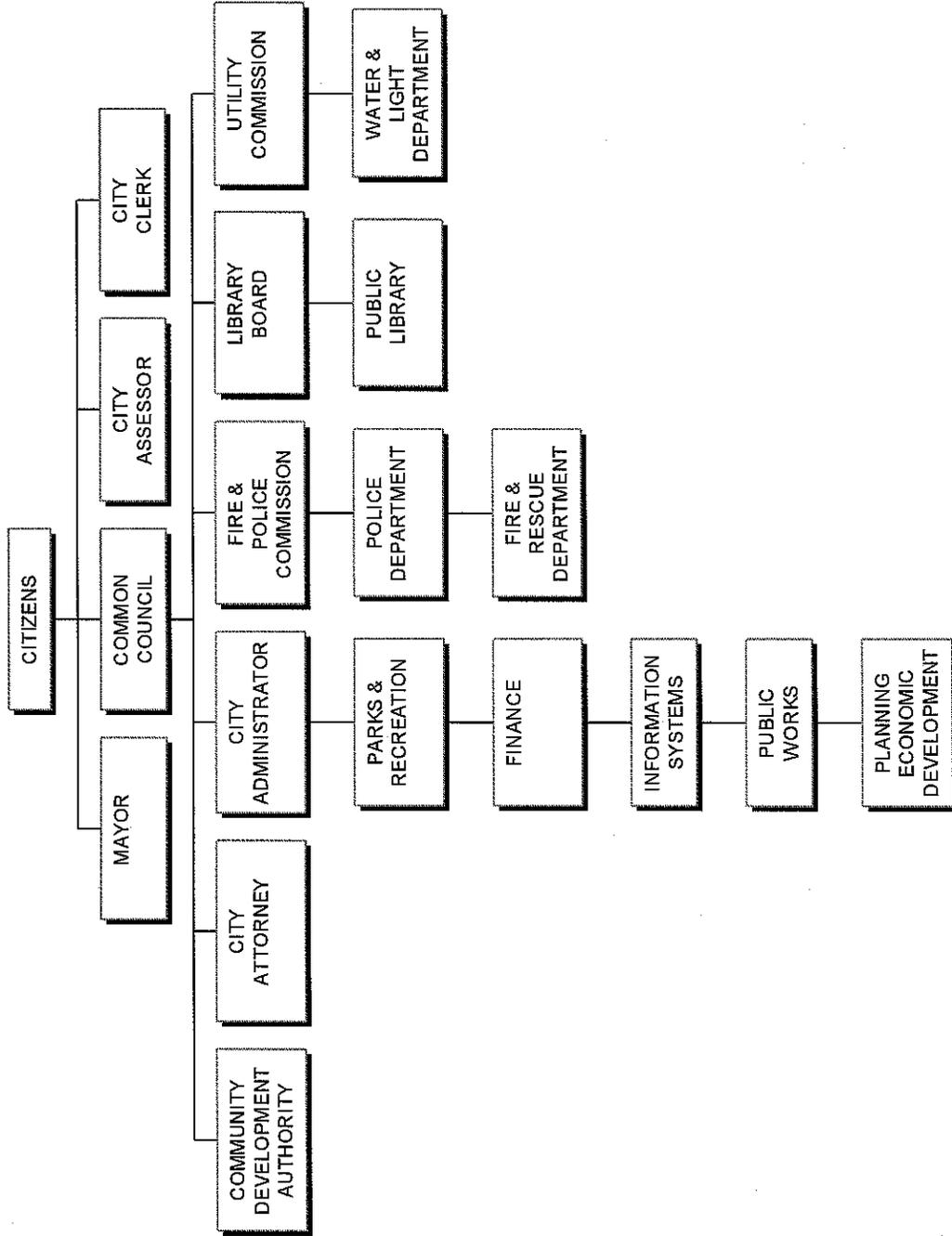
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President

Executive Director

# CITY OF MARSHFIELD ORGANIZATION CHART



CITY OF MARSHFIELD, WISCONSIN  
List of Principal Officials – 2002

**ELECTED**

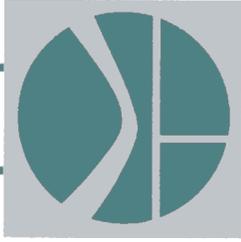
Mayor.....Michael Meyers  
Common Council President.....Russel Stauber  
City Clerk.....Deb Hall  
City Assessor.....Joan Spencer  
Municipal Judge.....John Adam Kruse

District	Aldersperson:
First .....	Michael Feirer
Second .....	Brad Parks
Third .....	Gerald Nelson
Fourth .....	H. Nathan Norberg
Fifth .....	Jerry Bennington, Sr.
Sixth .....	Russell Stauber
Seventh .....	Donald Krueger
Eighth .....	Ray Gougeon
Ninth .....	Tom Buttke
Tenth .....	Edward Beaudry, Jr.

**APPOINTED**

Administrator.....Michael F. Brehm  
City Attorney.....Dennis J. Juncer  
Finance Director.....Keith R. Strey  
Assistant Finance Director.....Timothy Lightfoot  
Human Resources Specialist.....Lara Baehr  
Information Systems Director.....John Beck  
Police Chief.....Joseph Stroik  
Fire Chief.....Gregg Cleveland  
Director of Public Works.....Daniel Knoeck  
City Engineer.....Thomas Turchi  
Library Director.....Lori Belongia  
Parks and Recreation Director.....Edward Englehart

# **FINANCIAL SECTION**



# Hawkins, Ash, Baptie & Company, LLP

*Certified Public Accountants* ◆ *Management Consultants*

## INDEPENDENT AUDITORS' REPORT

To the Common Council  
City of Marshfield, Wisconsin

We have audited the accompanying general purpose financial statements of the City of Marshfield, Wisconsin as of December 31, 2002 and for the year then ended, as identified 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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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 Marshfield, Wisconsin as of December 31, 2002, and the results of its operations and cash flows of its proprietary and similar trust fund types 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 a report dated March 28, 2003, on our consideration of the City of Marshfield, Wisconsin'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.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund financial statements identified 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 Marshfield, Wisconsin. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations, and State Single Audit Guidelines*, issued by the Wisconsin Department of Administration, and is also not a required part of the general purpose financial statements of the City of Marshfield. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements 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 data included in the "Introductory" and "Statistical" sections as listed in the table on contents has not been audited by us and, accordingly we express no opinion on such data.

*Hawkins, Ash, Baptie & Company, LLP*

Marshfield, Wisconsin  
March 28, 2003

*Your Success is our Destination*

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**GENERAL  
PURPOSE FINANCIAL  
STATEMENTS**

**CITY OF MARSHFIELD  
COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
DECEMBER 31, 2002**

	GOVERNMENTAL FUND TYPES				PROPRIETARY FUND TYPES			FIDUCIARY FUND TYPES		ACCOUNT GROUPS		TOTALS	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	ENTERPRISE	INTERNAL SERVICE	TRUST AND AGENCY	FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	(MEMORANDUM ONLY)		2002	2001
										2002	2001		
<b>ASSETS AND OTHER DEBITS</b>													
<b>ASSETS</b>													
Cash and investments	\$ 6,706,182	\$ 2,334,710	\$ 1,408,179	\$ 1,848,414	\$ 1,142,433	\$ 528,067	\$ 7,336,392	\$ -	\$ -	\$ -	\$ 21,304,377	\$ 20,878,367	93,563
Investments	-	-	-	-	-	-	99,849	-	-	-	99,849	-	-
Receivables	-	-	-	-	-	-	-	-	-	-	-	-	-
Taxes	36,214	-	-	-	-	-	16,359,830	-	-	-	16,396,044	15,721,428	-
Accounts	388,676	-	-	-	1,964,816	56	-	-	-	-	2,353,548	2,097,453	-
Special assessments	845,378	-	-	-	-	-	-	-	-	-	845,378	1,203,178	-
Loans	-	1,335,345	-	-	-	-	-	-	-	-	1,335,345	1,234,092	-
Other receivables	-	1,460	-	8,954	-	-	14,578	-	-	-	24,982	39,768	-
Due from other governments	55,826	47,730	-	-	116	1,553	-	-	-	-	105,225	110,217	-
Due from other funds	7,201,855	87,325	2,259,927	682,997	791,363	3,960	-	-	-	-	11,027,427	10,793,569	-
Inventory	-	-	-	-	850,599	142,331	-	-	-	-	992,930	806,603	-
Restricted assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash and investments	-	-	-	-	5,172,340	-	-	-	-	-	5,172,340	4,692,632	-
Fixed assets-net of accumulated depreciation	-	-	-	-	80,052,675	2,965,119	-	29,552,614	-	-	112,570,408	110,134,157	-
Deferred charges	-	-	-	-	352,054	-	-	-	-	-	352,054	80,848	-
Prepaid leases	-	-	-	-	540	-	-	-	-	-	540	1,182	-
Prepaid items	62,047	2,084	-	12,500	21,187	-	-	-	-	-	97,818	42,018	-
Long-Term Investments	-	-	-	-	1,661,440	-	-	-	-	-	1,661,440	1,607,404	-
<b>OTHER DEBITS</b>													
Amount available in Debt Service Fund	-	-	-	-	-	-	-	-	1,408,179	-	1,408,179	210,519	-
Amount to be provided for retirement of general long-term debt	-	-	-	-	-	-	-	-	-	23,885,657	23,885,657	-	-
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$15,296,178</b>	<b>\$3,808,644</b>	<b>\$3,668,106</b>	<b>\$2,552,866</b>	<b>\$ 92,009,563</b>	<b>\$3,641,086</b>	<b>\$23,810,649</b>	<b>\$29,552,614</b>	<b>\$25,293,836</b>	<b>\$ 199,633,542</b>	<b>\$192,986,064</b>		

Continued on page 20

The accompanying notes are an integral part of these statements

**CITY OF MARSHFIELD  
COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
DECEMBER 31, 2002**

	GOVERNMENTAL FUND TYPES				PROPRIETARY FUND TYPES			FIDUCIARY FUND TYPES		ACCOUNT GROUPS		TOTALS	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	ENTERPRISE	INTERNAL SERVICE	TRUST AND AGENCY	FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	(MEMORANDUM ONLY)		2001	
										2002	2001		
<b>LIABILITIES</b>													
Cash Overdraft	\$ -	\$ 144,405	\$ -	\$ 2,144,534	\$ 3,718	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,292,657	\$ 1,763,104
Accounts payable	719,421	11,489	-	202,650	1,552,874	55,845	17,075	-	-	-	-	2,559,354	2,482,030
Accrued interest	-	-	-	11,109	-	-	-	-	-	-	-	11,109	13,762
Other accrued expenses	-	-	-	-	902,708	9,668	377,914	-	-	-	-	1,290,290	604,625
Payable from restricted assets	-	-	-	-	410,000	-	-	-	-	-	-	410,000	295,000
Current portion of long-term debt	-	-	-	66,355	-	-	-	-	-	-	-	66,355	70,259
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Due to													
Other governments	129,179	-	-	43,118	60	-	13,795,236	-	-	-	-	13,967,593	13,268,223
Other funds	85,075	-	-	-	1,460,145	1,237	9,480,970	-	-	-	-	11,027,427	10,793,568
Deferred revenues	7,196,458	-	-	682,997	11,985	-	-	-	-	-	-	10,231,729	10,389,683
Current portion of debt	-	-	-	-	1,057,434	136,101	-	-	-	-	-	1,192,535	1,132,454
Accumulated employee benefits	-	-	-	-	-	-	-	258,775	-	-	-	258,775	248,798
Unfunded liability-retirement plan	-	-	-	-	-	-	-	2,995,524	-	-	-	2,995,524	3,357,532
General obligation debt payable	-	-	-	-	-	1,029,176	-	-	-	-	-	23,068,713	20,742,512
Revenue bonds payable	-	-	-	-	24,788,664	-	-	-	-	-	-	24,788,664	24,966,334
<b>TOTAL LIABILITIES</b>	<b>8,130,133</b>	<b>236,255</b>	<b>2,259,927</b>	<b>3,073,299</b>	<b>30,265,052</b>	<b>1,231,027</b>	<b>23,671,195</b>	<b>-</b>	<b>25,293,836</b>	<b>-</b>	<b>94,160,725</b>	<b>90,127,884</b>	<b>90,127,884</b>
<b>EQUITY AND OTHER CREDITS</b>													
Investment in general fixed assets	-	-	-	-	-	-	-	29,552,614	-	-	-	29,552,614	27,940,611
Contributed capital	-	-	-	-	-	-	-	-	-	-	-	11,964,459	15,159,806
Retained earnings	-	-	-	-	10,530,857	1,433,602	-	-	-	-	-	1,180,127	811,515
Reserved for current debt service	-	-	-	-	1,180,127	-	-	-	-	-	-	4,492,315	4,568,619
Reserved for equipment replacement	-	-	-	-	3,515,858	976,457	-	-	-	-	-	46,517,669	42,978,710
Unreserved	-	-	-	-	46,517,669	-	-	-	-	-	-	139,454	135,770
Fund balance	-	-	-	-	-	-	139,454	-	-	-	-	1,335,346	1,234,092
Reserved for endowments	-	1,335,346	-	-	-	-	-	-	-	-	-	1,406,179	210,519
Reserved for loans	-	-	-	-	-	-	-	-	-	-	-	64,131	18,947
Reserved for debt service	-	-	1,408,179	-	-	-	-	-	-	-	-	3,063,844	3,676,005
Reserved for prepaid items	62,047	2,084	-	-	-	-	-	-	-	-	-	5,754,880	6,123,586
Unreserved	1,112,438	324,117	-	1,627,289	-	-	-	-	-	-	-	105,472,818	102,858,180
Designated	5,981,560	1,910,842	-	(2,147,722)	-	-	-	-	-	-	-	-	-
Undesignated(deficit)	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL EQUITY(DEFICIT) AND OTHER CREDITS</b>	<b>7,166,045</b>	<b>3,572,389</b>	<b>1,408,179</b>	<b>(520,433)</b>	<b>61,744,511</b>	<b>2,410,059</b>	<b>139,454</b>	<b>29,552,614</b>	<b>-</b>	<b>105,472,818</b>	<b>199,633,542</b>	<b>\$ 199,633,542</b>	<b>\$ 192,986,064</b>
<b>TOTAL LIABILITIES, EQUITY AND OTHER CREDITS</b>	<b>\$ 15,296,178</b>	<b>\$ 3,808,644</b>	<b>\$ 3,668,106</b>	<b>\$ 2,552,866</b>	<b>\$ 92,009,563</b>	<b>\$ 3,641,086</b>	<b>\$ 23,810,649</b>	<b>\$ 29,552,614</b>	<b>\$ 25,293,836</b>	<b>\$ 199,633,542</b>	<b>\$ 192,986,064</b>	<b>\$ 192,986,064</b>	<b>\$ 192,986,064</b>

The accompanying notes are an integral part of these statements

CITY OF MARSHFIELD, WISCONSIN  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES-ALL GOVERNMENTAL FUND TYPES  
 YEAR ENDED DECEMBER 31, 2002

	GOVERNMENTAL FUND TYPES	
	GENERAL	SPECIAL REVENUE
<b>REVENUES</b>		
Taxes	\$ 6,425,671	\$ 245,942
Special assessments	609,635	-
Intergovernmental	7,363,009	284,184
Licences and permits	310,263	-
Fines, forfeits and penalties	146,385	-
Public charges for services	419,149	44,293
Intergovernmental charges for services	148,892	-
Miscellaneous	838,358	170,736
TOTAL REVENUES	16,261,362	745,155
<b>EXPENDITURES</b>		
Current:		
General government	2,222,403	-
Public safety	6,618,387	4,302
Public works	3,947,255	289,034
Health and human services	123,881	-
Culture, recreation and education	2,365,381	180,758
Conservation and development	343,154	112,887
Capital outlay	323,459	75,763
Debt service		
Principal retirement	-	-
Interest and fiscal charges	-	-
TOTAL EXPENDITURES	15,943,920	662,744
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	317,442	82,411
<b>OTHER FINANCING SOURCES (USES)</b>		
Proceeds of general obligation debt	-	-
Operating transfers in	94,500	160,970
Operating transfers out	(31,110)	(685,970)
Operating transfers in(out)-proprietary fund	(7,379)	538,522
Operating transfers in-nonexpendable trust fund	3,306	-
TOTAL OTHER FINANCING SOURCES (USES)	59,317	13,522
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	376,759	95,934
<b>FUND BALANCES (DEFICITS) AT BEGINNING OF YEAR</b>	6,789,286	3,476,455
	<b>\$ 7,166,045</b>	<b>\$ 3,572,389</b>

The accompanying notes are an integral part of these statements.

CITY OF MARSHFIELD, WISCONSIN  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES-ALL GOVERNMENTAL FUND TYPES  
 YEAR ENDED DECEMBER 31, 2002

GOVERNMENTAL FUND TYPES		TOTALS (MEMORANDUM ONLY)	
DEBT SERVICE	CAPITAL PROJECTS	2002	2001
\$ 2,724,430	\$ 1,007,735	\$ 10,403,778	\$ 10,243,472
-	288,119	897,754	642,856
-	-	7,647,193	7,874,637
-	-	310,263	236,640
-	-	146,385	145,582
-	19,496	482,938	1,193,945
-	-	148,892	313,384
-	90,395	1,099,489	1,102,686
<u>2,724,430</u>	<u>1,405,745</u>	<u>21,136,692</u>	<u>21,753,203</u>
-	-	2,222,403	2,187,983
-	-	6,622,689	7,071,984
-	-	4,236,289	4,554,929
-	-	123,881	122,510
-	-	2,546,139	2,512,465
-	478,509	934,550	427,283
-	5,862,985	6,262,207	4,486,704
2,104,869	-	2,104,869	2,084,571
998,430	25,709	1,024,139	982,748
<u>3,103,299</u>	<u>6,367,203</u>	<u>26,077,166</u>	<u>24,431,177</u>
<u>(378,869)</u>	<u>(4,961,458)</u>	<u>(4,940,474)</u>	<u>(2,677,974)</u>
-	4,294,055	4,294,055	3,684,678
1,101,529	643,110	2,000,109	1,137,043
-	(1,283,029)	(2,000,109)	(1,137,043)
475,000	-	1,006,143	388,731
-	-	3,306	5,637
<u>1,576,529</u>	<u>3,654,136</u>	<u>5,303,504</u>	<u>4,079,046</u>
1,197,660	(1,307,322)	363,030	1,401,072
210,519	786,889	11,263,150	9,862,078
<u>\$ 1,408,179</u>	<u>\$ (520,433)</u>	<u>\$ 11,626,180</u>	<u>\$ 11,263,150</u>

The accompanying notes are an integral part of these statements.

CITY OF MARSHFIELD, WISCONSIN  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES-BUDGET  
 AND ACTUAL-ALL GOVERNMENTAL FUND TYPES  
 YEAR ENDED DECEMBER 31, 2002

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE- FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Taxes	\$ 6,439,771	\$ 6,425,671	\$ (14,100)
Special assessments	391,000	609,635	218,635
Intergovernmental	7,505,517	7,363,009	(142,508)
Licenses and permits	208,300	310,263	101,963
Fines, forfeits and penalties	241,000	146,385	(94,615)
Public charges for services	456,203	419,149	(37,054)
Intergovernmental charges for services	173,069	148,892	(24,177)
Miscellaneous	944,184	838,358	(105,826)
<b>TOTAL REVENUES</b>	<b>16,359,044</b>	<b>16,261,362</b>	<b>(97,682)</b>
<b>EXPENDITURES</b>			
Current:			
General government	2,645,045	2,222,403	422,642
Public safety	6,683,716	6,618,387	65,329
Public works	5,025,364	3,947,255	1,078,109
Health and human services	133,257	123,881	9,376
Culture, recreation and education	2,549,777	2,365,381	184,396
Conservation and development	434,713	343,154	91,559
Capital outlay	485,546	323,459	162,087
<b>TOTAL EXPENDITURES</b>	<b>17,957,418</b>	<b>15,943,920</b>	<b>2,013,498</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,598,374)</b>	<b>317,442</b>	<b>1,915,816</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	32,000	94,500	62,500
Operating transfers out	(19,050)	(31,110)	(12,060)
Operating transfer in(out)-proprietary funds	-	(7,379)	(7,379)
Operating transfer in-nonexpendable trust fund	-	-	-
Transfer from(to) nonexpendable trust fund	6,000	3,306	(2,694)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>18,950</b>	<b>59,317</b>	<b>40,367</b>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>(1,579,424)</b>	<b>376,759</b>	<b>1,956,183</b>
<b>UNBUDGETED FUNDS</b>			
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<b>6,789,286</b>	<b>6,789,286</b>	<b>-</b>
<b>RESIDUAL EQUITY TRANSFERS (OUT)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 5,209,862</b>	<b>\$ 7,166,045</b>	<b>\$ 1,956,183</b>

Continued on page 24

The accompanying notes are an integral part of these statements.

CITY OF MARSHFIELD, WISCONSIN  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES-BUDGET  
 AND ACTUAL-ALL GOVERNMENTAL FUND TYPES  
 YEAR ENDED DECEMBER 31, 2002

	SPECIAL REVENUE FUNDS		
	BUDGET	ACTUAL	VARIANCE- FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Taxes	\$ 220,000	\$ 245,942	\$ 25,942
Intergovernmental	310,200	284,184	(26,016)
Public charges for services	39,111	44,293	5,182
Miscellaneous	101,555	170,736	69,181
<b>TOTAL REVENUES</b>	<u>670,866</u>	<u>745,155</u>	<u>74,289</u>
<b>EXPENDITURES</b>			
Current:			
Public safety	-	4,302	(4,302)
Public works	275,000	289,034	(14,034)
Culture, recreation and education	167,417	180,758	(13,341)
Conservation and development	86,411	112,887	(26,476)
Capital outlay	40,000	75,763	(35,763)
<b>TOTAL EXPENDITURES</b>	<u>568,828</u>	<u>662,744</u>	<u>(93,916)</u>
<b>EXCESS OF REVENUES OVER (UNDER)     EXPENDITURES</b>	<u>102,038</u>	<u>82,411</u>	<u>(19,627)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	124,666	160,970	36,304
Operating transfers out	(649,666)	(685,970)	(36,304)
Operating transfer in(out)-proprietary funds	375,000	538,522	163,522
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(150,000)</u>	<u>13,522</u>	<u>163,522</u>
<b>EXCESS OF REVENUES AND OTHER SOURCES     OVER (UNDER) EXPENDITURES AND     OTHER USES</b>	<u>(47,962)</u>	<u>95,934</u>	<u>143,895</u>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	3,476,455	3,476,455	-
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$ 3,428,493</u>	<u>\$ 3,572,389</u>	<u>\$ 143,895</u>

Continued on page 25

The accompanying notes are an integral part of these statements.

CITY OF MARSHFIELD, WISCONSIN  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES-BUDGET  
 AND ACTUAL-ALL GOVERNMENTAL FUND TYPES  
 YEAR ENDED DECEMBER 31, 2002

	DEBT SERVICE FUNDS		
	BUDGET	ACTUAL	VARIANCE- FAVORABLE (UNFAVORABLE)
REVENUES			
Taxes	\$ 2,724,429	\$ 2,724,430	\$ 1
TOTAL REVENUES	<u>2,724,429</u>	<u>2,724,430</u>	<u>1</u>
EXPENDITURES			
Current:			
Debt service			
Principal retirement	2,104,870	2,104,869	1
Interest and fiscal charges	998,096	998,430	(334)
TOTAL EXPENDITURES	<u>3,102,966</u>	<u>3,103,299</u>	<u>(333)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(378,537)</u>	<u>(378,869)</u>	<u>(332)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds of general obligation debt	-	1,101,529	1,101,529
Operating transfers in	378,537	475,000	96,463
TOTAL OTHER FINANCING SOURCES (USES)	<u>378,537</u>	<u>1,576,529</u>	<u>1,197,992</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	-	1,197,660	1,197,660
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR	210,519	210,519	-
FUND BALANCE (DEFICIT) AT END OF YEAR	<u>\$ 210,519</u>	<u>\$ 1,408,179</u>	<u>\$ 1,197,660</u>

Continued on page 26

The accompanying notes are an integral part of these statements.

CITY OF MARSHFIELD, WISCONSIN  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES-BUDGET  
 AND ACTUAL-ALL GOVERNMENTAL FUND TYPES  
 YEAR ENDED DECEMBER 31, 2002

	CAPITAL PROJECT FUNDS		
	BUDGET	ACTUAL	VARIANCE- FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Taxes	\$ 1,077,135	\$ 1,007,735	\$ (69,400)
Special assessments	-	288,119	288,119
Intergovernmental	827,123	-	(827,123)
Public charges for services	-	19,496	19,496
Intergovernmental charges for services	126,000	-	(126,000)
Miscellaneous	10,400	90,395	79,995
<b>TOTAL REVENUES</b>	<u>2,040,658</u>	<u>1,405,745</u>	<u>(634,913)</u>
<b>EXPENDITURES</b>			
Current:			
Conservation and development	560	478,509	(477,949)
Capital outlay	6,013,610	5,862,985	150,625
Debt service			
Interest and fiscal charges	24,500	25,709	(1,209)
<b>TOTAL EXPENDITURES</b>	<u>6,038,670</u>	<u>6,367,203</u>	<u>(328,533)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(3,998,012)</u>	<u>(4,961,458)</u>	<u>(963,446)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds of general obligation debt	3,839,000	4,294,055	455,055
Fund Balance Applied	43,000	-	(43,000)
Operating transfers in	664,910	643,110	(21,800)
Operating transfers out	(546,800)	(1,283,029)	(736,229)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>4,000,110</u>	<u>3,654,136</u>	<u>(345,974)</u>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<u>2,098</u>	<u>(1,307,322)</u>	<u>(1,309,420)</u>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	<u>765,955</u>	<u>786,889</u>	<u>20,934</u>
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<u>\$ 768,053</u>	<u>\$ (520,433)</u>	<u>\$ (1,288,486)</u>

The accompanying notes are an integral part of these statements.

CITY OF MARSHFIELD, WISCONSIN  
 COMBINED STATEMENT OF REVENUES, EXPENSES  
 AND CHANGES IN RETAINED EARNINGS/FUND BALANCES-  
 ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUNDS  
 YEAR ENDED DECEMBER 31, 2002

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES	TOTAL (MEMORANDUM ONLY)	
	ENTERPRISE	INTERNAL SERVICE	NONEXPENDABLE TRUST	2002	2001
<b>OPERATING REVENUES</b>					
Charges for services	\$ 23,703,463	\$ 1,241,487	\$ -	\$ 24,944,950	\$ 24,415,019
Interest	17	-	-	17	-
Contributions and other	-	-	3,686	3,686	4,463
<b>TOTAL OPERATING REVENUES</b>	<b>23,703,480</b>	<b>1,241,487</b>	<b>3,686</b>	<b>24,948,653</b>	<b>24,419,482</b>
<b>OPERATING EXPENSES</b>					
Operations	12,988,622	817,279	-	13,805,901	13,741,359
Maintenance	1,523,808	-	-	1,523,808	1,326,915
General	2,004,707	31,082	-	2,035,789	1,896,655
Depreciation	2,654,816	430,455	-	3,085,271	3,208,846
Taxes	977,780	-	-	977,780	995,895
<b>TOTAL OPERATING EXPENSES</b>	<b>20,149,733</b>	<b>1,278,816</b>	<b>-</b>	<b>21,428,549</b>	<b>21,169,870</b>
<b>OPERATING INCOME</b>	<b>3,553,747</b>	<b>(37,329)</b>	<b>3,686</b>	<b>3,520,104</b>	<b>3,249,612</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Interest income	407,028	-	3,305	410,333	494,217
Interest and fiscal charges	(841,355)	(45,262)	-	(886,617)	(946,335)
Amortization of debt issue costs	(10,917)	-	-	(10,917)	(19,245)
Gain(Loss) on disposal of fixed assets	(1,235,011)	3,619	-	(1,231,392)	(41,263)
Miscellaneous	109	2,667	-	2,776	3,617
Contributions from customers	777,786	-	-	777,786	494,904
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>(902,360)</b>	<b>(38,976)</b>	<b>3,305</b>	<b>(938,031)</b>	<b>(14,106)</b>
<b>INCOME BEFORE OPERATING TRANSFERS</b>	<b>2,651,387</b>	<b>(76,305)</b>	<b>6,991</b>	<b>2,582,073</b>	<b>3,235,706</b>
<b>OPERATING TRANSFERS IN (OUT)</b>	<b>(1,006,143)</b>	<b>-</b>	<b>(3,306)</b>	<b>(1,009,449)</b>	<b>(409,839)</b>
<b>NET INCOME(LOSS)</b>	<b>1,645,244</b>	<b>(76,305)</b>	<b>3,685</b>	<b>1,572,624</b>	<b>2,825,867</b>
Add depreciation of fixed assets acquired by grants, externally restricted for capital acquisitions and construction that reduces contributed capital	2,262,326	-	-	2,262,326	385,142
<b>INCREASE(DECREASE) IN RETAINED EARNINGS/FUND BALANCE</b>	<b>3,907,570</b>	<b>(76,305)</b>	<b>3,685</b>	<b>3,834,950</b>	<b>3,211,009</b>
<b>RETAINED EARNINGS/FUND BALANCES AT BEGINNING OF YEAR</b>	<b>47,306,084</b>	<b>1,052,762</b>	<b>135,770</b>	<b>48,494,616</b>	<b>45,283,606</b>
<b>RETAINED EARNINGS/FUND BALANCES AT END OF YEAR</b>	<b>\$ 51,213,654</b>	<b>\$ 976,457</b>	<b>\$ 139,455</b>	<b>\$ 52,329,566</b>	<b>\$ 48,494,615</b>

The accompanying notes are an integral part of these statements

CITY OF MARSHFIELD, WISCONSIN  
 COMBINED STATEMENT OF CASH FLOWS-  
 ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUNDS  
 YEAR ENDED DECEMBER 31, 2002

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES	TOTAL (MEMORANDUM ONLY)	
	ENTERPRISE	INTERNAL SERVICE	NONEXPENDABLE TRUST	2002	2001
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>					
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Net operating income	\$ 3,553,747	\$ (37,329)	\$ 3,686	\$ 3,520,104	\$ 3,245,031
Adjustments to reconcile net operating income to net cash provided by operating activities					
Depreciation charged to depreciation expense	2,654,816	430,455	-	3,085,271	3,056,488
Depreciation charged to clearing account	48,446	-	-	48,446	196,115
Amortization of deferred assets	206,445	-	-	206,445	208,685
Miscellaneous receipts	-	2,667	-	2,667	2,869
Charges for Public Benefits Program	203,609	-	-	203,609	-
Changes in assets and liabilities					
(increase) decrease in current assets					
Accounts receivable	(257,974)	(37)	-	(258,011)	30,592
Due from other governments	(58)	(271)	-	(329)	29,698
Due from other funds	(62,262)	(956)	-	(63,218)	(110,287)
Inventories	(209,003)	22,676	-	(186,327)	(32,512)
Prepaid expenses	585	1,300	-	1,885	1,021
Increase (decrease) in current liabilities					
Accounts payable	3,255	10,260	-	13,515	(27,804)
Contract Deposits	11,985	-	-	11,985	-
Due to other governments	60	-	-	60	-
Due to other funds	3,107	(216)	-	2,891	122,479
Other accrued expenses	57,456	(2,310)	-	55,146	5,875
NET CASH PROVIDED BY OPERATING ACTIVITIES	6,214,214	426,240	3,686	6,644,140	6,728,250
<b>CASH FLOWS FROM (FOR) NONCAPITAL FINANCING ACTIVITIES</b>					
Operating transfer in (out)	(531,143)	-	(3,306)	(534,449)	(409,839)
<b>CASH FLOWS FOR CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Proceeds from long-term debt	249,764	265,000	-	514,764	(811)
Acquisition and construction of fixed assets	(3,834,623)	(584,598)	-	(4,419,221)	(6,370,093)
Cost of retiring fixed assets	(1,826,959)	3,619	-	(1,823,340)	(156,505)
Payments for improvement of capital assets	(169,298)	-	-	(169,298)	(194,144)
Principal payments-mortgage revenue bonds	(1,027,490)	-	-	(1,027,490)	(141,805)
Principal payments- long-term debt	(415,000)	(104,964)	-	(519,964)	(1,164,901)
Interest paid	(840,282)	(45,262)	-	(885,544)	(942,831)
Proceeds from sale of fixed assets	107,322	-	-	107,322	149,039
Contributed capital	302,786	-	-	302,786	489,684
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(6,322,016)	(466,205)	-	(6,788,221)	(8,322,367)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest received	352,615	-	3,305	355,920	422,660
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(286,330)	(39,965)	3,685	(322,611)	(2,967,422)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b> (Including restricted cash)					
	6,552,860	568,032	135,770	7,256,662	10,215,124
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b> (Including restricted cash)					
	<u>\$ 6,266,530</u>	<u>\$ 528,067</u>	<u>\$ 139,455</u>	<u>\$ 6,934,051</u>	<u>\$ 7,247,703</u>
Cash and cash equivalents on December 31 are reconciled from the balance sheet as follows:					
Cash	\$ 1,138,716	\$ 528,067	\$ 53,705	\$ 1,720,487	\$ 5,237,493
Investments	-	-	85,750	85,750	84,483
Restricted cash and investments	5,172,340	-	-	5,172,340	4,912,418
	<u>\$ 6,311,056</u>	<u>\$ 528,067</u>	<u>\$ 139,455</u>	<u>\$ 6,978,577</u>	<u>\$ 10,234,394</u>
Other cash and investments	(44,526)	-	-	-	-
Total cash and investments	<u>\$ 6,266,530</u>	<u>\$ 528,067</u>	<u>\$ 139,455</u>		
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>					
Contributions of fixed assets from others	\$ 538,318	\$ -	\$ -	\$ 538,318	\$ 29,241
Contributions of fixed assets from government	-	-	-	-	152,953
	<u>\$ 538,318</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 538,318</u>	<u>\$ 182,194</u>

The accompanying notes are an integral part of these statements

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2002**

**I SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the City of Marshfield, Wisconsin conform to U.S. generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies.

**NOTE 1 - Reporting Entity**

The City of Marshfield, Wisconsin was incorporated July 16, 1883, under the provisions of Chapter 280, Laws of Wisconsin, 1883. The City operates under a Council-Mayor form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, sanitation, health and social services, culture, recreation, education, public improvements, planning and zoning, and general administrative services.

The City's general purpose financial statements do not include any component units, as defined in GASB 14, as there are no organizations which meet the criterion.

The basic criterion for including a legally separate organization as a component unit is the degree of financial accountability the City has with the organization. The following circumstances set forth the City's financial accountability for a legally separate organization:

- a. The City 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 impose specific financial burdens on, the City.
- b. The City may be financially accountable if an organization is fiscally dependent on the City regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

**NOTE 2 - Basis of Presentation - Fund Accounting**

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. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into seven generic fund types and three broad fund categories as follows:

**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 expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

**Debt Service Funds** - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

**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 and Trust Funds).

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2002**

**I SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**NOTE 2 - Basis of Presentation - Fund Accounting**  
**(Continued)**

**PROPRIETARY FUND TYPES**

**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.

**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 government and to other government units, on a cost reimbursement basis.

**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 governments, and/or other funds. These include Nonexpendable Trust, and Agency Funds. Nonexpendable Trust Funds are accounted for in essentially the same manner as proprietary funds since capital maintenance is critical. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**FIXED ASSETS AND LONG-TERM LIABILITIES ACCOUNT GROUPS**

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, are not capitalized along with other general fixed assets. No depreciation has been provided on general fixed assets.

Purchased fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

The two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2002**

**I SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**NOTE 2 - Basis of Presentation - Fund Accounting**  
**(Continued)**

**Comparative Data** - Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in each of the statements since their inclusion would make the statement unduly complex and difficult to read. For comparability, certain 2001 figures have been reclassified where appropriate to conform with the financial statement presentation used in 2002.

**Employee Retirement Plan** - The City has a retirement plan covering substantially all its employees which is funded through contributions to the Wisconsin Retirement System.

**Total Columns on Combined Statements** - Total columns on the Combined Statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**NOTE 3 - Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All Governmental Funds and Agency Funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. The government considers all revenues available if they are collected within 60 days after year end. Property taxes, intergovernmental revenue, rents and interest are susceptible to accrual. Other receipts such as licenses, permits and fines become measurable and available when cash is received by the government and are recognized as revenue at that time.

Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences, claims and judgements and pension costs which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Supplies are charged as expenditures when purchased.

All Proprietary Funds and Nonexpendable Trust Funds are accounted for on an economic resources measurement focus and use the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. The City has elected not to adopt the provisions of GASB 20, paragraph 7 that states that all FASB statements and interpretations issued after November 30, 1989 can be applied to its proprietary funds. Unbilled Electric, Water, Wastewater, and Emergency Medical Services fund receivables are recorded at year-end.

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2002**

**I SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**NOTE 4 - Budgetary Data**

**General Policies** - The City follows these procedures in establishing the budgetary data reflected in the financial statements:

Annual budgets, as required by state statutes, are adopted on a basis consistent with U.S. generally accepted accounting principles for all governmental funds except those noted later (those funds for which multi-year project budgets are approved). Appropriations lapse at year-end except those separately identified as designated for subsequent years' expenditures.

In August of each year, all agencies of the City submit requests for appropriations to the City Administrator so that a budget may be prepared. Prior to October 15, the City Administrator submits to the Common Council a proposed operating budget, including capital expenditures, for the fiscal year commencing January 1. The budget includes proposed expenditures and the means of financing them. A public hearing is held in the Common Council chamber to obtain taxpayer comments. Prior to December 1, the budget is legally adopted by the Common Council through the passage of a resolution.

The adopted budget is prepared by fund, function and sub-function (departments, activities or projects) level. The City's department or division heads may make transfers of appropriations within a sub-function upon approval of their respective commissions, boards or committees. Transfers of appropriations between sub-function require the approval of the Common Council. The legal level of budgetary control is the sub-function level. Expenditures cannot legally exceed appropriations at this level without two-thirds Common Council approval to amend the budget. The Common Council properly authorized all supplemental appropriations during the year, totaling \$411,500.

Although there are adopted budgets for the enterprise funds and the internal service fund, budget to actual data is not shown since there is no requirement under U.S. generally accepted accounting principles to present budget to actual comparisons for enterprise funds and internal service funds as part of the general purpose financial statements, even if annual budgets are legally adopted for these funds.

Formal budgetary integration is employed as a management control device during the year for the General Fund, the Special Revenue Funds, the Debt Service Funds and the Capital Projects Funds. The Economic Development Special Revenue Fund, Residential Revolving Loan Special Revenue Fund, Commercial Interest Subsidy Special Revenue Fund, and the East Industrial Park Improvement Special Revenue Fund had no budgeted expenditures since effective control is achieved through alternative procedures. The capital project funds are multi-year projects and the associated expenditures and revenues are budgeted only during the initial year of the projects although annual auditing fees and transfers may be budgeted on an ongoing basis. Subsequent year expenditures for multi-year projects are achieved through utilization of the remaining fund balances.

**Encumbrances** - Encumbrance accounting is not used.

**NOTE 5 - Assets, Liabilities and Fund Equity**

**Accounts Receivable** - Accounts receivable are recorded at gross amounts. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material.

**Inventory** - Inventory is priced at the lower of cost (first-in, first-out) or market.

**Restricted Assets** - Certain proceeds of the Utility revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. The "revenue bond construction" account is used to report those proceeds of revenue bond issuances that are restricted for use in construction. The "revenue bond special redemption" account is used to segregate resources accumulated for debt service payments over the next twelve months. The "revenue bond depreciation" account is used to report resources set aside to meet unexpected contingencies or to fund asset renewals and replacements.

Other restricted assets include a "DNR Replacement Fund" which is required by the Wisconsin Department of Natural Resources for repairs and maintenance on the Wastewater Utility plant. "Customer Deposits" are deposits made by the customers which are due to the customers unless their bills are not paid.

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2002**

**I SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**NOTE 5 - Assets, Liabilities and Fund Equity**  
**(Continued)**

**Long-Term Receivables** - Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets, in spite of their spending measurement focus. Special reporting treatments are used to indicate, however, that they should not be considered "available spendable resources", since they do not represent net current assets. Recognition of governmental fund type revenues represented by noncurrent receivables is deferred until they become current receivables. Noncurrent portions of long-term loans receivable are offset by fund balance reserve accounts.

**Due To/From Other Funds** - During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

**Fixed Assets** - Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Buildings	30 - 50 years
Improvements	30 - 100 years
Equipment	3 - 40 years

**Deferred Charges** - Note and bond issue costs are amortized over the life of the respective issues. Other deferred charges represent items held in suspense and current capital repairs which are generally amortized over a three to six year period.

**Current/Noncurrent Liabilities** - Because of their spending measurement focus, expenditure recognition of governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-Term Debt Account Group.

**Fund Equity** - The City classifies its fund equity as follows:

- a) Contributed capital represents contributions from customer, the municipality, grants and other aids for capital acquisitions and improvements prior to the adoption of GASB 33;
- b) Reserved fund balances/retained earnings indicates that portion of fund equity which has been legally segregated for specific purposes;
- c) Unreserved, designated fund balances indicates that portion of fund equity for which the City has made tentative plans;
- d) Unreserved, undesignated fund balances/retained earnings indicates that portion of fund equity which is available for use in future periods.

All proprietary funds and Nonexpendable Trust Funds are accounted for on an economic resources measurement focus. This means that all assets and liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2002**

**I SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**NOTE 6 - Revenues, Expenditures, and Expenses**

**Property Tax Revenue Recognition** - Property taxes attach as an enforceable lien on property in December when the tax roll is certified. Taxes are levied on December 1 and payable in two installments on January 31, and July 31, or payable in full on January 31. Special assessments, charges and personal property taxes are payable in full on January 31. The City bills and collects its own property taxes and also bills and collects taxes for the State, County, Area Technical College and Area Public Schools until February 1, at which time all uncollected real estate taxes are turned over to the respective counties for collection. Collection of the taxes and remittance of them to the appropriate entities are accounted for in the Tax Agency Fund.

City property tax revenues are recognized in the year they are levied for and available for use.

The 2002 tax roll (levied for 2003) has been set up as a receivable and offset by the amounts due to other governmental units and deferred property tax revenue for the City's portion. Advance tax collections are offset against the receivable.

**Interfund Transactions** - Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

**Compensated Absences** - The City records and adjusts compensated absence liabilities in accordance with GASB 16. Compensated absences to be liquidated with expendable available resources represent obligations of governmental fund types and are recorded as expenditures in the applicable funds. Amounts not expected to be liquidated with expendable, available financial resources are reported in the General Long-Term Debt Account Group.

Under this policy, vested but unpaid vacation and other compensated absences totaling \$ 258,775 are reported in the General Long-Term Debt Account Group. The recorded obligations meet the following conditions:

- 1) They are attributable to employee services already rendered;
- 2) They relate to rights that vest or accumulate;
- 3) Payment of the compensation is probable;
- 4) The amount can be reasonably estimated.

Compensated absences are recorded as incurred in Proprietary Funds. All vacations are based upon the employee's anniversary date of hire. For substantially all City employees, vacation time earned and not taken at year-end must be used before their anniversary date in the subsequent year. All earned vacation is paid to terminating employees if they give at least two weeks notice prior to quitting, or, employees whose service is being terminated due to discharge, death, or retirement shall receive all earned vacation based upon actual months of service.

Sick leave can be accumulated up to a maximum of 120 days. All sick leave accumulated is cancelled when an employee leaves the employ of the City. For one represented employee group the maximum accumulation is 60 days. These same represented employees shall receive one additional day's pay for every month that they do not use sick leave after they've accumulated the maximum of 60 days. Such payment shall be made on an annual basis.

Compensated absence expenditures and liabilities are recorded and adjusted to December 31st salaries/wages at the close of each fiscal year.

**State and Federal Aids** - State general and categorical aids are recognized as revenue in the entitlement year. Federal aids for reimbursable programs are recognized as revenue in the year related program expenditures are incurred. Aids received prior to meeting revenue recognition criteria are recorded as deferred revenues.

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2002**

**I SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**NOTE 7 - 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; injuries to employees; and natural disasters. The City manages these risks through the purchase of various forms of commercial insurance. Certain of the commercial insurance policies have established deductible amounts whereby the City would be responsible for the portion of claims, losses and damages under the deductible limits. All funds participate in the coverages provided by the commercial insurance carriers. Each fund would be responsible for its' share of losses either below the deductible amounts or for losses exceeding the coverage limits of the commercial policies.

There were no significant reductions in insurance coverages from the prior year. There were no settlements that exceeded insurance coverages in any of the last three years.

**NOTE 8 – Use of Estimates**

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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2002**

**II STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**NOTE 1 - Bond Requirements**

City of Marshfield Ordinances provide for the following restrictions on gross revenues in connection with the Mortgage Revenue Bonds for the Electric and Water Utility:

Deposits to the Special Redemption Funds are to be used to pay interest and principal on the bonds.

The amount in the Depreciation Fund is to accumulate to \$150,000. This \$150,000 may be used only for the payment of principal and interest on bonds when there is an insufficient amount in the Special Redemption Fund, or may be used to make extraordinary repairs and replacements or to extend and improve the system.

The Utility is in compliance with all material requirements of the Bond Ordinances.

**NOTE 2 - General Obligation Debt Limit Calculation**

The 2002 equalized valuation of the City as certified by the Wisconsin Department of Revenue is \$904,114,500. The legal debt limit and margin of indebtedness as of December 31, 2002, in accordance with Section 67.03(1)(a) of the Wisconsin Statutes follows:

Debt limit (5% of \$904,114,500)	\$	45,205,725
Applicable long-term debt		(23,203,814)
Amount available in debt service funds		<u>1,408,179</u>
Margin of indebtedness	<u>\$</u>	<u>23,410,090</u>

**NOTE 3 - Excess of Actual Expenditures over Budget in Individual Funds**

The following sub-functions had an excess of actual expenditures over budget for the year ended December 31, 2002.

<u>Fund</u>	<u>Sub-function</u>	<u>Amount</u>
General Fund	City Attorney	\$ 9,313
	Purchasing	605
	U.B.C. Building	40
	Fire Protection	959
	Street Division Administration	14,369
	Highway & Street Cleaning	8,403
	Street Lighting	4,518
	Airport Terminal Building	235
	Solid Waste Disposal	74,885
	Water Main Construction	10,116
	Oak Avenue Community Center	827
	UW Marshfield/Wood Co Campus	1,059
	Greenways	6,001
Other Financing Uses	9,489	

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2002**

**II STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**NOTE 3 - Excess of Actual Expenditures over Budget in Individual Funds  
(Continued)**

Parks Outlay-Room Tax Fund	Park Operations/Maintenance	\$ 60,922
	Other Financing Uses	14,704
C.D.B.G. Fund	Other Financing Uses	21,600
Economic Development Fund	Economic Development	347
Comm Rehab Revolv Loan Fund	Commercial Rehab Revolv Lns	700
Revolving Loan Fund	CDBG, Administration	11,600
BID Fund	Main Street Program	6,263
Law Enforcement Restr Rev Fd	Law Enforcement	4,302
East Industrial Park Improvement Fund	Industrial Park Operations & Development	5,251
Long-Term Debt Fund	Fiscal Charges	335
Street Construction Fund	Street Openings	5,843
	Traffic Control	4,412
	Highway & Street Outlay (Local)	163,646
	Debt Issue Expense	595
Storm Sewer Construction Fund	Storm Sewer Construction (W/Paving)	145,542
	Storm Sewer Construction (Trunk)	136,922
Parks & Recreation Capital Project Fund	Storm Sewer Construction (Trunk)	191,765
Water Main Construction Fund	Water Main Construction	1,503
TID #3 Fund (Tower Hall)	Urban Development	22
TID #4 (Downtown Pub Imp) Fund	Urban Development	265,789
	Other Financing Uses	106,476
TID #6 (Figi Project)	Other Financing Uses	95,105
TID #5 (Mill Creek Park)	Urban Development	2,629
	Debt Issue Expense	615
	Other Financing Uses	640,726
Dairy Research/Education Center Fund	Economic Development Outlay	206,292

Revenues sufficient to cover each of the excess expenditures were made available in each of the funds, primarily through future revenue sources and excess funds from 2001 carried over to 2002.

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2002**

**III DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS**

**NOTE 1 - Cash and Investments**

For purposes of the Combined Statement of Cash Flows, the proprietary and nonexpendable trust funds consider all highly liquid investments with a maturity of three months or less when purchased to be temporary cash investments.

The City maintains various cash and investment accounts, including pooled funds, that are available for use by all funds. Each fund's portion of these accounts are displayed on the combined balance sheet as "Cash" and/or "Investments". For purposes of the Combined Balance Sheet, all governmental fund types consider all highly liquid investments with a maturity of three months or less when purchased to be temporary cash investments and are shown as "Cash". Temporary cash investments are stated at cost which approximates market and includes the investments in the State of Wisconsin Local Government Investment Pool. Items with a maturity greater than three months, including stocks and bonds, are shown as "Investments" on the Combined Balance Sheet. Investments for the Non-expendable Trust Fund are reported at cost which also approximates market.

The City is required to invest its funds in accordance with Wisconsin Statutes 66.0603(1m) and 67.11(2). State statutes allow the following types of investments:

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, local exposition district, village, town, or school district of the state.
3. Bonds or securities issued or guaranteed by the federal government.
4. The State of Wisconsin local government investment pool.
5. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
6. Repurchase agreements with public depositories, if the agreement is secured by federal bonds or securities.
7. Securities of open-end management investment companies or investment trusts (mutual funds) if the portfolio is limited to
  - (a) bonds and securities issued by the federal government or a commission, board or other instrumentality of the federal government,
  - (b) bonds that are guaranteed as to principal and interest by the federal government or a commission, board or other instrumentality of the federal government, and
  - (c) repurchase agreements that are fully collateralized by these bonds or securities.

Additional restrictions may arise from local charters, ordinances, resolutions and grant regulations.

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2002**

**III DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS**

**NOTE 1 - Cash and Investments**  
**(Continued)**

The carrying amount of the City's cash and investments totaled \$ 24,782,847 on December 31, 2002 as summarized below:

Petty cash funds	\$	8,540
Deposits with financial institutions		1,729,173
Investments		22,546,195
	<u>\$</u>	<u>24,283,908</u>

Additional information on the above deposits and investments follows:

Deposits - At year end, the carrying amount of the City's deposits was \$1,729,173 and the bank balance was \$2,729,380. Deposits with financial institutions are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$100,000 for demand deposits and \$100,000 for time deposits. In addition, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available.

The City's bank balance of \$2,729,380 on December 31, 2002 is categorized below in accordance with GASB Statement No. 3 as either:

- (1) insured or collateralized with securities held by the City or by its agent in the City's name, or
- (2) collateralized with securities held by the pledging financial institution's trust department or agent in the City's name, or
- (3) Uninsured and uncollateralized or collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in the City's name.

<u>Category</u>			
<u>1</u>	<u>2</u>	<u>3</u>	<u>Bank Balance</u>
<u>\$ 200,000</u>	<u>\$ 2,529,380</u>	<u>\$ 0</u>	<u>\$ 2,729,380</u>

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2002**

**III DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS**

**NOTE 1 - Cash and Investments**  
**(Continued)**

Fair Value of Investments - Investments are reported at fair value. At December 31, 2002, the fair value of the City's investments approximated original cost, therefore no fair value adjustments are necessary.

Determining Fair Value - Fair value of the City's investments are determined as follows:

- 1) Investments with stated interest rates (savings accounts, CDs, repos) are stated at cost,
- 2) U.S. Treasury bills are stated at amortized cost,
- 3) State of Wisconsin Local Government Investment Pool fair value is determined by the Pool's investment board based on published market quotations, and
- 4) Stock which consists of cooperative patronage at the Electric and Water Utility is stated at cost plus reinvested patronage.

Investment Pool Information – The City has \$16,516.928 invested in the State of Wisconsin Local Government Investment Pool. Participation in the State of Wisconsin Investment Pool is voluntary. The Pool's regulatory oversight is provided by state statutes and its investment board. The fair value of the City's position in the Pool is the same as the value of the Pool shares. At December 31, 2002, the Pool's fair value was 99.8795 percent of book value.

Income Allocation - Investment income is allocated according to the City's investment policy. According to the policy, investment income is generally allocated to the general fund except for those portions attributable to the proprietary funds and the Economic Development Fund.

**NOTE 2 - Rehabilitation Loans**

The City has outstanding Community Development Block Grant (CDBG) loans receivable with various businesses and homeowners. These loans are originally made from grant proceeds. The loan agreements provide for various repayment options, including installment payments and payment in full upon transfer of the property secured by the loans. When the loans are repaid, the funds become the property of the City and are restricted for future rehabilitation loan projects. The loan activity for the year was as follows:

	<u>Balance 1/1/02</u>	<u>Additions</u>	<u>Payments &amp; Foreclosures</u>	<u>Balance 12/31/02</u>
<b>Community Development Block Grant Program</b>	\$ 349,203	\$ -	\$ 21,558	\$ 327,645
<b>Residential Revolving Loan</b>	<u>171,494</u>	<u>16,326</u>	<u>11,490</u>	<u>176,330</u>
<b>TOTAL</b>	<u>\$ 520,697</u>	<u>\$ 16,326</u>	<u>\$ 33,048</u>	<u>\$ 503,975</u>

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2002**

**III DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS**

**NOTE 3 - Arrangements for Leasing to Others**

The Electric Utility leases transmission lines and a portion of the substation to Wisconsin Public Service Corporation (WPS) under an agreement with an initial term through December 31, 2013. The Utility has the unilateral right to extend the agreement for 5 years beyond the initial term by giving notice 5 years in advance of the initial term. The agreement shall continue from year to year after the initial five year term after the initial term subject to cancellation by either party giving 5 years advance written notice.

The minimum future rentals as of December 31, 2002 are \$1,076,155 per year through December 31, 2013.

Cost	\$	4,856,291
Less accumulated depreciation		2,052,293
	<u>\$</u>	<u>2,803,998</u>

**NOTE 4 - Changes in Fixed Assets**

**General Fixed Assets**

A summary of changes in General Fixed Assets follows:

	<u>Balance 1/1/02</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/02</u>
Land	\$ 6,609,651	\$ 277,818	\$ -	\$ 6,887,467
Buildings	12,677,708	1,431,955	84,086	14,025,578
Improvements other than Buildings	636,282	208,326	-	844,608
Equipment	8,016,970	259,966	481,976	7,794,961
<b>TOTAL</b>	<u>\$ 27,940,611</u>	<u>\$ 2,178,065</u>	<u>\$ 566,062</u>	<u>\$ 29,552,614</u>

The City does not capitalize interest on general fixed asset projects.

**Proprietary Fixed Assets**

A summary of enterprise and internal service fund fixed assets at December 31, 2002 follows:

	<u>Enterprise</u>	<u>Internal Service</u>
Land	\$ 833,272	\$ 20,728
Buildings and improvements	50,035,230	1,192,970
Machinery and equipment	50,233,334	5,012,924
Construction in progress	1,668,754	-
<b>TOTAL</b>	<u>\$ 102,770,590</u>	<u>\$ 6,226,622</u>
Less accumulated depreciation	22,717,915	3,261,503
<b>NET</b>	<u>\$ 80,052,675</u>	<u>\$ 2,965,119</u>

The City did not capitalize interest on proprietary fixed assets for 2002.

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2002**

**III DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS**

**NOTE 5 - Employee Retirement Plan (Defined Benefit Pension Plan)**

All eligible City of Marshfield employees participate in the Wisconsin Retirement System ("WRS"), 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 WRS. Covered employees in the General category are required by statute to contribute 5.2% of their salary (3.1% for Elected Officials, 4.0% for Protective Occupations with Social Security, and 3.0% for Protective Occupations without Social Security) to the plan. Employers may 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 of Marshfield employees covered by the system for the year ended December 31, 2002 was \$10,268,861; the employer's total payroll was \$10,756,541. The total required contribution for the year ended December 31, 2002 was \$1,383,504, which consisted of \$907,334, or 8.84% of payroll from the employer and \$476,170, or 4.64% of payroll from employees. Total contributions for the years ending December 31, 2001 and 2000 were \$1,363,103 and \$1,182,305 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 retirement benefits. Employees may retire at age 55, (50 for protective occupation employees), and receive actuarially reduced benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor. Final average earnings is the average of the employee's three highest years earnings. Employees terminating covered employment before coming 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 activity 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 WRS also provides death and disability benefits for employees. Eligibility and the amount of all benefits are determined under Chapter 40 of the Wisconsin Statutes. The WRS issues an annual financial report that may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931.

**NOTE 6 – Post-Employment Benefits Other Than Pension Benefits**

In addition to the pension benefits provided to employees through the Wisconsin Retirement System, the City provides the following post employment benefit:

Upon termination of a non-represented employee who has worked at least 20 years for the City and has accepted to receive an annuity or disability from the Wisconsin Retirement System, the City will deposit the equivalent dollar value of the employee's accumulated unused sick leave balance, up to a maximum of 960 hours, into the employee's Post Employment Health Plan. Unused sick leave balances can only be utilized for medical insurance premiums. Each non-represented employee currently makes an annual contribution of \$500 on a pre-tax basis to his/her own Post Employment Health Plan. At the employees discretion, employee contributions are invested in various investment instruments offered by the plan administrator. The accumulated balance of an employee's contribution to the plan can be utilized for any future medical expenses and/or medical insurance by the former employee.

The estimated future liability for current employees is undeterminable and is not recognized in the General Long-Term Obligation Account Group. The City currently pays 1.0% of wages of non-represented employees into a liability account to fund the future obligations of the City for this plan. The City was not required to pay any benefit amounts for the Post Employment Health Plan during the fiscal year ended December 31, 2002. As of December 31, 2002, the City has \$188,568 accumulated for payments that may be required in the future.



**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2002**

**III DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

**NOTE 8 - Long-Term Obligations  
(Continued)**

**GENERAL OBLIGATION DEBT**

All general obligation debt is secured by the full faith and credit and unlimited taxing powers of the City. The general obligation debt is expected to be repaid with general property and tax incremental financing taxes. General obligation debt at December 31, 2002 is comprised of the following individual issues:

<u>DESCRIPTION</u>	<u>ISSUE DATES</u>	<u>INTEREST RATES (%)</u>	<u>DATES OF MATURITY</u>	<u>BALANCE 12-31-02</u>	
State Trust Fund Loans	8-93	6.00	3-13	\$ 176,956	
	10-95	6.25	3-15	612,319	
	7-97	5.75	3-07	88,000	
	8-97	6.00	3-07	287,000	
	2-98	5.75	3-07	115,278	
	3-99	5.25	3-09	263,266	
	2-01	5.50	3-10	303,691	
	2-02	4.75	3-11	397,981	
	Bonds Payable	5-93	4.00-5.35	4-05	30,000
		3-97	5.00-5.10	4-16	2,180,000
7-97		4.875-5.30	6-17	1,490,000	
12-98		5.15-6.50	10-18	1,060,000	
5-01		5.50-6.65	3-21	750,000	
Notes Payable	5-93	2.75-4.80	5-03	70,000	
	3-94	2.90-4.35	3-03	285,000	
	10-95	7.25-7.95	4-05	150,000	
	4-96	4.45-4.55	4-06	530,000	
	12-96	9.00	1-07	9,324	
	7-97	4.50-4.625	6-07	1,355,000	
	4-98	3.60-4.50	4-08	740,000	
	4-99	3.90-4.00	4-09	1,735,000	
	12-99	4.40-5.10	4-09	1,010,000	
	3-00	5.20-5.25	3-10	2,760,000	
	5-01	3.70-4.50	3-11	2,635,000	
5-02	3.00-4.25	3-12	4,170,000		
<b>TOTAL GENERAL OBLIGATION DEBT</b>				<b><u>\$ 23,203,815</u></b>	

The general obligation debt notes payable listed above includes \$1,164,277 to be repaid by the vehicle and equipment internal service fund for debt proceeds utilized to purchase vehicles and equipment.

**ENTERPRISE FUND DEBT**

Enterprise fund debt is expected to be repaid with water, electric and sewer utilities' revenues. Enterprise fund debt at December 31, 2002 is comprised of the following individual issues:

<u>DESCRIPTION</u>	<u>ISSUE DATES</u>	<u>INTEREST RATES(%)</u>	<u>DATES OF MATURITY</u>	<u>BALANCE 12/31/02</u>
Mortgage Revenue Bonds	10-93	4.0-5.5	12-13	\$ 4,525,000
	3-98	2.761	5-17	2,746,134
	9-98	2.761	5-18	17,944,964
	6-02	3.0-4.35	6-13	1,040,000
<b>TOTAL ENTERPRISE FUND DEBT</b>				<b><u>\$ 26,256,098</u></b>

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2002**

**III DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS**

**NOTE 8 - Long-Term Obligations**  
**(Continued)**

**MATURITIES OF LONG-TERM DEBT**

Maturities of the general obligation long-term debt at December 31, 2002 are as follows:

<u>YEARS</u>	<u>LOANS</u>		<u>BONDS</u>		<u>NOTES</u>	
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2003	\$ 261,601	\$ 128,415	\$ 250,000	\$ 425,406	\$ 2,266,979	\$ 676,426
2004	264,179	112,883	265,000	280,303	1,947,163	534,964
2005	267,170	97,765	275,000	266,557	1,987,367	450,205
2006	270,220	82,772	275,000	252,522	1,987,589	364,059
2007	273,458	67,589	295,000	237,836	1,880,226	279,968
Thereafter	<u>907,863</u>	<u>193,879</u>	<u>4,150,000</u>	<u>1,358,610</u>	<u>5,380,000</u>	<u>554,523</u>
<b>TOTAL</b>	<b><u>\$ 2,244,491</u></b>	<b><u>\$ 683,303</u></b>	<b><u>\$ 5,510,000</u></b>	<b><u>\$2,821,234</u></b>	<b><u>\$15,449,324</u></b>	<b><u>\$2,860,145</u></b>

Maturities of the enterprise fund revenue bond debt at December 31, 2002 are as follows:

**REVENUE BONDS**

<u>YEARS</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2002	\$ 1,467,434	\$ 818,574
2003	1,511,629	772,087
2004	1,566,631	723,885
2005	1,617,462	673,173
2006	1,674,143	620,269
Thereafter	<u>18,418,799</u>	<u>2,958,279</u>
<b>TOTAL</b>	<b><u>\$ 26,256,098</u></b>	<b><u>\$ 6,566,267</u></b>

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2002**

**III DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS**

**NOTE 9 - Interfund Receivables and Payables**

Individual fund interfund receivable and payable balances at December 31, 2002 are as follows:

<u>FUND</u>	<u>DUE FROM</u>	<u>DUE TO</u>
<b>General Fund</b>	\$ 7,201,855	\$ 85,075
<b>Special Revenue Funds</b>		
Business Improvement District	37,325	-
Economic Development Fund	50,000	-
<b>Debt Service Funds</b>		
Long-term Notes	1,960,682	-
State Trust Fund Loans	287,927	-
Refunding Bonds	11,318	-
<b>Capital Projects Funds</b>		
Street Construction	18,488	-
Storm Sewer Construction	35,074	-
Park & Recreation Capital Projects	284,000	-
TID #3	17,082	-
TID #2	108,950	-
TID #4	90,974	-
TID #6	8,140	-
TID #5	70,289	-
City Hall Remodeling	35,000	-
UW Building/Remodeling	15,000	-
<b>Enterprise Funds</b>		
Electric and Water Utility	79,808	1,429,091
Wastewater Utility	711,555	31,054
Internal Service Fund		
Vehicles/equipment	3,960	1,237
Agency Funds		
Tax Agency	-	9,480,970
	<u>\$ 11,027,427</u>	<u>\$ 11,027,427</u>

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2002**

**III DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS**

**NOTE 10 - Fund Equity**  
**Fund Balances/Retained Earnings**

The following is a summary of individual fund balance/retained earnings reservations, designations and deficits at December 31, 2002:

**RESERVATIONS**

General Fund	Reserved for prepaid items	\$ 62,047
Convention and Visitors Bureau	Reserved for prepaid items	2,084
Community Development Block Grant	Reserved for loans	327,645
Economic Development	Reserved for loans	831,371
Residential Revolving Loan	Reserved for loans	176,330
Long-Term Notes	Reserved for debt service	1,407,197
State Trust Fund Loan	Reserved for debt service	981
Refunding Bonds	Reserved for debt service	1
Electric and Water Utility	Reserved for mortgage revenue bonds	1,180,127
Wastewater Utility	Reserved for equipment replacement	3,515,858
EMS Fund	Reserved for prepaid items	49
Vehicles/Equipment	Reserved for equipment replacement	976,457
Cemetery Perpetual Care	Reserved for endowments	139,454

<b>Total Reservations</b>	<b>\$ 8,619,601</b>
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**DESIGNATIONS**

General	Subsequent years expenditures	\$ 1,112,438
Commercial Interest Subsidy	Special revenue purposes	5,991
Taxi System	Special revenue purposes	92,144
East Industrial Park Improvements	Special revenue purposes	225,982
UW Building/Remodeling Project	Capital project purposes	79,485

<b>Total Designations</b>	<b>\$ 1,516,040</b>
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**DEFICITS**

Capital Projects Funds	Storm Sewer Construction	30,336
	T.I.D. #3 (Tower Hall)	18,565
	T.I.D. #4 (Downtown Improvements)	2,095,922
	T.I.D. #7 (Yellowstone Industrial Park)	317
	T.I.D. #2 (Purdy Project)	2,582

Enterprise Funds	Storm Water Utility	3,718
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Special Revenue Funds	BID	10
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<b>Total Deficits</b>	<b>\$ 2,151,450</b>
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The deficit in the storm sewer construction, UW Building/Remodeling Project Storm Water, and BID Fund will be funded through future revenues and the deficits in the Tax Incremental Finance Districts (T.I.D.s) are expected to be funded through future tax increments.

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2002**

**III DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS**

**NOTE 10 - Fund Equity**  
**(Continued)**

**CONTRIBUTED CAPITAL**

The following is a summary of the activity in the Contributed Capital accounts:

	<u>ELECTRIC &amp; WATER UTILITY</u>	<u>WW UTILITY</u>	<u>EMERGENCY MEDICAL SERVICES</u>	<u>VEHICLE/ EQUIPMENT FUND</u>	<u>TOTALS</u>
Balance, January 1, 2002	\$ 5,778,837	\$7,947,367	\$ -	\$ 1,433,602	\$ 15,159,806
<b>Current year contributed capital</b>					
Contributions from/(to) municipality	-	(475,000)	\$ 43,413	-	(431,587)
Contributions in aid of construction Customers	<u>259,294</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>259,294</u>
	<b>\$ 6,038,131</b>	<b>\$ 7,472,367</b>	<b>\$ 43,413</b>	<b>\$ 1,433,602</b>	<b>\$ 14,987,513</b>
Current year amortization and retirement of Contributions from state, federal and Others	<u>-</u>	<u>3,023,054</u>	<u>-</u>	<u>-</u>	<u>3,023,054</u>
<b>Balance, December 31, 2002</b>	<b><u>\$ 6,038,131</u></b>	<b><u>\$ 4,449,313</u></b>	<b><u>\$ 43,413</u></b>	<b><u>\$ 1,433,602</u></b>	<b><u>\$ 11,964,459</u></b>

**NOTE 11 – Other Investments**

The Electric Utility invested \$1,583,000 in American Transmission Company, LLC (ATC). ATC is an electric power group consisting of 26 Wisconsin electric utilities. The Utility's initial investment gives the Utility approximately a .5% interest in ATC. This investment is carried on the Utility's books at cost plus undistributed earnings. For the 2002 year-end the Utility received cash distributions totaling \$216,143. The Utility's total earnings for 2002 were \$270,179. Separate financial information for ATC was not available.

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2002**

**IV - SEGMENT INFORMATION**

**NOTE 1 - Enterprise Funds**

The City maintains three Enterprise Funds which provide electric and water, sanitary sewer and emergency medical services. Segment information for the year ended December 31, 2002 was as follows:

	<b><u>ELECTRIC &amp; WATER UTILITY</u></b>	<b><u>WW UTILITY</u></b>	<b><u>EMERGENCY MEDICAL SERVICES</u></b>	<b><u>TOTALS</u></b>
Operating Revenues	\$ 19,127,500	\$ 4,001,127	\$ 760,262	\$ 23,888,889
Depreciation Expense	1,682,033	961,000	11,683	2,654,716
Amortization Expense	10,917	-	-	10,917
Operating Income	2,055,532	1,531,838	155,504	3,742,874
Operating Transfers in (out)	(538,522)	-	7,379	(531,143)
Net Income	2,168,389	(682,310)	162,883	1,648,962
Capital Contributions	-	(1,235,727)	43,413	(1,192,314)
Plant, Property and Equipment				
Additions	5,297,325	2,122,831	509,717	7,929,873
Deletions	3,253,605	9,093,143	-	12,346,748
Cash and Cash Equivalents	3,706,585	2,591,306	16,882	6,314,773
Net Working Capital	922,739	(1,233,381)	84,841	(225,801)
Total Assets	50,685,707	41,077,286	246,570	92,009,563
Bonds and Other L-T Liabilities				
Payable from operating revenues	5,155,000	19,633,664	-	24,788,664
<b>TOTAL EQUITY</b>	<b>\$ 41,262,582</b>	<b>\$ 20,279,351</b>	<b>\$ 206,296</b>	<b>\$ 61,748,229</b>

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2002**

**IV - SEGMENT INFORMATION**

**NOTE 2-Tax Incremental Finance Districts**

Tax increment financing, as authorized by Section 66.1105 of the Wisconsin Statutes, is a method by which the City can recover its development and public improvement costs in a Tax Incremental Finance District (TIF) designated area. These costs are recovered from the increased valuation in the designated area. The City has financed development and public improvement costs in its TIF through the issuance of general obligation long-term debt. Project costs have been reported primarily as Capital Projects Funds expenditures. Tax increments will be used to meet maturing debt obligations incurred to provide financing for development and public improvement costs within the tax incremental district. The District is allowed to collect tax increments until its termination date. Any overcollections are returned to the various taxing entities of the District. The City becomes liable for any cost not recovered by the termination date.

The City has six Tax Incremental Financing Districts. The following are project summaries of the activity and status of districts #2, #3, and #4 through December 31, 2002:

	<u>TIF #2</u>	<u>TIF #3</u>	<u>TIF #4</u>
<b>Project Revenue</b>			
TIF tax collections	\$ 423,816	\$ 169,079	\$ 115,568
Miscellaneous	47,533	100	800,390
Transfers	-	-	220,000
Proceeds from long-term debt	750,000	264,000	1,233,436
<b>Total Project Revenue Through December 31, 2002</b>	<b><u>\$1,221,349</u></b>	<b><u>\$ 433,178</u></b>	<b><u>\$ 2,369,394</u></b>
<b>Project Expenditures</b>			
Capital outlay	\$ -	\$ 11,035	\$ 2,885,262
Debt service	421,199	201,977	284,301
Debt issue costs	-	-	18,925
Other	802,731	238,731	1,276,828
<b>Total Project Expenditures Through December 31, 2002</b>	<b><u>\$1,223,931</u></b>	<b><u>\$ 451,743</u></b>	<b><u>\$ 4,465,316</u></b>
Fund Balance (Deficit) as of December 31, 2002	\$ (2,582)	\$ (18,565)	\$(2,095,922)
<b>Future Requirements</b>			
Debt Service	<u>\$ 912,598</u>	<u>\$ 246,861</u>	<u>\$ 1,736,225</u>
<b>Balance to Be Collected on TIF District</b>	<b><u>\$ 915,180</u></b>	<b><u>\$ 265,426</u></b>	<b><u>\$ 3,832,147</u></b>
District Termination Date	2015	2014	2019

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2002**

**IV - SEGMENT INFORMATION**

**NOTE 2-Tax Incremental Finance Districts  
(Continued)**

The following are project summaries of the activity and status of District's #5, #6, and #7:

	<u>TIF #5</u>	<u>TIF #6</u>	<u>TIF #7</u>
<b>Project Revenue</b>			
TIF tax collections	\$ 144,389	\$ 38,827	\$ -
Miscellaneous	452,110	30,000	-
Transfers	-	-	12,050
Proceeds from long-term debt	<u>5,008,300</u>	<u>516,259</u>	-
<b>Total Project Revenue Through December 31, 2002</b>	<b><u>\$5,604,799</u></b>	<b><u>\$ 585,086</u></b>	<b><u>\$ 12,050</u></b>
<b>Project Expenditures</b>			
Capital outlay	\$3,868,793	\$ 309,649	\$ -
Debt service	873,257	192,334	-
Debt issue costs	55,230	-	-
Other	401,986	6,389	12,367
<b>Total Project Expenditures Through December 31, 2002</b>	<b><u>\$5,199,266</u></b>	<b><u>\$ 508,372</u></b>	<b><u>\$ 12,367</u></b>
Fund Balance (Deficit) as of December 31, 2002	\$ 405,534	\$ 76,713	\$ (317)
<b>Future Requirements</b>			
Debt Service	<u>\$6,001,612</u>	<u>\$ 445,481</u>	<u>\$ -</u>
<b>Balance to Be Collected on TIF District</b>	<b><u>\$5,596,078</u></b>	<b><u>\$ 368,768</u></b>	<b><u>\$ 317</u></b>
District Termination Date	2020	2016	2024

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS-Continued**  
**DECEMBER 31, 2002**

**V - JOINT VENTURES**

**Marshfield Fairgrounds Commission** - The Marshfield Fairgrounds Commission is a joint venture between the Common Council of the City of Marshfield and the Wood County Board of Supervisors for the improvement, maintenance, repair and operation of the Marshfield Fairgrounds. The Commission Board consists of six members: three aldermen from the City of Marshfield who are appointed by the mayor with approval of the council, and three county board supervisors who are appointed by the chairman of the the Wood County Board with approval of the county board. The Fairgrounds Commission has the full, complete and exclusive jurisdiction of the fairgrounds. The City of Marshfield is to provide the necessary funds for the maintenance of the land, exclusive of the buildings and similar structures, while Wood County is providing funds for the construction, improvement, repair and maintenance of the buildings located on the Marshfield Fairgrounds, other than such properties owned by third parties. Any buildings or structures constructed upon the fairgrounds by the Commission become the property of the City of Marshfield. Accordingly, the real estate and related buildings are capitalized in the General Fixed Asset Account Group. Complete separate financial statements for the Fairgrounds Commission may be obtained at the Finance Department, City of Marshfield, 630 S. Central Avenue, Marshfield, WI 54449.

**University Extension Center Commission** - The University Extension Center Commission is a joint venture between the Common Council of the City of Marshfield and the Wood County Board of Supervisors for the purchase of the site and construction of said center, and the care, custody, maintenance, improvement and repair of the lands and buildings during its operation as a University Extension Center. The Commission Board consists of six members: three aldermen of the City of Marshfield who are appointed by the mayor with approval of the council, and three county board supervisors who are appointed by the chairman of the Wood County Board with approval of the county board. Before September of every year, the Commission submits to the Marshfield Common Council and the Wood County Board a budget indicating the amount needed from each governing body to defray the costs of maintenance, care, custody, repair and improvement of the buildings and premises of the University of Wisconsin - Marshfield/Wood County for the ensuing year. Each municipal unit has a 50% share of the venture, and accordingly, the City's 50% share is capitalized in the General Fixed Asset Account Group. Complete separate financial statements for the University Extension Center Commission may be obtained at the Office of the Finance Department, 630 S. Central Avenue, Marshfield, WI 54449.

**VI - CONTINGENCIES AND COMMITMENTS**

**Note 1 - Legal Contingencies**

The City participates in a number of intergovernmental grant programs, which have various requirements, and are subject to audit by the awarding agencies. Such audits may result in reimbursements of funds advanced or disallowance of program expenditures. The amount, if any, of grant funds which may be disallowed by the grantor at future dates cannot be determined.

There are several lawsuits pending in which the City is involved. The City's attorneys estimate the potential claims resulting from litigation against the City that are not covered by insurance would not materially affect the financial statements of the City.

**Note 2 - Conduit Debt Obligations**

From time to time, the City has issued industrial revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from debt payment receipts on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2002, there were six series of industrial revenue bonds outstanding, with an aggregate principal amount payable of \$19,110,000.

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS-Continued**  
**DECEMBER 31, 2002**

**VII. SUBSEQUENT EVENTS**

In January 2003, the Common Council of the City of Marshfield authorized the Sale of \$1,480,000 of Sewerage System Revenue Bonds. This new debt was issued for the purpose of financing various budgeted 2003 Capital Improvement projects for Sewerage System of the City of Marshfield.

In January 2003, the Common Council of the City of Marshfield issued \$2,385,000 in General Obligation Promissory Notes. This new debt was issued for the purpose of financing various budgeted 2003 Capital Improvement projects for the City of Marshfield.

In January 2003, the Common Council of the City of Marshfield issued \$2,050,000 in General Obligation Refunding Bonds. This debt was issued for the purpose of refinancing the callable portion of the \$2,660,000 General Obligation Corporate Purpose Bonds, Series 1997 at a lower rate of interest.

In January 2003, the Common Council of the City of Marshfield issued \$3,160,000 in Tax Anticipation Notes. This new debt was issued for the purpose of the City refinancing its portion of the Wisconsin Retirement System's Unfunded Pension Liability at a lower rate of interest.

In March 2003, the Common Council of the City of Marshfield issued \$3,255,000 in Taxable General Obligation Refunding Bonds. This debt was issued for the purpose of paying off the \$3,160,000 Tax Anticipation Notes maturing April 15, 2003 with 20 year General Obligation Bonds.

# GENERAL FUND

The general fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

CITY OF MARSHFIELD, WISCONSIN  
 DETAILED SCHEDULE OF REVENUES  
 GENERAL FUND  
 YEAR ENDED DECEMBER 31, 2002

REVENUES	2002		2001
	BUDGET	ACTUAL	ACTUAL
<b>Taxes</b>			
Property	\$ 5,213,309	\$ 5,195,499	\$ 4,703,460
Sales and use	100	122	118
Payments in lieu of taxes	1,225,812	1,229,245	1,232,230
Interest and penalties on taxes	550	805	1,018
<b>TOTAL</b>	<b>6,439,771</b>	<b>6,425,671</b>	<b>5,936,826</b>
<b>Special Assessments</b>	<b>391,000</b>	<b>609,635</b>	<b>529,137</b>
<b>Intergovernmental</b>			
Federal grants	350	3,793	12,835
State shared taxes	5,647,252	5,646,213	5,611,794
State grants	1,400,915	1,408,671	1,256,088
Other state payments	116,255	106,805	128,107
Grants from local governments	340,745	197,527	212,221
<b>TOTAL</b>	<b>7,505,517</b>	<b>7,363,009</b>	<b>7,221,045</b>
<b>Licenses and Permits</b>			
Business and occupational licenses	126,900	178,300	130,550
Nonbusiness licenses	8,800	11,048	9,054
Building permits and inspection fees	70,000	116,662	93,078
Zoning permits and fees	2,600	4,253	3,958
<b>TOTAL</b>	<b>208,300</b>	<b>310,263</b>	<b>236,640</b>
<b>Fines, Forfeits and Penalties</b>			
Law and ordinance violations	241,000	146,385	145,582
<b>Public Charges for Services</b>			
General government	20,560	23,109	22,627
Public safety	16,500	20,489	596,047
Transportation	61,000	53,265	68,938
Sanitation and utilities	1,200	4,744	3,460
Health	105,220	87,042	91,018
Human services	532	946	691
Culture, recreation and education	248,041	227,036	217,068
Conservation and development	550	483	614
Other	2,600	2,035	2,392
<b>TOTAL</b>	<b>456,203</b>	<b>419,149</b>	<b>1,002,855</b>
<b>Intergovernmental Charges for Services</b>			
State	11,400	16,976	16,762
Other local governments	90,000	59,133	243,648
Local departments	71,669	72,783	52,974
<b>TOTAL</b>	<b>173,069</b>	<b>148,892</b>	<b>313,384</b>
<b>Miscellaneous</b>			
Interest	630,020	562,713	601,077
Rent	231,164	248,471	229,008
Property sales	27,000	17,066	26,185
Donations/contributions	16,000	10,055	3,819
Other	40,000	53	60,463
<b>TOTAL</b>	<b>944,184</b>	<b>838,358</b>	<b>920,552</b>
<b>TOTAL REVENUES</b>	<b>\$ 16,359,044</b>	<b>\$ 16,261,362</b>	<b>\$ 16,306,021</b>

CITY OF MARSHFIELD, WISCONSIN  
 DETAILED SCHEDULE OF EXPENDITURES  
 GENERAL FUND  
 YEAR ENDED DECEMBER 31, 2002

	2002		2001
	BUDGET	ACTUAL	ACTUAL
<b>CURRENT</b>			
General Government			
Legislative	\$ 144,489	\$ 138,161	\$ 144,459
Legal	169,858	173,832	171,581
General administration	1,148,229	836,415	811,394
Financial administration	714,073	658,308	653,749
General buildings and plant	298,247	265,241	269,450
Other general government	170,149	150,446	122,550
TOTAL	<u>2,645,045</u>	<u>2,222,403</u>	<u>2,173,183</u>
Public Safety			
Law enforcement	3,377,529	3,361,965	3,179,765
Fire protection	2,591,285	2,589,513	2,523,413
Ambulance	-	-	527,035
Inspection	268,282	256,105	236,665
Emergency communications	430,256	405,924	380,718
Disaster control	16,364	4,880	8,799
TOTAL	<u>6,683,716</u>	<u>6,618,387</u>	<u>6,856,395</u>
Public Works			
Administration for highways and streets	525,917	500,695	491,708
Transportation cost pools	72,432	(15,603)	29,880
Highway and street maintenance and construction	3,089,262	2,219,942	2,583,526
Road-related facilities	658,259	549,973	437,753
Other transportation	129,427	122,497	117,331
Sanitation	550,067	559,635	687,369
Water service	-	10,116	(53,393)
TOTAL	<u>5,025,364</u>	<u>3,947,255</u>	<u>4,294,174</u>
Health and Human Services			
Cemetery	129,937	120,904	119,517
Other health and human services	3,320	2,977	2,993
TOTAL	<u>133,257</u>	<u>123,881</u>	<u>122,510</u>
Culture, Recreation and Education			
Culture	1,222,608	1,166,928	1,175,819
Parks	582,673	537,993	503,862
Recreation programs and events	418,784	362,845	365,282
Recreation facilities	149,148	124,846	131,058
Zoo	147,229	142,375	139,695
Education	29,335	30,394	33,034
TOTAL	<u>2,549,777</u>	<u>2,365,381</u>	<u>2,348,750</u>
Conservation and Development			
Resource conservation	164,050	96,620	106,067
Economic development	59,346	52,565	54,902
Other conservation and developm	213,182	193,969	156,643
TOTAL	<u>436,578</u>	<u>343,154</u>	<u>317,612</u>

CITY OF MARSHFIELD, WISCONSIN  
 DETAILED SCHEDULE OF EXPENDITURES-CONTINUED  
 GENERAL FUND  
 YEAR ENDED DECEMBER 31, 2002

	2002		2001
	BUDGET	ACTUAL	ACTUAL
<b>CAPITAL OUTLAY</b>			
General Government			
Legislative	\$ 22,900	\$ 7,335	\$ 11,125
Administration	12,099	8,615	28,889
Financial	-	-	18,478
General buildings and plant	28,500	26,235	-
Public Safety			
Law enforcement	76,119	75,692	64,600
Fire protection	52,813	39,743	33,628
Ambulance			1,040
Disaster control			11,640
Public Works			
Administration for highways and streets	28,000	28,000	-
Health and Human Services			
Cemetery	5,540	5,377	44,419
Culture, Recreation and Education			
Culture	22,875	59,903	3,925
Parks	24,200	23,845	1,160
Recreation programs and events			5,944
Recreation facilities	7,000	-	-
Zoo	1,200	586	-
Conservation and Development			
Resource conservation	12,000	12,580	14,116
Other conservation and development	192,300	35,548	-
<b>TOTAL</b>	<u>485,546</u>	<u>323,459</u>	<u>238,964</u>
<b>TOTAL EXPENDITURES</b>	<u><b>\$ 17,959,283</b></u>	<u><b>\$ 15,943,920</b></u>	<u><b>\$ 16,351,588</b></u>

# SPECIAL REVENUE FUNDS

- **Room Tax Fund** – to account for the collection of room taxes remitted to the City by hotel/motel owners and expenditures made for upkeep of City's parks.
- **Convention and Visitors Bureau Fund** – to account for room taxes received by the Bureau and expenditures made for promotion of the City.
- **Community Development Block Grant Program Fund** – to account for financial activity associated with state funding under the block grant program.
- **Economic Development Fund** – to account for funds utilized for economic development and loans and expenditures made to promote economic development.
- **Business Improvement District Fund** – to account for collecting and remitting assessments to the Main Street Program.
- **Residential Revolving Loan Fund** – to account for monies provided by a Community Development Block Grant to finance interest free loans to City residents. The principal must be maintained intact and interest earnings must also be used to finance the loans.
- **Commercial Interest Subsidy Fund** – to account for grants made to local businesses to reduce the rate of interest being charged on their commercial loans. The grants are made on behalf of the business and placed in an escrow account at local financial institutions. Interest earned on these deposits prior to their withdrawal for the monthly interest payment is recorded in this Fund and can be used only for additional commercial interest subsidy grants.
- **Law Enforcement Restricted Revenue Fund** – to account for grants, contributions and donations received from other governments, businesses and individuals to be utilized for specific law enforcement purposes.
- **Taxi System Fund** – to account for grant subsidies received for operation of the local taxi system and expenditures made for the taxi system.
- **Utility Dividend Fund** – to account for dividends received from City utilities and expenditure of those funds.
- **East Industrial Park Improvement Fund** – to account for sale of land in the East Industrial Park. Monies received are used to make improvements to the industrial park.

CITY OF MARSHFIELD, WISCONSIN  
 COMBINING REVENUE FUNDS  
 DECEMBER 31, 2002  
 (WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2001)

	ROOM TAX	CONVENTION AND VISITORS BUREAU	COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM	ECONOMIC DEVELOPMENT	BUSINESS IMPROVEMENT DISTRICT
<b><u>ASSETS</u></b>					
Cash and investments	\$ 138,377	\$ 142,638	\$ -	\$ 863,173	\$ -
Receivables					
Loans	-	-	327,645	831,371	-
Other receivables	-	-	-	-	1,450
Due from other governments	-	-	-	-	-
Due from other funds	-	-	-	50,000	37,325
Prepaid items	-	2,084	-	-	-
<b>TOTAL ASSETS</b>	<b><u>\$ 138,377</u></b>	<b><u>\$ 144,722</u></b>	<b><u>\$ 327,645</u></b>	<b><u>\$ 1,744,544</u></b>	<b><u>\$ 38,775</u></b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>					
<b>LIABILITIES</b>					
Cash overdraft	\$ -	\$ -	\$ -	\$ 144,395	\$ 10
Accounts payable	-	-	-	-	-
Deferred revenues	-	1,575	(21,600)	50,000	38,775
<b>TOTAL LIABILITIES</b>	<b><u>-</u></b>	<b><u>1,575</u></b>	<b><u>(21,600)</u></b>	<b><u>194,395</u></b>	<b><u>38,785</u></b>
<b>FUND BALANCES</b>					
Reserved for loans	-	-	327,645	831,371	-
Reserved for prepaid items	-	2,084	-	-	-
Unreserved					
Designated-special revenue purpose	-	-	-	-	-
Undesignated(deficit)	138,377	141,063	21,600	718,778	(10)
<b>TOTAL FUND BALANCES (DEFICITS)</b>	<b><u>138,377</u></b>	<b><u>143,147</u></b>	<b><u>349,245</u></b>	<b><u>1,550,149</u></b>	<b><u>(10)</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 138,377</u></b>	<b><u>\$ 144,722</u></b>	<b><u>\$ 327,645</u></b>	<b><u>\$ 1,744,544</u></b>	<b><u>\$ 38,775</u></b>

CITY OF MARSHFIELD, WISCONSIN  
 COMBINING REVENUE FUNDS  
 DECEMBER 31, 2002  
 (WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2001)

RESIDENTIAL REVOLVING LOAN	COMMERCIAL INTEREST SUBSIDY	LAW ENFORCEMENT	TAXI SYSTEM	UTILITY DIVIDEND	EAST INDUSTRIAL PARK IMPROVEMENT	TOTALS	
						2002	2001
\$ 136,554	\$ 5,991	\$ 16,305	\$ 55,793	\$ 749,897	\$ 225,982	\$ 2,334,710	\$ 2,208,497
176,330	-	-	-	-	-	1,335,345	1,234,092
-	-	-	-	-	-	1,450	6,342
-	-	-	47,730	-	-	47,730	97,371
-	-	-	-	-	-	87,325	35,100
-	-	-	-	-	-	2,084	4,794
<b>\$ 312,884</b>	<b>\$ 5,991</b>	<b>\$ 16,305</b>	<b>\$ 103,523</b>	<b>\$ 749,897</b>	<b>\$ 225,982</b>	<b>\$ 3,808,644</b>	<b>\$ 3,586,196</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 144,405	\$ 13,424
110	-	-	11,379	-	-	11,489	33,923
-	-	11,612	-	-	-	80,362	62,394
110	-	11,612	11,379	-	-	236,255	109,741
176,330	-	-	-	-	-	1,335,346	1,234,092
-	-	-	-	-	-	2,084	4,795
-	5,991	-	92,144	-	225,982	324,117	429,026
136,444	-	4,693	-	749,897	-	1,910,842	1,808,542
312,774	5,991	4,693	92,144	749,897	225,982	3,572,389	3,476,455
<b>\$ 312,884</b>	<b>\$ 5,991</b>	<b>\$ 16,305</b>	<b>\$ 103,523</b>	<b>\$ 749,897</b>	<b>\$ 225,982</b>	<b>\$ 3,808,644</b>	<b>\$ 3,586,196</b>

CITY OF MARSHFIELD, WISCONSIN  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - ALL SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2002  
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2001)

	ROOM TAX	CONVENTION AND VISITORS BUREAU	COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM	ECONOMIC DEVELOPMENT	BUSINESS IMPROVEMENT DISTRICT
<b>REVENUES</b>					
Taxes	\$ 245,942	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Public charges for services	-	-	-	-	39,991
Miscellaneous	10,000	54,720	21,642	46,037	1,115
<b>TOTAL REVENUES</b>	<b>255,942</b>	<b>54,720</b>	<b>21,642</b>	<b>46,037</b>	<b>41,106</b>
<b>EXPENDITURES</b>					
Current:					
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Culture, recreation and education	25,198	155,560	-	-	-
Conservation and development	-	-	-	53,950	41,373
Capital Outlay	75,724	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>100,922</b>	<b>155,560</b>	<b>-</b>	<b>53,950</b>	<b>41,373</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>155,020</b>	<b>(100,840)</b>	<b>21,642</b>	<b>(7,913)</b>	<b>(267)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in	-	139,370	-	-	-
Operating transfers out	(189,370)	-	(21,600)	-	-
Operating transfers in(out)-proprietary funds	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(189,370)</b>	<b>139,370</b>	<b>(21,600)</b>	<b>-</b>	<b>-</b>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>(34,350)</b>	<b>38,530</b>	<b>42</b>	<b>(7,914)</b>	<b>(267)</b>
<b>FUND BALANCES (DEFICITS) AT BEGINNING OF YEAR</b>	<b>172,727</b>	<b>104,617</b>	<b>349,203</b>	<b>1,558,063</b>	<b>257</b>
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 138,377</b>	<b>\$ 143,147</b>	<b>\$ 349,245</b>	<b>\$ 1,550,149</b>	<b>\$ (10)</b>

CITY OF MARSHFIELD, WISCONSIN  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - ALL SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2002  
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2001)

RESIDENTIAL REVOLVING LOAN	COMMERCIAL INTEREST SUBSIDY	LAW ENFORCEMENT	TAXI SYSTEM	UTILITY DIVIDEND FUND	EAST INDUSTRIAL PARK IMPROVEMENT	TOTALS	
						2002	2001
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 245,942	\$ 250,406
-	-	-	284,184	-	-	284,184	623,610
-	-	4,302	-	-	-	44,293	29,694
775	57	-	50	-	36,340	170,736	159,590
<u>775</u>	<u>57</u>	<u>4,302</u>	<u>284,234</u>	<u>-</u>	<u>36,340</u>	<u>745,155</u>	<u>1,063,300</u>
-	-	4,302	-	-	-	4,302	215,590
-	-	-	289,034	-	-	289,034	260,753
-	-	-	-	-	-	180,758	163,715
11,611	700	-	-	-	5,251	112,885	84,250
-	-	-	39	-	-	75,763	42,058
<u>11,611</u>	<u>700</u>	<u>4,302</u>	<u>289,073</u>	<u>-</u>	<u>5,251</u>	<u>662,742</u>	<u>766,366</u>
(10,836)	(643)	-	(4,839)	-	31,089	82,413	296,934
21,600	-	-	-	-	-	160,970	164,956
-	-	-	-	(475,000)	-	(685,970)	(301,956)
-	-	-	-	538,522	-	538,522	388,731
<u>21,600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>63,522</u>	<u>-</u>	<u>13,522</u>	<u>251,731</u>
10,764	(643)	-	(4,839)	63,522	31,089	95,934	548,665
302,010	6,634	4,693	96,983	686,375	194,893	3,476,455	2,927,790
<u>\$ 312,774</u>	<u>\$ 5,991</u>	<u>\$ 4,693</u>	<u>\$ 92,144</u>	<u>\$ 749,897</u>	<u>\$ 225,982</u>	<u>\$ 3,572,389</u>	<u>\$ 3,476,455</u>

CITY OF MARSHFIELD, WISCONSIN  
ROOM TAX SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
<b>REVENUES</b>			
Taxes:			
Public accomodation taxes	\$ 220,000	\$ 245,942	\$ 25,942
Miscellaneous			
Donations/contributions	-	10,000	10,000
<b>TOTAL REVENUES</b>	<u>220,000</u>	<u>255,942</u>	<u>35,942</u>
<b>EXPENDITURES</b>			
Current:			
Culture, recreation and education			
Parks	-	25,198	(25,198)
Capital Outlay:			
Parks	40,000	75,724	(35,724)
<b>TOTAL EXPENDITURES</b>	<u>40,000</u>	<u>100,922</u>	<u>(60,922)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	180,000	155,020	(24,980)
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers out	(174,666)	(189,370)	(14,704)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(174,666)</u>	<u>(189,370)</u>	<u>(14,704)</u>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	5,334	(34,350)	(39,684)
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	103,763	172,727	-
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 109,097</u>	<u>\$ 138,377</u>	<u>\$ (39,684)</u>

CITY OF MARSHFIELD, WISCONSIN  
 CONVENTION AND VISITORS BUREAU SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
<b>REVENUES</b>			
Miscellaneous:			
Interest	\$ 350	\$ 754	\$ 404
Miscellaneous	47,500	53,966	6,466
<b>TOTAL REVENUES</b>	<u>47,850</u>	<u>54,720</u>	<u>6,870</u>
<b>EXPENDITURES</b>			
Current:			
Culture, recreation and education			
Culture	167,417	155,560	11,857
<b>TOTAL EXPENDITURES</b>	<u>167,417</u>	<u>155,560</u>	<u>11,857</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(119,567)	(100,840)	18,727
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	124,666	139,370	14,704
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	5,099	38,530	33,431
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	104,617	104,617	-
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 109,716</u>	<u>\$ 143,147</u>	<u>\$ 33,431</u>

CITY OF MARSHFIELD, WISCONSIN  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES			
Miscellaneous:			
Miscellaneous	\$ -	\$ 21,642	\$ 21,642
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	21,642	21,642
OTHER FINANCING SOURCES (USES)			
Operating transfers out	-	(21,600)	(21,600)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	-	42	42
FUND BALANCE AT BEGINNING OF YEAR	349,203	349,203	-
FUND BALANCE AT END OF YEAR	<u>\$ 349,203</u>	<u>\$ 349,245</u>	<u>\$ 42</u>

CITY OF MARSHFIELD, WISCONSIN  
 ECONOMIC DEVELOPMENT SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
<b>REVENUES</b>			
Public charges for services			
Finance Department Fees	\$ 4,000	\$ -	\$ (4,000)
Miscellaneous:			
Interest	51,000	46,037	(4,963)
<b>TOTAL REVENUES</b>	<u>55,000</u>	<u>46,037</u>	<u>(8,963)</u>
<b>EXPENDITURES</b>			
Conservation and development			
Economic development	50,000	53,950	(3,950)
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	5,000	(7,914)	(12,913)
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	1,558,063	1,558,063	-
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 1,563,063</u>	<u>\$ 1,550,149</u>	<u>\$ (12,913)</u>

CITY OF MARSHFIELD, WISCONSIN  
 BUSINESS IMPROVEMENT DISTRICT SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
<b>REVENUES</b>			
Public charges for services:			
Economic development	\$ 35,111	\$ 39,991	\$ 4,880
Miscellaneous:			
Interest	100	1,115	1,015
<b>TOTAL REVENUES</b>	<u>35,211</u>	<u>41,106</u>	<u>5,895</u>
<b>EXPENDITURES</b>			
Current:			
Conservation and development			
Economic development	35,111	41,374	(6,263)
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	100	(267)	(368)
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	257	257	-
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 357</u>	<u>\$ (10)</u>	<u>\$ (368)</u>

CITY OF MARSHFIELD, WISCONSIN  
 RESIDENTIAL REVOLVING LOAN FUND SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES			
Miscellaneous:			
Interest	\$ 2,500	\$ 775	\$ (1,725)
TOTAL REVENUES	<u>2,500</u>	<u>775</u>	<u>(1,725)</u>
EXPENDITURES			
Current:			
Conservation and development			
Economic development	<u>1,300</u>	<u>11,611</u>	<u>(10,311)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,200	(10,836)	(12,036)
OTHER FINANCING SOURCES (USES)			
Operating transfers in	<u>-</u>	<u>21,600</u>	<u>21,600</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,200	10,764	9,564
FUND BALANCE AT BEGINNING OF YEAR	260,470	302,010	-
<b>FUND BALANCE AT END OF YEAR</b>	<b><u>\$ 261,670</u></b>	<b><u>\$ 312,774</u></b>	<b><u>\$ 9,564</u></b>

CITY OF MARSHFIELD, WISCONSIN  
COMMERCIAL INTEREST SUBSIDY SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES			
Miscellaneous:			
Interest	\$ 105	\$ 57	\$ (48)
EXPENDITURES			
Current:			
Conservation and development			
Economic development	-	700	(700)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	105	(643)	(748)
 FUND BALANCE AT BEGINNING OF YEAR	 6,634	 6,634	 -
 FUND BALANCE AT END OF YEAR	 <u>\$ 6,739</u>	 <u>\$ 5,991</u>	 <u>\$ (748)</u>

CITY OF MARSHFIELD, WISCONSIN  
 LAW ENFORCEMENT SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
<b>REVENUES</b>			
Public charges for services			
Federal shared revenue		\$ 4,302	\$ 4,302
<b>TOTAL REVENUES</b>	-	4,302	4,302
<b>EXPENDITURES</b>			
Current:			
Public Safety			
Law enforcement	-	4,302	4,302
<b>TOTAL EXPENDITURES</b>	-	4,302	4,302
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	-
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	-	4,693	(4,693)
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ -</b>	<b>\$ 4,693</b>	<b>\$ (4,693)</b>

CITY OF MARSHFIELD, WISCONSIN  
TAXI SYSTEM SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
<b>REVENUES</b>			
Intergovernmental:			
State grants	\$ 310,200	\$ 284,184	\$ (26,016)
Miscellaneous			
Miscellaneous	-	50	50
<b>TOTAL REVENUES</b>	<u>310,200</u>	<u>284,234</u>	<u>(25,966)</u>
<b>EXPENDITURES</b>			
Current:			
Public works			
Other transportation	275,000	289,034	(14,034)
Capital Outlay:			
Automotive equipment	-	39	(39)
<b>TOTAL EXPENDITURES</b>	<u>275,000</u>	<u>289,073</u>	<u>(14,073)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	35,200	(4,839)	(40,039)
FUND BALANCE AT BEGINNING OF YEAR	96,984	96,983	-
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 132,184</u>	<u>\$ 92,144</u>	<u>\$ (40,039)</u>

CITY OF MARSHFIELD, WISCONSIN  
 UTILITY DIVIDEND SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
OTHER FINANCING SOURCES (USES)			
Operating transfers in(out)-proprietary funds	\$ 375,000	\$ 538,522	\$ 163,522
Operating transfers out	(475,000)	(475,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	(100,000)	63,522	163,522
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(100,000)	63,522	163,522
FUND BALANCE AT BEGINNING OF YEAR	686,375	686,375	-
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 586,375</b>	<b>\$ 749,897</b>	<b>\$ 163,522</b>

CITY OF MARSHFIELD, WISCONSIN  
 EAST INDUSTRIAL PARK IMPROVEMENT SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES			
Miscellaneous:			
Sale of equipment and property	\$ -	\$ 36,340	\$ 36,340
EXPENDITURES			
Current:			
Conservation and development			
Economic development	\$ -	\$ 5,251	\$ (5,251)
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	31,089	31,089
 FUND BALANCE AT BEGINNING OF YEAR	194,893	194,893	-
 FUND BALANCE AT END OF YEAR	<u>\$ 194,893</u>	<u>\$ 225,982</u>	<u>\$ 31,089</u>

# DEBT SERVICE FUNDS

- **Long-Term Notes** – to accumulate monies for payment of all long-term notes and bonds except for those notes to be paid by Proprietary Fund user fees. Property taxes are levied to finance the debt service.
- **State Trust Fund Loan** – to accumulate monies for payment of all state trust fund loans. Property taxes, including those on the Tax Incremental Districts #2 and #3, are levied to finance the debt service.
- **General Obligation Refunding Bonds** – to accumulate monies for payment of the 1993 refunding issue. Property taxes are levied to finance the debt service.

CITY OF MARSHFIELD, WISCONSIN  
 COMBINING BALANCE SHEET-ALL DEBT SERVICE FUNDS  
 DECEMBER 31, 2002  
 (WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2001)

	LONG-TERM NOTES	STATE TRUST FUND LOAN	REFUNDING BONDS	TOTALS	
				2002	2001
<b>ASSETS</b>					
Cash	\$ 1,407,197	\$ 981	\$ 1	\$ 1,408,179	\$ 210,519
Due from other funds	1,960,682	287,927	11,318	2,259,927	2,724,429
<b>TOTAL ASSETS</b>	<b>\$ 3,367,879</b>	<b>\$ 288,908</b>	<b>\$ 11,319</b>	<b>\$ 3,668,106</b>	<b>\$ 2,934,948</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Deferred revenues:					
Tax roll	\$ 1,960,682	\$ 287,927	\$ 11,318	\$ 2,259,927	\$ 2,724,429
<b>TOTAL LIABILITIES</b>	<b>1,960,682</b>	<b>287,927</b>	<b>11,318</b>	<b>2,259,927</b>	<b>2,724,429</b>
<b>FUND BALANCES</b>					
Reserved for debt service	1,407,197	981	1	1,408,179	210,519
<b>TOTAL FUND BALANCES</b>	<b>1,407,197</b>	<b>981</b>	<b>1</b>	<b>1,408,179</b>	<b>210,519</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 3,367,879</b>	<b>\$ 288,908</b>	<b>\$ 11,319</b>	<b>\$ 3,668,106</b>	<b>\$ 2,934,948</b>

CITY OF MARSHFIELD, WISCONSIN  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES-ALL DEBT SERVICE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2002  
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2001)

	LONG-TERM NOTES	STATE TRUST FUND LOANS	REFUNDING BONDS	TOTALS	
				2002	2001
<b>REVENUES</b>					
Taxes:					
General property	\$ 2,486,995	\$ 225,605	\$ 11,830	\$ 2,724,430	\$ 2,522,822
Intergovernmental:					
Other state payment	-	-	-	-	29,984
Miscellaneous	-	-	-	-	9,765
<b>TOTAL REVENUES</b>	<u>2,486,995</u>	<u>225,605</u>	<u>11,830</u>	<u>2,724,430</u>	<u>2,562,571</u>
<b>EXPENDITURES</b>					
Debt Service:					
Principal retirement	1,880,036	214,833	10,000	2,104,869	2,084,572
Interest and fiscal charges	874,035	122,565	1,830	998,430	952,865
<b>TOTAL EXPENDITURES</b>	<u>2,754,071</u>	<u>337,398</u>	<u>11,830</u>	<u>3,103,299</u>	<u>3,037,437</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(267,076)	(111,793)	-	(378,869)	(474,867)
<b>OTHER FINANCING SOURCES</b>					
Operating transfers in	1,465,093	111,436	-	1,576,529	477,437
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>1,465,093</u>	<u>111,436</u>	<u>-</u>	<u>1,576,529</u>	<u>477,437</u>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	1,198,017	(357)	-	1,197,660	2,571
<b>FUND BALANCES(DEFICITS) AT BEGINNING OF YEAR</b>	<u>209,180</u>	<u>1,338</u>	<u>1</u>	<u>210,519</u>	<u>207,948</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$ 1,407,197</u>	<u>\$ 981</u>	<u>\$ 1</u>	<u>\$ 1,408,179</u>	<u>\$ 210,519</u>

CITY OF MARSHFIELD, WISCONSIN  
LONG-TERM NOTES DEBT SERVICE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES			
Taxes:			
General property	\$ 2,486,994	\$ 2,486,995	\$ 1
TOTAL REVENUES	<u>2,486,994</u>	<u>2,486,995</u>	<u>1</u>
EXPENDITURES			
Debt Service:			
Principal retirement	1,880,036	1,880,036	-
Interest and fiscal charges	873,701	874,035	(334)
TOTAL EXPENDITURES	<u>2,753,737</u>	<u>2,754,071</u>	<u>(334)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(266,743)	(267,076)	(333)
OTHER FINANCING SOURCES (USES)			
Operating transfers in	266,743	1,465,093	1,198,350
TOTAL OTHER FINANCING SOURCES (USES)	<u>266,743</u>	<u>1,465,093</u>	<u>1,198,350</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	-	1,198,017	1,198,017
FUND BALANCE(DEFICIT) AT BEGINNING OF YEAR	<u>82,929</u>	<u>209,180</u>	<u>126,251</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u><b>\$ 82,929</b></u>	<u><b>\$ 1,407,197</b></u>	<u><b>\$ 1,324,268</b></u>

CITY OF MARSHFIELD, WISCONSIN  
STATE TRUST FUND LOANS DEBT SERVICE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES			
Taxes:			
General property	\$ 225,605	\$ 225,605	\$ -
TOTAL REVENUES	<u>225,605</u>	<u>225,605</u>	<u>-</u>
EXPENDITURES			
Debt Service:			
Principal retirement	214,834	214,833	(1)
Interest and fiscal charges	122,565	122,565	-
TOTAL EXPENDITURES	<u>337,399</u>	<u>337,398</u>	<u>(1)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(111,794)	(111,793)	1
OTHER FINANCING SOURCES (USES)			
Operating transfers in	111,794	111,436	(358)
TOTAL OTHER FINANCING SOURCES (USES)	<u>111,794</u>	<u>111,436</u>	<u>(358)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	-	(357)	(357)
FUND BALANCE AT BEGINNING OF YEAR	<u>14,808</u>	<u>1,338</u>	<u>(13,470)</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u><b>\$ 14,808</b></u>	<u><b>\$ 981</b></u>	<u><b>\$ (13,827)</b></u>

CITY OF MARSHFIELD, WISCONSIN  
 REFUNDING BONDS DEBT SERVICE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES			
Taxes:			
General property	\$ 11,830	\$ 11,830	\$ -
TOTAL REVENUES	<u>11,830</u>	<u>11,830</u>	<u>-</u>
EXPENDITURES			
Debt Service:			
Principal retirement	10,000	10,000	-
Interest and fiscal charges	1,830	1,830	-
TOTAL EXPENDITURES	<u>11,830</u>	<u>11,830</u>	<u>-</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>1</u>	<u>1</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>

# CAPITAL PROJECTS FUNDS

- **Street Construction** – to account for the financing and construction of street projects within the City. Financing is provided by general obligation note proceeds, intergovernmental revenues, and property taxes.
- **Urban Development** – to account for the financing and construction of miscellaneous urban development projects within the City. Financing is provided by general obligation note proceeds, intergovernmental revenues, and property taxes.
- **Storm Sewer Construction** – to account for the costs of extending the storm sewer system within the City. Financing is provided by general obligation note proceeds, intergovernmental revenues, and property taxes.
- **Fire Protection Outlay** – to account for the financing and construction of new fire protection equipment.
- **Sanitary Sewer Construction Outlay** – to account for the financing and construction of sanitary sewer projects within the City. Financing is provided by general obligation note proceeds and property taxes.
- **Airport Outlay** – to account for the costs of capital improvements at the airport. Financing is provided by general obligation note proceeds, intergovernmental revenues, and property taxes.
- **Parks & Recreation Capital Project Fund** – to account for funds designated for specific Parks & Recreation projects. Financing is to be provided primarily through room tax proceeds, property taxes, and general obligation note proceeds.
- **Water Main Construction Outlay** – to account for the financing and construction of water main projects within the City. Financing is provided by property taxes and general obligation note proceeds.
- **T.I.D. #3** – to account for the City’s share of the costs pertinent to the redevelopment of the “old” City hall building into a commercial and residential housing facility.
- **T.I.D. #2** – to account for the City’s share of the cost pertinent to the redevelopment of the Purdy School building into an independent living senior housing facility.
- **T.I.D. #4** – to account for the City’s share of costs pertinent to revitalization of the downtown area.
- **T.I.D. #6** – to account for the City’s share of infrastructure costs pertinent to the expansion of Figi’s, Inc., a local distributor of mail order gifts. Financing is provided by general obligation note proceeds.
- **T.I.D. #5** – to account for the improvements to Mill Creek Business Park. Financing is provided by general obligation note proceeds.
- **Dairy Research/Education Center** – to account for the purchase of land for the site of the Upper Midwest Dairy Research & Education Center. Financing is provided by general obligation note proceeds.
- **T.I.D.#7** – to account for improvements to Yellowstone Business Park.
- **City Hall Plaza Remodeling** – to account for the costs of remodeling the City Hall Plaza. Financing is provided by general obligation note proceeds.
- **UW Building/Remodeling** – to account for the City’s share of costs for the remodeling/expansion project at the UW Marshfield/Wood County campus. Financing is provided by general obligation note proceeds.

CITY OF MARSHFIELD, WISCONSIN  
 COMBINING BALANCE SHEET - ALL CAPITAL PROJECT FUNDS  
 DECEMBER 31, 2002  
 (WITH COMPARITIVE TOTALS FOR DECEMBER 31, 2001)

	STREET CONSTRUCT.	URBAN DEVELOP.	STORM SEWER CONSTRUCT.	FIRE PROTECT. OUTLAY	SANITARY SEWER CONSTRUCT.	AIRPORT OUTLAY	PARKS & RECR CAP PROJ FUND	WATER MAIN CONSTRUCT.	T.I.D. #3
<b>ASSETS</b>									
Cash and investments	\$ 138,272	\$ 100,000	\$ -	\$ 1,246	\$ 77,907	\$ 20,445	\$ 534,231	\$ 118,148	\$ -
Other receivable	8,954	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-	-
Due from other funds	18,488	-	35,074	-	-	-	284,000	-	17,082
Prepaid expenditures	-	-	-	-	-	-	12,500	-	-
<b>TOTAL ASSETS</b>	<b>\$ 165,714</b>	<b>\$ 100,000</b>	<b>\$ 35,074</b>	<b>\$ 1,246</b>	<b>\$ 77,907</b>	<b>\$ 20,445</b>	<b>\$ 830,731</b>	<b>\$ 118,148</b>	<b>\$ 17,082</b>
<b>LIABILITIES AND FUND BALANCES</b>									
<b>LIABILITIES</b>									
Cash overdraft	\$ -	\$ -	\$ 30,336	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,565
Accounts payable	4,443	-	-	-	99	-	27,639	-	-
Due to other governments	42,330	-	-	-	-	-	788	-	-
Deferred revenue	18,488	-	35,074	-	-	-	284,000	-	17,082
<b>TOTAL LIABILITIES</b>	<b>65,261</b>	<b>-</b>	<b>65,410</b>	<b>-</b>	<b>99</b>	<b>-</b>	<b>312,427</b>	<b>-</b>	<b>35,647</b>
<b>FUND BALANCES</b>									
Unreserved									
Designated for cap projects	100,453	100,000	-	1,246	77,808	20,445	518,305	118,148	-
Undesignated(deficit)	-	-	(30,336)	-	-	-	-	-	(18,565)
<b>TOTAL FUND BALANCES (DEFICITS)</b>	<b>100,453</b>	<b>100,000</b>	<b>(30,336)</b>	<b>1,246</b>	<b>77,808</b>	<b>20,445</b>	<b>518,305</b>	<b>118,148</b>	<b>(18,565)</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 165,714</b>	<b>\$ 100,000</b>	<b>\$ 35,074</b>	<b>\$ 1,246</b>	<b>\$ 77,907</b>	<b>\$ 20,445</b>	<b>\$ 830,731</b>	<b>\$ 118,148</b>	<b>\$ 17,082</b>

CITY OF MARSHFIELD, WISCONSIN  
 COMBINING BALANCE SHEET - ALL CAPITAL PROJECT FUNDS  
 DECEMBER 31, 2002  
 (WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2001)

T.I.D. #2	T.I.D. #4	T.I.D. #6	T.I.D. #5	T.I.D. #7	DAIRY RESEARCH/ EDUCATION CENTER	CITY HALL PLAZA REMODELING FUND	UW REMODELING AND CONSTRUCTION	TOTALS	
								2002	2001
\$ -	\$ -	\$ 76,713	\$ 405,828	\$ -	\$ -	\$ 154,488	\$ 221,136	\$ 1,848,414	\$ 2,762,509
-	-	-	-	-	-	-	-	8,954	24,562
-	-	-	-	-	-	-	-	-	-
108,950	90,974	8,140	70,289	-	-	35,000	15,000	682,997	1,040,676
-	-	-	-	-	-	-	-	12,500	-
<u>\$ 108,950</u>	<u>\$ 90,974</u>	<u>\$ 84,853</u>	<u>\$ 476,117</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 189,488</u>	<u>\$ 236,136</u>	<u>\$ 2,552,866</u>	<u>\$ 3,827,747</u>
\$ 2,582	\$ 2,092,734	\$ -	\$ -	\$ 317	\$ -	\$ -	\$ -	\$ 2,144,534	\$ 1,749,678
-	3,188	-	294	-	-	25,336	141,651	202,650	98,392
-	-	-	-	-	-	-	-	43,118	185,053
108,950	90,974	8,140	70,289	-	-	35,000	15,000	682,997	1,007,735
111,532	2,186,895	8,140	70,583	317	-	60,336	156,651	3,073,299	3,040,858
-	-	76,713	405,534	-	-	129,152	79,485	1,627,289	2,694,528
(2,582)	(2,095,922)	-	-	(317)	-	-	-	(2,147,722)	(1,907,639)
(2,582)	(2,095,922)	76,713	405,534	(317)	-	129,152	79,485	(520,433)	786,889
<u>\$ 108,950</u>	<u>\$ 90,974</u>	<u>\$ 84,853</u>	<u>\$ 476,117</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 189,488</u>	<u>\$ 236,136</u>	<u>\$ 2,552,866</u>	<u>\$ 3,827,747</u>

CITY OF MARSHFIELD, WISCONSIN  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - ALL CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2002  
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2001)

	STREET CONSTRUCTION	URBAN DEVELOPMENT	STORM SEWER CONSTRUCTION	FIRE PROTECTION OUTLAY	SANITARY SEWER CONSTRUCTION	AIRPORT OUTLAY	PARKS & REC CAP PROJ FUND	WATER MAIN CONSTRUCTION	T.I.D. #3
<b>REVENUES</b>									
Taxes	\$ 463,802	\$ -	\$ 49,500	\$ -	\$ -	\$ -	\$ 283,740	\$ -	\$ 8,760
Intergovernmental	55,836	-	-	-	-	-	179,377	-	26
Public charges for services	19,486	-	-	-	-	-	-	-	-
Miscellaneous	10,295	-	-	-	-	-	50,000	-	-
<b>TOTAL REVENUES</b>	<u>549,429</u>	<u>-</u>	<u>49,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>513,117</u>	<u>-</u>	<u>8,786</u>
<b>EXPENDITURES</b>									
Current:									
General government	-	-	-	-	-	-	-	-	-
Conservation and development	-	-	-	-	-	-	-	-	141
Capital outlay	2,034,555	-	412,722	-	-	-	901,188	31,504	-
Debt service	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	13,034	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>2,047,589</u>	<u>-</u>	<u>412,722</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>901,188</u>	<u>31,504</u>	<u>141</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,498,160)	-	(363,222)	-	-	-	(388,071)	(31,504)	8,645
<b>OTHER FINANCING SOURCES (USES)</b>									
Proceeds of general obligation debt	1,355,055	-	190,000	-	-	-	177,000	-	-
Operating transfers in	401,370	100,000	10,000	-	-	-	75,000	30,000	-
Operating transfers out	-	-	(175,000)	(43,000)	-	-	-	-	(16,608)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>1,756,425</u>	<u>100,000</u>	<u>25,000</u>	<u>(43,000)</u>	<u>-</u>	<u>-</u>	<u>252,000</u>	<u>30,000</u>	<u>(16,608)</u>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	258,265	100,000	(338,222)	(43,000)	-	-	(136,071)	(1,504)	(7,963)
<b>FUND BALANCE(DEFICIT) AT BEGINNING OF YEAR</b>	(157,812)	-	307,886	44,246	77,808	20,445	654,376	119,652	(10,602)
<b>FUND BALANCE(DEFICIT) AT END OF YEAR</b>	<u>\$ 100,453</u>	<u>\$ 100,000</u>	<u>\$ (30,336)</u>	<u>\$ 1,246</u>	<u>\$ 77,808</u>	<u>\$ 20,445</u>	<u>\$ 518,305</u>	<u>\$ 118,148</u>	<u>\$ (18,565)</u>

CITY OF MARSHFIELD, WISCONSIN  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - ALL CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2002  
 (WITH COMPARITIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2001)

T.I.D. #2	T.I.D. #4	T.I.D. #6	T.I.D. #5	T.I.D. #7	DAIRY RESEARCH/ EDUCATION CENTER	CITY HALL PLAZA REMODELING FUND	UW REMODELING AND CONSTRUCTION	TOTALS	
								2002	2001
\$ 82,346	\$ 25,750	\$ 12,289	\$ 67,549	\$ -	\$ -	\$ 14,000	\$ -	\$ 1,007,736	\$ 1,533,418
20	39,911	3,862	9,088	-	-	-	-	288,120	113,719
-	-	-	-	-	-	-	-	19,496	161,396
-	-	-	30,100	-	-	-	-	90,395	12,778
<u>82,366</u>	<u>65,661</u>	<u>16,151</u>	<u>106,737</u>	<u>-</u>	<u>-</u>	<u>14,000</u>	<u>-</u>	<u>1,405,747</u>	<u>1,821,311</u>
-	-	-	-	-	-	-	-	-	14,800
120	-	120	2,830	-	-	-	475,299	478,510	25,422
-	265,989	-	1,984,344	-	206,292	26,391	-	5,862,985	4,205,682
-	-	-	12,676	-	-	-	-	25,710	29,882
<u>120</u>	<u>265,989</u>	<u>120</u>	<u>1,999,850</u>	<u>-</u>	<u>206,292</u>	<u>26,391</u>	<u>475,299</u>	<u>6,367,205</u>	<u>4,275,786</u>
82,246	(200,328)	16,031	(1,893,113)	-	(206,292)	(12,391)	(475,299)	(4,961,458)	(2,454,475)
-	-	-	2,032,000	-	-	-	540,000	4,294,055	3,684,678
-	-	-	-	-	-	26,740	-	643,110	462,650
<u>(84,828)</u>	<u>(156,685)</u>	<u>(118,642)</u>	<u>(712,486)</u>	<u>-</u>	<u>30,720</u>	<u>(6,500)</u>	<u>-</u>	<u>(1,283,029)</u>	<u>(816,037)</u>
<u>(84,828)</u>	<u>(156,685)</u>	<u>(118,642)</u>	<u>1,319,514</u>	<u>-</u>	<u>30,720</u>	<u>20,240</u>	<u>540,000</u>	<u>3,654,136</u>	<u>3,331,291</u>
(2,582)	(357,013)	(102,611)	(573,599)	-	(175,572)	7,849	64,701	(1,307,322)	876,816
-	(1,738,909)	179,324	979,133	(317)	175,572	121,303	14,784	786,889	(89,926)
<u>\$ (2,582)</u>	<u>\$ (2,095,922)</u>	<u>\$ 76,713</u>	<u>\$ 405,534</u>	<u>\$ (317)</u>	<u>\$ -</u>	<u>\$ 129,152</u>	<u>\$ 79,485</u>	<u>\$ (520,433)</u>	<u>\$ 786,890</u>

CITY OF MARSHFIELD, WISCONSIN  
STREET CONSTRUCTION CAPITAL PROJECTS FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
<b>REVENUES</b>			
Taxes:			
General property	\$ 463,801	\$ 463,802	\$ 1
Intergovernmental:			
State grants	100,000	55,836	(44,164)
Public charges for services:			
Highway maintenance and construction fees	-	19,496	19,496
Intergovernmental charges for services:			
Other local transportation	65,000	-	(65,000)
Miscellaneous			
Interest	-	10,295	10,295
<b>TOTAL REVENUES</b>	<u>628,801</u>	<u>549,429</u>	<u>(79,372)</u>
<b>EXPENDITURES</b>			
Capital outlay:			
Public works	1,873,362	2,034,555	(161,193)
Debt Service:			
Interest and fiscal charges	12,439	13,034	(595)
<b>TOTAL EXPENDITURES</b>	<u>1,885,801</u>	<u>2,047,589</u>	<u>(161,788)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,257,000)	(1,498,160)	(241,160)
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds of general obligation debt	900,000	1,355,055	455,055
Operating transfers in	401,370	401,370	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>1,301,370</u>	<u>1,756,425</u>	<u>455,055</u>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	44,370	258,265	213,895
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	(157,811)	(157,812)	-
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ (113,441)</u>	<u>\$ 100,453</u>	<u>\$ 213,895</u>

CITY OF MARSHFIELD  
 URBAN DEVELOPMENT FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
OTHER FINANCING SOURCES (USES)			
Operating transfers in	100,000	100,000	-
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	100,000	100,000	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ -</b>

CITY OF MARSHFIELD, WISCONSIN  
 STORM SEWER CONSTRUCTION CAPITAL PROJECTS FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
<b>REVENUES</b>			
Taxes			
General property	\$ 49,500	\$ 49,500	\$ -
Intergovernmental charges for services:			
Other local transportation	61,000	-	(61,000)
<b>TOTAL REVENUES</b>	<u>110,500</u>	<u>49,500</u>	<u>(61,000)</u>
<b>EXPENDITURES</b>			
Capital Outlay:			
Public works	130,258	412,722	(282,464)
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(19,758)	(363,222)	(343,464)
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds of general obligation debt	190,000	190,000	-
Operating transfers in	10,000	10,000	-
Operating transfers out	(175,000)	(175,000)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER     (UNDER) EXPENDITURES AND OTHER USES</b>	5,242	(338,222)	(343,464)
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	307,886	307,886	-
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 313,128</u>	<u>\$ (30,336)</u>	<u>\$ (343,464)</u>

CITY OF MARSHFIELD, WISCONSIN  
 FIRE PROTECTION CAPITAL OUTLAY FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
OTHER FINANCING SOURCES (USES)			
Fund balance applied	\$ 43,000	\$ -	\$ (43,000)
Operating transfers out	(43,000)	(43,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(43,000)</u>	<u>(43,000)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	-	(43,000)	(43,000)
FUND BALANCE AT BEGINNING OF YEAR	<u>44,246</u>	<u>44,246</u>	<u>-</u>
<b>FUND BALANCE AT END OF YEAR</b>	<b><u>\$ 44,246</u></b>	<b><u>\$ 1,246</u></b>	<b><u>\$ (43,000)</u></b>

CITY OF MARSHFIELD, WISCONSIN  
 SANITARY SEWER CONSTRUCTION CAPITAL PROJECTS FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
FUND BALANCE AT BEGINNING OF YEAR	77,808	77,808	-
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 77,808</b>	<b>\$ 77,808</b>	<b>\$ -</b>

CITY OF MARSHFIELD, WISCONSIN  
 AIRPORT OUTLAY CAPITAL PROJECTS FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
EXPENDITURES			
Capital Outlay:			
Public works	\$ 10,000	\$ -	\$ 10,000
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(10,000)	-	10,000
OTHER FINANCING SOURCES (USES)			
Operating transfers in	10,000	-	(10,000)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	20,445	20,445	-
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 20,445</b>	<b>\$ 20,445</b>	<b>\$ -</b>

CITY OF MARSHFIELD, WISCONSIN  
 PARKS / RECREATION CAPITAL PROJECTS FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
<b>REVENUES</b>			
Taxes:			
General property	\$ 283,740	\$ 283,740	\$ -
Intergovernmental:			
State grants	610,600	179,377	(431,223)
Local grants	81,500	-	(81,500)
Miscellaneous:			
Donations	10,000	50,000	40,000
<b>TOTAL REVENUES</b>	<u>985,840</u>	<u>513,117</u>	<u>(472,723)</u>
<b>EXPENDITURES</b>			
Capital Outlay:			
Storm Sewer Construction	-	191,765	(191,765)
Parks Outlay	1,163,840	684,423	479,417
Other Culture & Recreation Outlay	25,000	25,000	-
<b>TOTAL EXPENDITURES</b>	<u>1,188,840</u>	<u>901,188</u>	<u>287,652</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(203,000)	(388,071)	(185,071)
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds of general obligation debt	177,000	177,000	-
Operating transfers in	75,000	75,000	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>252,000</u>	<u>252,000</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	49,000	(136,071)	(185,071)
FUND BALANCE AT BEGINNING OF YEAR	654,376	654,376	-
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 703,376</u>	<u>\$ 518,305</u>	<u>\$ (185,071)</u>

CITY OF MARSHFIELD, WISCONSIN  
WATER MAIN CONSTRUCTION CAPITAL PROJECTS FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
EXPENDITURES			
Capital Outlay:			
Public Works	\$ 30,000	\$ 31,504	\$ (1,504)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(30,000)	(31,504)	(1,504)
OTHER FINANCING SOURCES (USES)			
Operating transfers in	30,000	30,000	-
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	-	(1,504)	(1,504)
FUND BALANCE AT BEGINNING OF YEAR	119,652	119,652	-
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 119,652</b>	<b>\$ 118,148</b>	<b>\$ (1,504)</b>

CITY OF MARSHFIELD, WISCONSIN  
T.I.D. NO. 3 (TOWER HALL) CAPITAL PROJECT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECMEBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES			
Taxes:			
General property	\$ 22,985	\$ 8,760	\$ (14,225)
Intergovernmental:			
State shared taxes	55	26	(29)
TOTAL REVENUES	<u>23,040</u>	<u>8,786</u>	<u>(14,254)</u>
EXPENDITURES			
Current:			
Conservation and development			
Urban development	120	141	(21)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	22,920	8,645	(14,275)
OTHER FINANCING SOURCES (USES)			
Operating transfers out	(22,920)	(16,608)	(6,312)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	-	(7,963)	(7,963)
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR	(10,602)	(10,602)	-
FUND BALANCE (DEFICIT) AT END OF YEAR	<u>\$ (10,602)</u>	<u>\$ (18,565)</u>	<u>\$ 7,963</u>

CITY OF MARSHFIELD, WISCONSIN  
T.I.D. NO. 2 (PURDY SCHOOL) CAPITAL PROJECT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
<b>REVENUES</b>			
Taxes:			
General property	\$ 88,960	\$ 82,346	\$ (6,614)
Intergovernmental:			
Other state shared taxes	34	20	(14)
<b>TOTAL REVENUES</b>	<u>88,994</u>	<u>82,366</u>	<u>(6,628)</u>
<b>EXPENDITURES</b>			
Current:			
Conservation and development			
Urban development	120	120	113
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	88,874	82,246	(6,515)
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers out	(88,874)	(84,828)	4,046
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	-	(2,582)	(2,582)
<b>FUND BALANCE(DEFICIT) AT BEGINNING OF YEAR</b>	-	-	-
<b>FUND BALANCE(DEFICIT) AT END OF YEAR</b>	<u>\$ -</u>	<u>\$ (2,582)</u>	<u>\$ (2,582)</u>

CITY OF MARSHFIELD, WISCONSIN  
T.I.D. NO.4 (DOWNTOWN IMPROVEMENTS) CAPITAL PROJECTS FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
<b>REVENUES</b>			
Taxes:			
General property	\$ 20,818	\$ 25,750	4,932
Intergovernmental:			
Other state shared taxes	29,590	22,864	\$ (6,726)
Other state payments-Grants	-	17,047	
<b>TOTAL REVENUES</b>	<u>50,408</u>	<u>65,661</u>	<u>(1,794)</u>
<b>EXPENDITURES</b>			
Capital Outlay:			
Conservation and development	200	265,989	(265,789)
<b>TOTAL EXPENDITURES</b>	<u>200</u>	<u>265,989</u>	<u>(265,789)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	50,208	(200,328)	(267,583)
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers out	(50,209)	(156,685)	(106,476)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(50,209)</u>	<u>(156,685)</u>	<u>(106,476)</u>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	(1)	(357,013)	(357,012)
<b>FUND BALANCE(DEFICIT) AT BEGINNING OF YEAR</b>	<u>(1,738,909)</u>	<u>(1,738,909)</u>	<u>-</u>
<b>FUND BALANCE(DEFICIT) AT END OF YEAR</b>	<u>\$ (1,738,910)</u>	<u>\$ (2,095,922)</u>	<u>\$ (357,012)</u>

CITY OF MARSHFIELD, WISCONSIN  
T.I.D. NO. 6 (FIG)'S CAPITAL PROJECTS FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES			
Taxes			
General property	\$ 18,313	\$ 12,289	\$ (6,024)
Intergovernmental			
Other State shared revenue	5,344	3,862	(1,482)
TOTAL REVENUES	<u>23,657</u>	<u>16,151</u>	<u>(7,506)</u>
EXPENDITURES			
Current:			
Conservation and development			
Urban development	120	120	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	23,537	16,031	(7,506)
OTHER FINANCING SOURCES (USES)			
Operating transfers out	(23,537)	(118,642)	(95,105)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	-	(102,611)	(102,611)
FUND BALANCE AT BEGINNING OF YEAR	179,324	179,324	-
<b>FUND BALANCE AT END OF YEAR</b>	<b><u>\$ 179,324</u></b>	<b><u>\$ 76,713</u></b>	<b><u>\$ (102,611)</u></b>

CITY OF MARSHFIELD, WISCONSIN  
T.I.D. NO. 5 (MILL CREEK BUSINESS PARK) CAPITAL PROJECTS FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE: FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
<b>REVENUES</b>			
Taxes			
General property	\$ 67,102	\$ 67,549	\$ 447
Intergovernmental			
Other State shared revenues	-	9,088	9,088
Miscellaneous:			
Rent	400	100	(300)
Other Miscellaneous	-	30,000	30,000
<b>TOTAL REVENUES</b>	<u>67,502</u>	<u>106,737</u>	<u>39,235</u>
<b>EXPENDITURES</b>			
Current:			
Conservation and development			
Urban development	200	2,830	(2,630)
Capital Outlay:			
Economic development	2,031,994	1,984,344	
Debt Service			
Interest and fiscal charges	12,061	12,676	
<b>TOTAL EXPENDITURES</b>	<u>2,044,255</u>	<u>1,999,850</u>	<u>(2,630)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,976,753)	(1,893,113)	36,605
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds of general obligation debt	2,032,000	2,032,000	-
Operating transfers out	(71,760)	(712,486)	(640,726)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>1,960,240</u>	<u>1,319,514</u>	<u>(640,726)</u>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	(16,513)	(573,599)	(557,086)
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	<u>979,133</u>	<u>979,133</u>	<u>-</u>
<b>FUND BALANCE(DEFICIT) AT END OF YEAR</b>	<u>\$ 962,620</u>	<u>\$ 405,534</u>	<u>\$ (557,086)</u>

CITY OF MARSHFIELD  
TID #7 YELLOWSTONE DR  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
FOR THE YEAR ENDING DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
FUND BALANCE AT BEGINNING OF YEAR	(317)	(317)	-
FUND BALANCE (DEFICIT) AT END OF YEAR	\$ (317)	\$ (317)	\$ -

CITY OF MARSHFIELD, WISCONSIN  
 DAIRY RESEARCH/EDUCATION CENTER CAPITAL PROJECT FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
EXPENDITURES			
Capital Outlay:			
Economic development	-	206,292	206,292
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(206,292)	206,292
OTHER FINANCING SOURCES (USES)			
Operating transfers out	(65,000)	30,720	95,720
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(65,000)	(175,572)	(110,572)
FUND BALANCE AT BEGINNING OF YEAR	175,572	175,572	-
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 110,572</b>	<b>\$ -</b>	<b>\$ (110,572)</b>

CITY OF MARSHFIELD, WISCONSIN  
 CITY HALL REMODELING CAPITAL PROJECT FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES			
Taxes:			
General property	\$ 14,000	\$ 14,000	\$ -
EXPENDITURES			
Capital Outlay:			
General government	34,240	26,391	7,849
TOTAL EXPENDITURES	<u>34,240</u>	<u>26,391</u>	<u>7,849</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(20,240)	(12,391)	7,849
OTHER FINANCING SOURCES (USES)			
Operating transfers in	26,740	26,740	-
Operating transfers out	(6,500)	(6,500)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>20,240</u>	<u>20,240</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	-	7,849	7,849
FUND BALANCE AT BEGINNING OF YEAR	121,303	121,303	-
<b>FUND BALANCE AT END OF YEAR</b>	<u><u>\$ 121,303</u></u>	<u><u>\$ 129,152</u></u>	<u><u>\$ 7,849</u></u>

CITY OF MARSHFIELD, WISCONSIN  
 UW BUILDING/REMODELING CAPITAL PROJECTS FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES-BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2002

	2002		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
<b>EXPENDITURES</b>			
Current:			
Conservation and development			
Urban development	540,000	475,299	64,701
<b>TOTAL EXPENDITURES</b>	<u>540,000</u>	<u>475,299</u>	<u>64,701</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(540,000)	(475,299)	64,701
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds of general obligation debt	540,000	540,000	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>540,000</u>	<u>540,000</u>	<u>-</u>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER     (UNDER) EXPENDITURES AND OTHER USES</b>	-	64,701	64,701
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	14,784	14,784	-
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 14,784</u>	<u>\$ 79,485</u>	<u>\$ 64,701</u>

# ENTERPRISE FUNDS

- **Electric and Water Utility** – to account for the provisions of water services to the residents of the City and to account for the provisions of electric services to the residents of the City and surrounding communities. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing. The Utility also bills for the Wastewater Utility.
- **Wastewater Utility** – to account for the provisions of sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service.
- **Emergency Medical Services (Ambulance)** – to account for the provisions of EMS Service to the residents of the City and surrounding contracting communities starting in 2002. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service.
- **Storm Water Utility**– to account for the provisions of storm water services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service.

CITY OF MARSHFIELD, WISCONSIN  
 COMBINING BALANCE SHEET-ALL ENTERPRISE FUNDS  
 DECEMBER 31, 2002  
 (WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2001)

	ELECTRIC AND WATER UTILITY	WASTEWATER UTILITY	EMERGENCY MEDICAL SERVICE FUND	STORM WATER UTILITY	TOTALS	
					2002	2001
<b>ASSETS</b>						
<b>CURRENT ASSETS</b>						
Cash	\$ 2,050,103	\$ (924,552)	\$ 16,882	\$ -	\$ 1,142,433	\$ 1,910,784
Investments	-	-	-	-	-	-
Accounts receivable	1,784,368	72,264	108,184	-	1,964,816	1,691,367
Due from other governments	-	116	-	-	116	58
Due from other funds	79,808	711,555	-	-	791,363	729,101
Inventories	775,189	71,410	-	-	850,599	641,596
Prepaid expenses	21,041	97	49	-	21,187	21,772
<b>TOTAL CURRENT ASSETS</b>	<b>4,714,509</b>	<b>(69,110)</b>	<b>125,115</b>	<b>-</b>	<b>4,770,514</b>	<b>4,994,678</b>
<b>RESTRICTED ASSETS, CASH AND INVESTMENTS</b>						
Equipment replacement fund	-	3,515,858	-	-	3,515,858	3,515,858
Revenue bond special redemption fund	1,461,956	-	-	-	1,461,956	976,218
Revenue bond depreciation fund	150,000	-	-	-	150,000	150,000
Customer deposits	44,526	-	-	-	44,526	50,556
<b>TOTAL RESTRICTED ASSETS</b>	<b>1,656,482</b>	<b>3,515,858</b>	<b>-</b>	<b>-</b>	<b>5,172,340</b>	<b>4,692,632</b>
<b>PROPERTY, PLANT AND EQUIPMENT</b>						
Land	769,119	64,153	-	-	833,272	810,616
Buildings and improvements	10,174,396	39,797,133	63,701	-	50,035,230	31,674,321
Machinery and equipment	48,142,018	3,645,300	446,016	-	50,233,334	48,764,007
Construction in progress	1,668,754	-	-	-	1,668,754	24,522,799
	58,754,287	43,506,586	509,717	-	102,770,590	105,771,743
Less accumulated depreciation	16,463,805	5,876,048	388,282	-	22,717,915	26,388,743
<b>NET PROPERTY, PLANT AND EQUIPMENT</b>	<b>42,300,682</b>	<b>37,630,538</b>	<b>121,455</b>	<b>-</b>	<b>80,052,675</b>	<b>79,383,001</b>
<b>DEFERRED CHARGES</b>						
Unamortized debt issue costs	86,876	-	-	-	86,876	69,558
Other deferred charges	265,178	-	-	-	265,178	11,290
<b>TOTAL DEFERRED DEBITS</b>	<b>352,054</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>352,054</b>	<b>80,848</b>
<b>OTHER ASSETS</b>						
Long-Term investments	1,661,440	-	-	-	1,661,440	1,607,404
Prepaid railroad leases	540	-	-	-	540	1,182
<b>TOTAL OTHER ASSETS</b>	<b>1,661,980</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,661,980</b>	<b>1,608,586</b>
<b>TOTAL ASSETS</b>	<b>\$ 50,685,707</b>	<b>\$ 41,077,286</b>	<b>\$ 246,570</b>	<b>\$ -</b>	<b>\$ 92,009,563</b>	<b>\$ 90,759,745</b>
<b>LIABILITIES AND EQUITY</b>						
<b>LIABILITIES</b>						
<b>CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS</b>						
Cash overdraft	\$ -	\$ -	\$ -	\$ 3,718	\$ 3,718	\$ -
Accounts payable	1,496,466	46,275	10,133	-	1,552,874	1,548,401
Accrued revenue bond interest	11,109	-	-	-	11,109	13,762
Current portion of revenue bond debt	-	1,057,434	-	-	1,057,434	1,027,490
Due to other governments	-	-	60	-	60	-
Due to other funds	1,429,091	31,054	-	-	1,460,145	1,448,079
Deferred revenues	-	-	11,985	-	11,985	8,959
Other accrued expenses	855,104	29,508	18,096	-	902,708	349,175
<b>TOTAL CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS</b>	<b>3,791,770</b>	<b>1,184,271</b>	<b>40,274</b>	<b>3,718</b>	<b>5,000,033</b>	<b>4,395,866</b>
<b>CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS</b>						
Accrued interest	21,829	-	-	-	21,829	19,703
Current portion of revenue bonds	410,000	-	-	-	410,000	295,000
Deposits	44,526	-	-	-	44,526	50,556
<b>TOTAL CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS</b>	<b>476,355</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>476,355</b>	<b>365,259</b>
<b>LONG-TERM LIABILITIES</b>						
Mortgage revenue bonds (net of current portion)	5,155,000	19,633,664	-	-	24,788,664	24,866,334
<b>TOTAL LIABILITIES</b>	<b>9,423,125</b>	<b>20,797,935</b>	<b>40,274</b>	<b>3,718</b>	<b>30,265,052</b>	<b>29,727,459</b>
<b>FUND EQUITY</b>						
<b>Contributed capital</b>						
In aid of construction	4,084,897	984,207	-	-	5,069,104	7,123,647
Municipality	-	3,465,106	43,413	-	3,508,519	4,700,834
Advances for construction	1,953,234	-	-	-	1,953,234	1,901,723
<b>TOTAL CONTRIBUTED CAPITAL</b>	<b>6,038,131</b>	<b>4,449,313</b>	<b>43,413</b>	<b>-</b>	<b>10,530,857</b>	<b>13,728,204</b>
<b>Retained earnings</b>						
Reserved for mortgage revenue bonds	1,180,127	-	-	-	1,180,127	811,515
Reserved for equipment replacement	-	3,515,858	-	-	3,515,858	3,515,858
Unreserved	34,044,324	12,314,180	162,883	(3,718)	46,517,669	42,878,710
<b>TOTAL RETAINED EARNINGS</b>	<b>35,224,451</b>	<b>15,830,038</b>	<b>162,883</b>	<b>(3,718)</b>	<b>51,213,654</b>	<b>47,306,083</b>
<b>TOTAL FUND EQUITY</b>	<b>41,262,582</b>	<b>20,279,351</b>	<b>206,296</b>	<b>(3,718)</b>	<b>61,744,511</b>	<b>61,032,287</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 50,685,707</b>	<b>\$ 41,077,286</b>	<b>\$ 246,570</b>	<b>\$ -</b>	<b>\$ 92,009,563</b>	<b>\$ 90,759,745</b>

CITY OF MARSHFIELD, WISCONSIN  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND  
 CHANGES IN RETAINED EARNINGS-ALL ENTERPRISE FUNDS  
 YEAR ENDED DECEMBER 31, 2002  
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2001)

	ELECTRIC AND WATER UTILITY		WASTEWATER UTILITY		EMERGENCY MEDICAL SERVICES		STORM WATER UTILITY		TOTALS	
	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001
<b>OPERATING REVENUES</b>										
Charges for services	\$ 19,127,500	\$ 19,127,500	\$ 3,815,718	\$ 3,815,718	\$ 760,245	\$ 760,245	\$ -	\$ -	\$ 23,703,463	\$ 23,078,689
Interest	-	-	-	-	17	17	-	-	17	17
<b>TOTAL OPERATING REVENUES</b>	<b>19,127,500</b>	<b>19,127,500</b>	<b>3,815,718</b>	<b>3,815,718</b>	<b>760,262</b>	<b>760,262</b>	<b>-</b>	<b>-</b>	<b>23,703,480</b>	<b>23,078,689</b>
<b>OPERATING EXPENSES</b>										
Operations	11,796,765	11,796,765	598,782	598,782	593,075	593,075	-	-	12,988,622	12,908,375
Maintenance	1,003,163	1,003,163	520,645	520,645	-	-	-	-	1,523,808	1,326,915
General	1,612,227	1,612,227	388,762	388,762	-	-	3,718	3,718	2,004,707	1,867,669
Depreciation	1,682,033	1,682,033	961,100	961,100	11,683	11,683	-	-	2,654,816	2,817,805
Taxes	977,780	977,780	-	-	-	-	-	-	977,780	995,895
<b>TOTAL OPERATING EXPENSES</b>	<b>17,071,968</b>	<b>17,071,968</b>	<b>2,469,289</b>	<b>2,469,289</b>	<b>604,758</b>	<b>604,758</b>	<b>3,718</b>	<b>3,718</b>	<b>20,149,733</b>	<b>19,916,659</b>
<b>OPERATING INCOME (LOSS)</b>	<b>2,055,532</b>	<b>2,055,532</b>	<b>1,346,429</b>	<b>1,346,429</b>	<b>155,504</b>	<b>155,504</b>	<b>(3,718)</b>	<b>(3,718)</b>	<b>3,553,747</b>	<b>3,162,030</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>										
Interest income	329,490	329,490	77,538	77,538	-	-	-	-	407,028	488,580
Interest and fiscal charges	(259,571)	(259,571)	(581,784)	(581,784)	-	-	-	-	(841,355)	(904,176)
Amortization of debt issue costs	(10,917)	(10,917)	-	-	-	-	-	-	(10,917)	(19,245)
Loss on disposal of fixed assets	-	-	(1,235,011)	(1,235,011)	-	-	-	-	(1,235,011)	(69,748)
Miscellaneous	-	-	109	109	-	-	-	-	109	748
Contributions from customers	592,377	592,377	185,409	185,409	-	-	-	-	777,786	494,904
Contributions from municipality	-	-	-	-	-	-	-	-	-	-
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>651,379</b>	<b>651,379</b>	<b>(1,553,739)</b>	<b>(1,553,739)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(902,360)</b>	<b>(8,937)</b>
<b>INCOME BEFORE OPERATING TRANSFERS</b>	<b>2,706,911</b>	<b>2,706,911</b>	<b>(207,310)</b>	<b>(207,310)</b>	<b>155,504</b>	<b>155,504</b>	<b>(3,718)</b>	<b>(3,718)</b>	<b>2,651,387</b>	<b>3,153,092</b>
<b>OPERATING TRANSFERS IN (OUT)</b>										
General fund	(538,522)	(538,522)	(475,000)	(475,000)	7,379	7,379	-	-	(1,006,143)	(404,202)
<b>NET INCOME</b>	<b>2,168,389</b>	<b>2,168,389</b>	<b>(682,310)</b>	<b>(682,310)</b>	<b>162,883</b>	<b>162,883</b>	<b>(3,718)</b>	<b>(3,718)</b>	<b>1,645,244</b>	<b>2,748,890</b>
Add depreciation of fixed assets acquired by grants, externally restricted for capital acquisitions and construction that reduces contributed capital	-	-	2,262,326	2,262,326	-	-	-	-	2,262,326	385,142
<b>INCREASE IN RETAINED EARNINGS/FUND BALANCE</b>	<b>2,168,389</b>	<b>2,168,389</b>	<b>1,580,016</b>	<b>1,580,016</b>	<b>162,883</b>	<b>162,883</b>	<b>(3,718)</b>	<b>(3,718)</b>	<b>3,907,570</b>	<b>3,134,032</b>
<b>RETAINED EARNINGS AT BEGINNING OF YEAR</b>	<b>33,056,062</b>	<b>33,056,062</b>	<b>14,250,022</b>	<b>14,250,022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47,306,084</b>	<b>44,172,051</b>
<b>RETAINED EARNINGS AT END OF YEAR</b>	<b>\$ 35,224,451</b>	<b>\$ 35,224,451</b>	<b>\$ 15,830,038</b>	<b>\$ 15,830,038</b>	<b>\$ 162,883</b>	<b>\$ 162,883</b>	<b>\$ (3,718)</b>	<b>\$ (3,718)</b>	<b>\$ 51,213,654</b>	<b>\$ 47,306,083</b>

CITY OF MARSHFIELD, WISCONSIN  
 COMBINING STATEMENT OF CASH FLOWS  
 INDIRECT METHOD-ALL ENTERPRISE FUNDS  
 YEAR ENDED DECEMBER 31, 2002  
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2001)

	ELECTRIC AND WATER UTILITY	WASTEWATER UTILITY	EMERGENCY MEDICAL SERVICES	STORM WATER UTILITY	TOTALS	
					2002	2001
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>						
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Net operating income	\$ 2,055,532	\$ 1,346,429	\$ 155,504	\$ (3,718)	\$ 3,553,747	\$ 3,157,250
Adjustments to reconcile net operating income to net cash provided by operating activities						
Depreciation charged to depreciation expense	1,682,033	961,100	11,683	-	2,654,816	2,665,447
Depreciation charged to clearing account	48,446	-	-	-	48,446	196,115
Amortization of deferred assets	206,445	-	-	-	206,445	208,685
Miscellaneous receipts	-	-	-	-	-	-
Charges for public benefits program	203,609	-	-	-	203,609	196,819
Changes in assets and liabilities						
(increase) decrease in current assets						
Accounts receivable	(100,429)	(49,361)	(108,184)	-	(257,974)	30,546
Due from other governments	-	(58)	-	-	(58)	28,792
Due from other funds	(13,734)	(48,528)	-	-	(62,262)	(111,270)
Inventories	(208,851)	(152)	-	-	(209,003)	(35,602)
Prepaid expenses	731	(97)	(49)	-	585	670
Increase (decrease) in current liabilities						
Accounts payable	17,559	(24,437)	10,133	-	3,255	7,357
Contract Deposits	-	-	11,985	-	11,985	-
Due to other governments	-	-	60	-	60	-
Due to other funds	12,666	(600)	(8,959)	-	3,107	122,816
Other accrued expenses	32,061	7,299	18,066	-	57,456	5,624
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>3,936,068</b>	<b>2,191,595</b>	<b>90,269</b>	<b>(3,718)</b>	<b>6,214,214</b>	<b>6,473,249</b>
<b>CASH FLOWS FOR NONCAPITAL FINANCING ACTIVITIES</b>						
Operating transfer in (out)	(538,522)	-	7,379	-	(531,143)	(404,202)
<b>FINANCING ACTIVITIES</b>	<b>(538,522)</b>	<b>-</b>	<b>7,379</b>	<b>-</b>	<b>(531,143)</b>	<b>(404,202)</b>
<b>CASH FLOWS FOR CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Proceeds from long-term debt	-	249,764	-	-	249,764	(250,811)
Acquisition and construction of fixed assets	(2,735,450)	(1,009,448)	(89,725)	-	(3,834,623)	(5,786,043)
Cost of retiring fixed assets	(116,948)	(1,710,011)	-	-	(1,826,959)	(184,990)
Payments for improvement of capital assets	(169,299)	-	-	-	(169,299)	(194,144)
Principal payments-mortgage revenue bonds	-	(1,027,490)	-	-	(1,027,490)	(141,805)
Principal payments- long-term debt	(415,000)	-	-	-	(415,000)	(1,080,000)
Interest paid	(258,498)	(581,784)	-	-	(840,282)	(900,748)
Proceeds from sale of fixed assets	107,322	-	-	-	107,322	149,039
Contributed capital	592,377	(289,591)	-	-	302,786	499,684
<b>NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(1,863,731)</b>	<b>(4,368,560)</b>	<b>(89,725)</b>	<b>-</b>	<b>(6,322,016)</b>	<b>(7,889,818)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Purchase of Investments	-	-	-	-	-	(1,562,943)
Interest received	286,116	66,499	-	-	352,615	417,023
<b>NET CASH (USED FOR) PROVIDED BY INVESTING ACTIVITIES</b>	<b>286,116</b>	<b>66,499</b>	<b>-</b>	<b>-</b>	<b>352,615</b>	<b>(1,165,920)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1,819,931</b>	<b>(2,110,466)</b>	<b>7,923</b>	<b>(3,718)</b>	<b>(286,330)</b>	<b>(2,986,691)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR (including restricted cash)</b>	<b>1,842,128</b>	<b>4,701,773</b>	<b>8,959</b>	<b>-</b>	<b>6,552,860</b>	<b>9,530,592</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR (including restricted cash)</b>	<b>\$ 3,662,059</b>	<b>\$ 2,591,307</b>	<b>\$ 16,882</b>	<b>\$ (3,718)</b>	<b>\$ 6,266,530</b>	<b>\$ 6,543,901</b>
Cash and cash equivalents on December 31 are reconciled from the balance sheet as follows:						
Cash	\$ 2,050,103	\$ (924,551)	\$ 16,882	\$ (3,718)	\$ 1,138,716	\$ 4,618,174
Restricted cash and investments	1,656,482	3,515,858	-	-	5,172,340	4,912,418
	<b>\$ 3,706,585</b>	<b>\$ 2,591,307</b>	<b>\$ 16,882</b>	<b>\$ (3,718)</b>	<b>\$ 6,311,056</b>	<b>\$ 9,530,592</b>
Other cash and investments	(44,526)	-	-	-	(44,526)	63,064
<b>Total cash and investments</b>	<b>\$ 3,662,059</b>	<b>\$ 2,591,307</b>	<b>\$ 16,882</b>	<b>\$ (3,718)</b>	<b>\$ 6,266,530</b>	<b>\$ 9,593,656</b>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>						
Contributions of fixed assets from others	\$ 494,904	\$ -	\$ 43,414	\$ -	\$ 538,318	\$ 29,241
Contributions of fixed assets from government	-	-	-	-	-	152,953
	<b>\$ 494,904</b>	<b>\$ -</b>	<b>\$ 43,414</b>	<b>\$ -</b>	<b>\$ 538,318</b>	<b>\$ 182,194</b>

CITY OF MARSHFIELD, WISCONSIN  
COMPARATIVE BALANCE SHEETS-ELECTRIC AND WATER ENTERPRISE FUND  
DECEMBER 31, 2002 AND 2001

<u>ASSETS</u>	<u>2002</u>	<u>2001</u>
<b>CURRENT ASSETS</b>		
Cash	\$ 2,050,103	\$ 715,910
Accounts receivable	1,784,368	1,668,464
Due from other funds	79,808	66,074
Inventories	779,189	570,338
Prepaid expenses	21,041	21,772
TOTAL CURRENT ASSETS	4,714,509	3,042,558
<b>RESTRICTED ASSETS, CASH AND INVESTMENTS</b>		
Revenue bond special redemption fund	1,461,956	976,218
Revenue bond depreciation fund	150,000	150,000
Customer deposits	44,526	50,556
TOTAL RESTRICTED ASSETS	1,656,482	1,176,774
<b>PROPERTY, PLANT AND EQUIPMENT</b>		
Land	769,119	769,119
Buildings and improvements	10,174,396	9,803,220
Machinery and equipment	46,142,018	44,469,473
Construction in progress	1,668,754	1,340,441
	58,754,287	56,382,253
Less accumulated depreciation	16,453,605	15,331,019
NET PROPERTY, PLANT AND EQUIPMENT	42,300,682	41,051,234
<b>DEFERRED CHARGES</b>		
Unamortized debt issue costs	86,876	69,558
Other deferred charges	265,178	458,080
TOTAL DEFERRED DEBITS	352,054	527,638
<b>OTHER ASSETS</b>		
Long-term investments	1,661,440	1,607,404
Prepaid railroad leases	540	1,182
TOTAL OTHER ASSETS	1,661,980	1,608,586
TOTAL ASSETS	\$ 50,685,707	\$ 47,406,790
 <b><u>LIABILITIES AND EQUITY</u></b>		
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS</b>		
Accounts payable	\$ 1,496,466	\$ 1,477,689
Accrued mortgage revenue debt interest	11,109	13,762
Due to other funds	1,429,091	1,416,425
Accrued salaries, wages and compensated absences	360,462	326,966
Other accrued liabilities	494,642	446,790
TOTAL CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS	3,791,770	3,681,632
<b>CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS</b>		
Accrued interest	21,829	19,703
Current portion of revenue bonds	410,000	295,000
Deposits	44,526	50,556
TOTAL CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS	476,355	365,259
<b>LONG-TERM LIABILITIES</b>		
Revenue bonds (net of current portion)	5,155,000	4,525,000
TOTAL LIABILITIES	9,423,125	8,571,891
<b>FUND EQUITY</b>		
<b>Contributed capital</b>		
In aid of construction	4,084,897	3,877,114
Advances for construction	1,953,234	1,901,723
TOTAL CONTRIBUTED CAPITAL	6,038,131	5,778,837
<b>Retained earnings</b>		
Reserved for mortgage revenue bonds	1,180,127	811,515
Unreserved	34,044,324	32,244,547
TOTAL RETAINED EARNINGS	35,224,451	33,056,062
TOTAL FUND EQUITY	41,262,582	38,834,899
TOTAL LIABILITIES AND FUND EQUITY	\$ 50,685,707	\$ 47,406,790

CITY OF MARSHFIELD, WISCONSIN  
 COMPARATIVE STATEMENTS OF REVENUES, EXPENSES  
 AND CHANGES IN RETAINED EARNINGS  
 ELECTRIC AND WATER ENTERPRISE FUND  
 YEARS ENDED DECEMBER 31, 2002 AND 2001

	2002	2001
OPERATING REVENUES		
Charges for services	\$ 19,127,500	\$ 19,470,980
TOTAL OPERATING REVENUES	19,127,500	19,470,980
OPERATING EXPENSES		
Operations	11,796,765	12,281,491
Maintenance	1,003,163	810,666
General	1,612,227	1,490,777
Depreciation	1,682,033	1,692,357
Taxes	977,780	995,895
TOTAL OPERATING EXPENSES	17,071,968	17,271,186
OPERATING INCOME (LOSS)	2,055,532	2,199,794
NONOPERATING REVENUES (EXPENSES)		
Interest income	329,490	283,720
Interest and fiscal charges	(259,571)	(310,179)
Amortization of debt issue costs	(10,917)	(19,245)
Contributions from customers	592,377	494,904
TOTAL NONOPERATING REVENUES (EXPENSES)	651,379	449,200
INCOME BEFORE OPERATING TRANSFERS	2,706,911	2,648,994
OPERATING TRANSFERS IN (OUT)		
General fund	(538,522)	(404,202)
NET INCOME	2,168,389	2,244,792
RETAINED EARNINGS AT BEGINNING OF YEAR	33,056,062	30,811,270
RETAINED EARNINGS AT END OF YEAR	\$ 35,224,451	\$ 33,056,062

CITY OF MARSHFIELD, WISCONSIN  
COMPARATIVE STATEMENTS OF CASH FLOWS  
ELECTRIC AND WATER ENTERPRISE FUND  
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

<u>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u>	<u>2002</u>	<u>2001</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net operating income	\$ 2,055,532	\$ 2,199,794
Adjustments to reconcile net operating income to net cash provided by operating activities		
Depreciation charged to depreciation expense	1,529,675	1,539,999
Depreciation charged to clearing account	200,804	196,115
Amortization of deferred assets	206,445	208,685
Charges for public benefits program	203,609	196,819
Changes in assets and liabilities		
(Increase) decrease in current assets		
Accounts receivable	(100,429)	62,725
Due from other governments		
Due from other funds	(13,734)	25,442
Inventories	(208,851)	(39,867)
Prepaid expenses	731	670
Increase (decrease) in current liabilities		
Accounts payable	17,559	37,358
Due to other governments		
Due to other funds	12,666	120,420
Other accrued expenses	32,061	8,608
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>3,936,068</u>	<u>4,556,778</u>
<b>CASH FLOWS FOR NONCAPITAL FINANCING ACTIVITIES</b>		
Operating transfer in (out)	<u>(538,522)</u>	<u>(404,202)</u>
<b>CASH FLOWS FOR CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition and construction of fixed assets	(2,735,450)	(3,677,543)
Cost of retiring fixed assets	(116,948)	(114,242)
Payments for improvement of capital assets	(169,299)	(194,144)
Principal payments- long-term debt	(415,000)	(1,080,000)
Interest paid	(258,498)	(306,751)
Proceeds from sale of fixed assets	107,322	149,039
Proceeds from revenue bonds	1,131,765	-
Contributed capital (Net)	592,377	494,904
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(1,863,731)</u>	<u>(4,728,737)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Investments	-	(1,582,943)
Interest received	286,116	212,163
NET CASH (USED FOR) PROVIDED BY INVESTING ACTIVITIES	<u>286,116</u>	<u>(1,370,780)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,819,931	(1,946,941)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR (Including restricted cash)	<u>1,842,128</u>	<u>3,789,069</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR (Including restricted cash)</b>	<b><u>\$ 3,662,059</u></b>	<b><u>\$ 1,842,128</u></b>
Cash and cash equivalents on December 31 are reconciled from the balance sheet as follows:		
Cash	\$ 2,050,103	\$ 715,910
Restricted cash and investments	1,611,956	1,126,218
	<u>\$ 3,662,059</u>	<u>\$ 1,842,128</u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>		
Dividends reinstated in investments	\$ 54,036	\$ 24,461
Contributions of fixed assets from government	259,294	19,666
	<u>\$ 313,330</u>	<u>\$ 44,127</u>

CITY OF MARSHFIELD, WISCONSIN  
COMPARATIVE BALANCE SHEETS-  
WASTEWATER ENTERPRISE FUND  
DECEMBER 31, 2002 AND 2001

	2002	2001
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ (924,552)	\$ 1,185,915
Accounts receivable	72,264	22,903
Due from other governments	116	58
Due from other funds	711,555	663,027
Inventories	71,410	71,258
Prepaid expenses	97	-
TOTAL CURRENT ASSETS	(69,110)	1,943,161
<b>RESTRICTED ASSETS, CASH AND INVESTMENTS</b>		
Equipment replacement fund	3,515,858	3,515,858
<b>PROPERTY, PLANT AND EQUIPMENT</b>		
Land	64,153	41,497
Buildings and improvements	39,797,133	21,871,101
Machinery and equipment	3,645,300	4,294,534
Construction in progress	-	23,182,358
	43,506,586	49,389,491
Less accumulated depreciation	5,876,048	11,057,724
<b>NET PROPERTY, PLANT AND EQUIPMENT</b>	37,630,538	38,331,767
<b>TOTAL ASSETS</b>	\$ 41,077,286	\$ 43,790,786
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS</b>		
Accounts payable	\$ 46,275	\$ 70,712
Current portion of revenue debt	1,057,434	1,027,490
Due to other funds	31,054	31,654
Other accrued expenses	29,508	22,209
TOTAL CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS	1,164,271	1,152,064
<b>LONG-TERM LIABILITIES</b>		
Mortgage revenue bonds (net of current portion)	19,633,664	20,441,334
TOTAL LONG-TERM LIABILITIES	19,633,664	20,441,334
<b>TOTAL LIABILITIES</b>	20,797,935	21,593,398
<b>FUND EQUITY</b>		
Contributed capital		
In aid of construction	984,207	3,246,533
Municipality	3,465,106	4,700,834
TOTAL CONTRIBUTED CAPITAL	4,449,313	7,947,367
Retained earnings		
Reserved for equipment replacement	3,515,858	3,515,858
Unreserved	12,314,180	10,734,163
TOTAL RETAINED EARNINGS	15,830,038	14,250,022
<b>TOTAL FUND EQUITY</b>	20,279,351	22,197,388
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	\$ 41,077,286	\$ 43,790,786

CITY OF MARSHFIELD, WISCONSIN  
 COMPARATIVE STATEMENTS OF REVENUES, EXPENSES  
 AND CHANGES IN RETAINED EARNINGS  
 WASTEWATER ENTERPRISE FUND  
 YEARS ENDED DECEMBER 31, 2002 AND 2001

	2002	2001
<b>OPERATING REVENUES</b>		
Charges for services	\$ 3,815,718	\$ 3,607,709
<b>TOTAL OPERATING REVENUES</b>	<b>3,815,718</b>	<b>3,607,709</b>
<b>OPERATING EXPENSES</b>		
Operations	598,782	626,884
Maintenance	520,645	516,249
General	388,762	376,892
Depreciation	961,100	1,125,448
<b>TOTAL OPERATING EXPENSES</b>	<b>2,469,289</b>	<b>2,645,473</b>
<b>OPERATING INCOME (LOSS)</b>	<b>1,346,429</b>	<b>962,236</b>
<b>NONOPERATING REVENUES</b>		
Interest income	77,538	204,860
Interest and fiscal charges	(581,784)	(593,997)
Gain(Loss) on disposal of fixed assets	(1,235,011)	(69,748)
Miscellaneous	109	748
Contributed Capital	185,409	-
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>(1,553,739)</b>	<b>(458,137)</b>
<b>INCOME BEFORE OPERATING TRANSFERS</b>	<b>(207,310)</b>	<b>504,099</b>
<b>OPERATING TRANSFERS IN (OUT)</b>		
General fund	(475,000)	-
<b>NET INCOME</b>	<b>(682,310)</b>	<b>504,099</b>
Add depreciation of fixed assets acquired by grants, externally restricted for capital acquisitions and construction that reduces contributed capital	2,262,326	385,142
<b>INCREASE IN RETAINED EARNINGS/FUND BALANCE</b>	<b>1,580,016</b>	<b>889,241</b>
<b>RETAINED EARNINGS AT BEGINNING OF YEAR</b>	<b>14,250,022</b>	<b>13,360,781</b>
<b>RETAINED EARNINGS AT END OF YEAR</b>	<b>\$ 15,830,038</b>	<b>\$ 14,250,022</b>

CITY OF MARSHFIELD, WISCONSIN  
 COMPARATIVE STATEMENTS OF CASH FLOWS  
 WASTEWATER ENTERPRISE FUND  
 FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

<u>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u>	<u>2002</u>	<u>2001</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net operating income	\$ 1,346,429	\$ 957,456
Adjustments to reconcile net operating income to net cash provided by operating activities		
Depreciation	961,100	1,125,448
Changes in assets and liabilities		
(increase) decrease in current assets		
Accounts receivable	(49,361)	(32,179)
Due from other governments	(58)	28,792
Due from other funds	(48,528)	(136,712)
Inventories	(152)	4,255
Prepaid expenses	(97)	-
Increase (decrease) in current liabilities		
Accounts payable	(24,437)	(30,001)
Due to other funds	(600)	2,396
Other accrued expenses	7,299	(2,984)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>2,191,595</u>	<u>1,916,471</u>
<b>CASH FLOWS FOR CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Proceeds from long-term debt	249,764	(250,811)
Cost of retiring fixed assets	(1,710,011)	(70,748)
Principal payments-mortgage revenue bonds	(1,027,490)	(141,805)
Interest paid	(581,784)	(593,997)
Acquisition and construction of fixed assets	(1,009,448)	(2,108,500)
Contributed capital	(289,591)	4,780
<b>NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<u>(4,368,560)</u>	<u>(3,161,081)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	66,499	204,860
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u>(2,110,466)</u>	<u>(1,039,750)</u>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		
(Including restricted cash)	<u>4,701,773</u>	<u>5,741,523</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		
(Including restricted cash)	<u>\$ 2,591,307</u>	<u>\$ 4,701,773</u>
 Cash and cash equivalents on December 31 are reconciled from the balance sheet as follows:		
Cash	\$ (924,551)	\$ 1,185,915
Restricted cash and investments	3,515,858	3,515,858
	<u>\$ 2,591,307</u>	<u>\$ 4,701,773</u>

**NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES**

Contributions of fixed assets from others	\$ -	\$ 4,780
Contributions of fixed assets from government	-	133,287
	<u>\$ -</u>	<u>\$ 138,067</u>

CITY OF MARSHFIELD, WISCONSIN  
 COMPARATIVE BALANCE SHEETS-  
 EMERGENCY MEDICAL SERVICE FUND  
 DECEMBER 31, 2002 AND 2001

	2002	2001
<b>ASSETS</b>		
CURRENT ASSETS		
Cash	\$ 16,882	\$ 8,959
Accounts receivable	108,184	-
Prepaid expenses	49	-
TOTAL CURRENT ASSETS	125,115	8,959
PROPERTY, PLANT AND EQUIPMENT		
Buildings and improvements	63,701	-
Machinery and equipment	446,016	-
	509,717	-
Less accumulated depreciation	388,262	-
NET PROPERTY, PLANT AND EQUIPMENT	121,455	-
<b>TOTAL ASSETS</b>	<b>\$ 246,570</b>	<b>\$ 8,959</b>
<b>LIABILITIES AND EQUITY</b>		
LIABILITIES		
CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS		
Accounts payable	\$ 10,133	\$ -
Ambulance Contracts Deposits	11,985	-
Due to other governments	60	-
Deferred revenues	-	8,959
Other accrued expenses	18,096	-
TOTAL CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS	40,274	8,959
FUND EQUITY		
Contributed capital		
Municipality	43,413	-
Retained earnings		
Unreserved	162,883	-
TOTAL FUND EQUITY	206,296	-
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 246,570</b>	<b>\$ 8,959</b>

CITY OF MARSHFIELD, WISCONSIN  
 COMPARATIVE STATEMENTS OF REVENUES, EXPENSES  
 AND CHANGES IN RETAINED EARNINGS  
 EMERGENCY MEDICAL SERVICES FUND  
 YEARS ENDED DECEMBER 31, 2002 AND 2001

	2002	2001
<b>OPERATING REVENUES</b>		
Charges for services	\$ 760,245	\$ -
Interest	17	-
<b>TOTAL OPERATING REVENUES</b>	<b>760,262</b>	<b>-</b>
<b>OPERATING EXPENSES</b>		
Operations	593,075	-
Depreciation	11,683	-
<b>TOTAL OPERATING EXPENSES</b>	<b>604,758</b>	<b>-</b>
OPERATING INCOME (LOSS)	155,504	-
INCOME BEFORE OPERATING TRANSFERS	155,504	-
<b>OPERATING TRANSFERS IN (OUT)</b>		
General fund	7,379	-
NET INCOME	162,883	-
INCREASE IN RETAINED EARNINGS/FUND BALANCE	162,883	-
<b>RETAINED EARNINGS AT END OF YEAR</b>	<b>\$ 162,883</b>	<b>\$ -</b>

CITY OF MARSHFIELD, WISCONSIN  
 COMPARATIVE STATEMENTS OF CASH FLOWS  
 EMERGENCY MEDICAL SERVICES FUND  
 FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

<u>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u>	2002	2001
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net operating income	\$ 155,504	\$ -
Adjustments to reconcile net operating income to net cash provided by operating activities		
Depreciation	11,683	-
Changes in assets and liabilities		
(Increase) decrease in current assets		
Accounts receivable	(108,184)	-
Prepaid expenses	(49)	-
Increase (decrease) in current liabilities		
Accounts payable	10,133	-
Ambulance Contract Deposits	11,985	-
Due to other governments	60	-
Deferred revenue	(8,959)	-
Other accrued expenses	18,096	-
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>90,269</b>	<b>-</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Operating transfer in (out)	7,379	-
<b>NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES</b>	<b>7,379</b>	<b>-</b>
<b>CASH FLOWS FOR CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition and construction of fixed assets	(89,725)	-
<b>NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(89,725)</b>	<b>-</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>7,923</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>8,959</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 16,882</b>	<b>\$ -</b>

CITY OF MARSHFIELD, WISCONSIN  
 COMPARATIVE BALANCE SHEETS-  
 STORM WATER UTILITY FUND  
 DECEMBER 31, 2002 AND 2001

	2002	2001
<b><u>ASSETS</u></b>		
<b>TOTAL ASSETS</b>	\$ -	\$ -
<b><u>LIABILITIES AND EQUITY</u></b>		
LIABILITIES		
CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS		
Cash overdraft	\$ 3,718	\$ -
TOTAL LIABILITIES	3,718	-
FUND EQUITY		
Retained earnings		
Unreserved	(3,718)	-
TOTAL FUND EQUITY	(3,718)	-
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	\$ -	\$ -

CITY OF MARSHFIELD, WISCONSIN  
 COMPARATIVE STATEMENTS OF REVENUES, EXPENSES  
 AND CHANGES IN RETAINED EARNING  
 STORM WATER UTILITY FUND  
 YEARS ENDED DECEMBER 31, 2002 AND 2001

	2002	2001
OPERATING EXPENSES		
General	\$ 3,718	\$ -
OPERATING INCOME (LOSS)	(3,718)	-
NET INCOME	(3,718)	-
INCREASE IN RETAINED EARNINGS/FUND BALANCE	(3,718)	-
<b>RETAINED EARNINGS AT END OF YEAR</b>	<b>\$ (3,718)</b>	<b>\$ -</b>

CITY OF MARSHFIELD, WISCONSIN  
 COMPARATIVE STATEMENTS OF CASH FLOWS  
 STORM WATER UTILITY FUND  
 FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

<u>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u>	<u>2002</u>	<u>2001</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net operating income	<u>\$ (3,718)</u>	<u>\$ -</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>(3,718)</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(3,718)	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u><b>\$ (3,718)</b></u>	<u><b>\$ -</b></u>

# INTERNAL SERVICE FUND

- **Vehicle and Equipment** – to account for operations and maintenance of the central garage facility including the funding for and replacement of all fleet equipment. Such costs are billed to other departments at actual cost plus an overhead factor.

CITY OF MARSHFIELD, WISCONSIN  
 COMPARATIVE BALANCE SHEETS-  
 VEHICLE/EQUIPMENT INTERNAL SERVICE FUND  
 DECEMBER 31, 2002 AND 2001

	2002	2001
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 528,067	\$ 568,032
Accounts receivable	56	18
Due from other governments	1,553	1,282
Due from other funds	3,960	3,004
Inventories	142,331	165,007
Prepaid expenses	-	1,300
TOTAL CURRENT ASSETS	675,967	738,643
<b>PROPERTY, PLANT AND EQUIPMENT</b>		
Land	20,728	20,728
Buildings and improvements	1,192,970	887,443
Machinery and equipment	5,012,924	4,774,945
	6,226,622	5,683,116
Less accumulated depreciation	3,261,503	2,872,571
NET PROPERTY, PLANT AND EQUIPMENT	2,965,119	2,810,545
<b>TOTAL ASSETS</b>	<b>\$ 3,641,086</b>	<b>\$ 3,549,188</b>
 <b><u>LIABILITIES AND EQUITY</u></b>		
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 55,845	\$ 45,585
Current portion of general obligation notes	135,101	104,964
Due to other funds	1,237	1,021
Other accrued expenses	9,668	11,978
TOTAL CURRENT LIABILITIES	201,851	163,548
<b>LONG TERM LIABILITIES</b>		
General Obligation notes payable (net of current portion)	1,029,176	899,277
TOTAL LIABILITIES	1,231,027	1,062,825
<b>FUND EQUITY</b>		
Contributed capital - Municipality	1,433,602	1,433,602
Retained earnings reserved for equipment replacement	976,457	1,052,761
TOTAL FUND EQUITY	2,410,059	2,486,363
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 3,641,086</b>	<b>\$ 3,549,188</b>

CITY OF MARSHFIELD, WISCONSIN  
 COMPARATIVE STATEMENTS OF REVENUES, EXPENSES  
 AND CHANGES IN RETAINED EARNINGS  
 VEHICLES/EQUIPMENT INTERNAL SERVICE FUND  
 YEARS ENDED DECEMBER 31, 2002 AND 2001

	2002	2001
<b>OPERATING REVENUES</b>		
Charges for services	\$ 1,241,487	\$ 1,336,330
<b>OPERATING EXPENSES</b>		
Operations and Maintenance		
Personal services	309,273	276,028
Contractual services	83,762	88,389
Supplies and expense	423,478	468,567
Capital outlay	766	-
	817,279	832,984
General-insurance	31,082	28,986
Depreciation	430,455	391,041
<b>TOTAL OPERATING EXPENSES</b>	1,278,816	1,253,011
<b>OPERATING INCOME</b>	(37,329)	83,319
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Interest and fiscal charges	(45,262)	(42,159)
Gain(Loss) on disposal of fixed assets	3,619	28,485
Miscellaneous	2,667	2,869
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	(38,976)	(10,805)
<b>INCOME BEFORE OPERATING TRANSFERS</b>	(76,305)	72,514
<b>NET INCOME (LOSS)</b>	(76,305)	72,514
<b>RETAINED EARNINGS AT BEGINNING OF YEAR</b>	1,052,762	980,248
<b>RETAINED EARNINGS AT END OF YEAR</b>	\$ 976,457	\$ 1,052,762

CITY OF MARSHFIELD, WISCONSIN  
 COMPARATIVE STATEMENTS OF CASH FLOWS  
 VEHICLE / EQUIPMENT INTERNAL SERVICE FUND  
 FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

<u>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u>	2002	2001
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net operating income	\$ (37,329)	\$ 83,319
Adjustments to reconcile net operating income to net cash provided by operating activities		
Depreciation	430,455	391,041
Miscellaneous receipts	2,667	2,869
 Changes in assets and liabilities		
(increase) decrease in current assets		
Accounts receivable	(37)	46
Due from other governments	(271)	906
Due from other funds	(956)	983
Inventories	22,676	3,090
Prepaid expenses	1,300	351
 Increase (decrease) in current liabilities		
Accounts payable	10,260	(35,162)
Due to other funds	(216)	(337)
Other accrued expenses	(2,310)	251
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>426,240</b>	<b>447,357</b>
 <b>CASH FLOWS FOR CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Proceeds from long-term debt	265,000	250,000
Acquisition and construction of fixed assets	(584,598)	(584,050)
Proceeds(Costs) of retiring fixed assets	3,619	28,485
Principal payments-general long-term debt	(104,964)	(84,901)
Interest paid	(45,262)	(42,083)
<b>NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(466,205)</b>	<b>(432,550)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(39,965)</b>	<b>14,807</b>
 CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	 568,032	 553,225
 CASH AND CASH EQUIVALENTS AT END OF YEAR	 <b>\$ 528,067</b>	 <b>\$ 568,032</b>

# FIDUCIARY FUNDS

## Nonexpendable Trust Fund

- **Cemetery Perpetual Care Fund** – to account for the accumulation of resources to be used for the perpetual care of the City’s cemetery. The principal amount of the monies received are maintained intact and invested. Investment earnings are received in the General Fund and used to offset perpetual care costs.

## Agency Funds

- **Payroll Deductions Fund** – to account for the collection and payment of payroll deductions from and on behalf of city employees.
- **Performance Bonds Fund** – to account for the collection of performance bonds from contractors providing services to the City.
- **Property Tax Fund** – to account for the collection and payment to the State, County, and school districts of property taxes billed and collected by the City on their behalf.
- **Sales Tax Fund** – to account for the collection and payment of sales tax.

CITY OF MARSHFIELD, WISCONSIN  
 COMBINING BALANCE SHEET  
 FIDUCIARY FUNDS  
 DECEMBER 31, 2002  
 (WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2001)

	NONEXPENDABLE					TOTALS	
	TRUST FUND CEMETERY PERPETUAL CARE	PAYROLL DEDUCTIONS	PERFORMANCE BONDS	PROPERTY TAX	SALES TAX	2002	2001
<b>ASSETS</b>							
Cash	\$ 53,705	\$ 363,336	\$ 2,975	\$ 6,915,785	\$ 591	\$ 7,336,392	\$ 6,802,713
Investments	85,749	-	14,100	-	-	99,849	93,583
Receivables	-	-	-	16,359,830	-	16,359,830	15,710,186
Taxes	-	-	-	-	-	-	-
Other	-	14,578	-	-	-	14,578	8,864
<b>TOTAL ASSETS</b>	<b>\$ 139,454</b>	<b>\$ 377,914</b>	<b>\$ 17,075</b>	<b>\$ 23,275,615</b>	<b>\$ 591</b>	<b>\$ 23,810,649</b>	<b>\$ 22,615,346</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts payable	-	-	17,075	-	-	17,075	14,773
Payroll deductions	-	377,914	-	-	-	377,914	243,472
Due to other governments	-	-	-	13,794,645	591	13,795,236	12,954,632
Due to other funds	-	-	-	9,480,970	-	9,480,970	9,266,699
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>377,914</b>	<b>17,075</b>	<b>23,275,615</b>	<b>591</b>	<b>23,671,195</b>	<b>22,479,576</b>
<b>FUND BALANCES</b>							
Reserved for endowments	139,454	-	-	-	-	139,454	135,770
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 139,454</b>	<b>\$ 377,914</b>	<b>\$ 17,075</b>	<b>\$ 23,275,615</b>	<b>\$ 591</b>	<b>\$ 23,810,649</b>	<b>\$ 22,615,346</b>

CITY OF MARSHFIELD, WISCONSIN  
 COMPARATIVE STATEMENTS OF REVENUES, EXPENSES  
 AND CHANGES IN FUND BALANCE-NONEXPENDABLE TRUST FUND  
 YEARS ENDED DECEMBER 31, 2002 AND 2001

	CEMETERY PERPETUAL CARE	
	2002	2001
<b>OPERATING REVENUES</b>		
Contributions and other	\$ 3,686	\$ 4,463
<b>NONOPERATING REVENUES</b>		
Interest income	3,305	5,637
<b>INCOME BEFORE OPERATING TRANSFERS</b>	6,991	10,100
<b>OPERATING TRANSFERS IN (OUT)</b>		
General fund	(3,306)	(5,637)
<b>NET INCOME(LOSS)</b>	3,685	4,463
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	135,770	131,307
<b>FUND BALANCES AT END OF YEAR</b>	\$ 139,455	\$ 135,770

CITY OF MARSHFIELD, WISCONSIN  
 COMPARATIVE STATEMENTS OF CASH FLOWS  
 NONEXPENDABLE TRUST FUND  
 FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

	CEMETERY PERPETUAL CARE	
	2002	2001
<b><u>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u></b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net operating income	\$ 3,686	\$ 4,463
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Operating transfer in (out)	(3,306)	(5,637)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	3,305	5,637
<b>NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	3,685	4,462
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b> (Including restricted cash)	135,770	131,307
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b> (Including restricted cash)	\$ 139,455	\$ 135,770
 Cash and cash equivalents on December 31 are reconciled from the balance sheet as follows:		
Cash	\$ 53,705	\$ 51,287
Investments	85,750	84,483
	\$ 139,455	\$ 135,770

CITY OF MARSHFIELD, WISCONSIN  
 COMBINING STATEMENT OF CHANGES IN ASSETS  
 AND LIABILITIES-ALL AGENCY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2002

	BALANCE JANUARY 1, 2002	ADDITIONS	DEDUCTIONS	BALANCE DECEMBER 31, 2002
<b><u>PAYROLL DEDUCTIONS</u></b>				
ASSETS				
Cash	\$ 234,608	\$ 2,626,739	\$ 2,498,011	\$ 363,336
Receivables-other	8,864	78,631	72,917	14,578
TOTAL ASSETS	<u>\$ 243,472</u>	<u>\$ 2,705,370</u>	<u>\$ 2,570,928</u>	<u>\$ 377,914</u>
LIABILITIES				
Payroll deductions	\$ 243,472	\$ 1,861,711	\$ 1,727,269	\$ 377,914
<b><u>PERFORMANCE BONDS</u></b>				
ASSETS				
Cash	\$ 12,075	\$ 10,000	\$ 5,000	\$ 17,075
LIABILITIES				
Accounts payable	\$ 12,075	\$ 10,000	\$ 5,000	\$ 17,075
<b><u>PROPERTY TAXES</u></b>				
ASSETS				
Cash	\$ 6,513,256	\$ 19,600,514	\$ 19,197,985	\$ 6,915,785
Receivables-taxes	15,710,186	24,296,088	23,646,444	16,359,830
TOTAL ASSETS	<u>\$ 22,223,442</u>	<u>\$ 43,896,602</u>	<u>\$ 42,844,429</u>	<u>\$ 23,275,615</u>
LIABILITIES				
Accounts payable	\$ 2,698	\$ 8,445	\$ 11,143	\$ -
Due to other governments	12,954,044	13,794,645	12,954,044	13,794,645
Due to other funds	9,266,700	9,780,970	9,566,700	9,480,970
TOTAL LIABILITIES	<u>\$ 22,223,442</u>	<u>\$ 23,584,060</u>	<u>\$ 22,531,887</u>	<u>\$ 23,275,615</u>
<b><u>SALES TAX</u></b>				
ASSETS				
Cash	\$ 587	\$ 8,439	\$ 8,435	\$ 591
LIABILITIES				
Due to other governments	\$ 587	\$ 8,439	\$ 8,435	\$ 591
<b><u>TOTAL - ALL AGENCY FUNDS</u></b>				
ASSETS				
Cash	\$ 6,760,526	\$ 22,245,692	\$ 21,709,431	\$ 7,296,787
Receivables				
Taxes	15,710,186	24,296,088	23,646,444	16,359,830
Other	8,864	78,631	72,917	14,578
TOTAL ASSETS	<u>\$ 22,479,576</u>	<u>\$ 46,620,411</u>	<u>\$ 45,428,792</u>	<u>\$ 23,671,195</u>
LIABILITIES				
Accounts payable	\$ 14,773	\$ 18,445	\$ 16,143	\$ 17,075
Payroll deductions	243,472	1,861,711	1,727,269	377,914
Due to other governments	12,954,631	13,803,084	12,962,479	13,795,236
Due to other funds	9,266,700	9,780,970	9,566,700	9,480,970
TOTAL LIABILITIES	<u>\$ 22,479,576</u>	<u>\$ 25,464,210</u>	<u>\$ 24,272,591</u>	<u>\$ 23,671,195</u>

**GENERAL  
FIXED ASSETS  
ACCOUNT  
GROUP**

CITY OF MARSHFIELD, WISCONSIN  
 COMPARITIVE SCHEDULE OF GENERAL FIXED ASSETS  
 BY SOURCE  
 DECEMEBR 31, 2002 AND 2001

	2002	2001
General fixed assets:		
Land	\$ 6,887,467	\$ 6,609,651
Buildings	14,025,578	12,677,708
Improvements other than buildings	844,608	636,282
Machinery and equipment	7,794,961	8,016,970
 <b>TOTAL GENERAL FIXED ASSETS</b>	<b>\$ 29,552,614</b>	<b>\$ 27,940,611</b>
 Investment in general fixed assets by source:		
General fund	\$ 18,893,993	\$ 18,564,366
Special revenue funds	322,611	239,306
Capital projects funds	10,336,010	9,136,939
 <b>TOTAL INVESTMENT IN GENERAL FIXED ASSETS</b>	<b>\$ 29,552,614</b>	<b>\$ 27,940,611</b>

CITY OF MARSHFIELD, WISCONSIN  
SCHEDULE OF GENERAL FIXED ASSETS-BY FUNCTION AND ACTIVITY  
DECEMBER 31, 2002

<b>FUNCTION AND ACTIVITY</b>	<b>LAND</b>	<b>BUILDINGS</b>	<b>IMPROVEMENTS OTHER THAN BUILDINGS</b>	<b>MACHINERY AND EQUIPMENT</b>	<b>TOTAL</b>
General government					
Cable T.V.	\$ -	\$ -	\$ -	\$ 128,396	\$ 128,396
Attorney	-	-	-	-	-
Mayor	-	-	-	4,500	4,500
Administration	-	-	-	3,645	3,645
Clerk	-	-	-	48,366	48,366
Information Systems	-	-	-	737,897	737,897
Finance	-	60,600	-	11,220	71,820
Assessor	-	-	-	8,553	8,553
General Buildings	316,231	3,225,145	-	89,979	3,631,355
<b>TOTAL GENERAL GOVERNMENT</b>	<b>316,231</b>	<b>3,285,745</b>	<b>-</b>	<b>1,032,556</b>	<b>4,634,532</b>
Public safety:					
Law enforcement	-	377,454	-	685,955	1,063,409
Fire	-	50,000	-	1,294,645	1,344,645
Inspection	-	4,299,309	-	20,174	4,319,483
Disaster control	-	-	-	134,306	134,306
<b>TOTAL PUBLIC SAFETY</b>	<b>-</b>	<b>4,726,763</b>	<b>-</b>	<b>2,135,080</b>	<b>6,861,843</b>
Public works:					
Public works administration	-	-	-	46,072	46,072
Engineering	5,356,353	-	-	53,511	5,409,864
Highways and streets	-	272,366	4,569	-	276,935
Airport	48,404	4,137	2,911	198,936	254,388
Transit	-	-	-	224,156	224,156
<b>TOTAL PUBLIC WORKS</b>	<b>5,404,757</b>	<b>276,503</b>	<b>7,480</b>	<b>522,675</b>	<b>6,211,415</b>
Culture, recreation and education:					
Library	20,200	-	-	3,688,892	3,709,092
Parks	586,492	1,450,846	305,475	210,124	2,552,937
Recreation	543,887	135,839	410,984	97,256	1,187,966
Zoo	-	26,485	120,669	42,110	189,264
U.W. Center	15,900	4,121,702	-	1,052	4,138,654
<b>TOTAL CULTURE, RECREATION AND EDUCATION</b>	<b>1,166,479</b>	<b>5,734,872</b>	<b>837,128</b>	<b>4,039,434</b>	<b>11,777,913</b>
Health and human services:					
Aging	-	-	-	5,695	5,695
Cemetery	-	1,695	-	59,521	61,216
<b>TOTAL HEALTH AND HUMAN SERVICES</b>	<b>-</b>	<b>1,695</b>	<b>-</b>	<b>65,216</b>	<b>66,911</b>
<b>TOTAL GENERAL FIXED ASSETS</b>	<b>\$ 6,887,467</b>	<b>\$ 14,025,578</b>	<b>\$ 844,608</b>	<b>\$ 7,794,961</b>	<b>\$ 29,552,614</b>

CITY OF MARSHFIELD, WISCONSIN  
SCHEDULE OF GENERAL FIXED ASSETS-BY FUNCTION AND ACTIVITY  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2002

<u>FUNCTION AND ACTIVITY</u>	GENERAL FIXED ASSETS JANUARY 1, 2002	ADDITIONS	DEDUCTIONS	GENERAL FIXED ASSETS DECEMBER 31, 2002
General government				
Cable T.V.	\$ 124,761	\$ 3,635	\$ -	\$ 128,396
Mayor	4,500	-	-	4,500
Administration	3,645	-	-	3,645
Clerk	48,366	-	-	48,366
Information Systems	729,291	17,301	8,695	737,897
Finance	71,820	-	-	71,820
Assessor	8,553	-	-	8,553
General Buildings	3,628,226	3,129	-	3,631,355
<b>TOTAL GENERAL GOVERNMENT</b>	<b>4,619,162</b>	<b>24,065</b>	<b>8,695</b>	<b>4,634,532</b>
Public safety:				
Law enforcement	1,017,053	97,729	51,373	1,063,409
Fire	1,682,034	82,603	419,992	1,344,645
Inspection	4,304,696	35,171	20,384	4,319,483
Disaster control	134,306	-	-	134,306
<b>TOTAL PUBLIC SAFETY</b>	<b>7,138,089</b>	<b>215,503</b>	<b>491,749</b>	<b>6,861,843</b>
Public works:				
Public works administration	43,927	2,145	-	46,072
Engineering	5,455,968	28,000	74,104	5,409,864
Highways and streets	276,935	-	-	276,935
Airport	254,388	-	-	254,388
Transit	258,728	-	34,572	224,156
<b>TOTAL PUBLIC WORKS</b>	<b>6,289,946</b>	<b>30,145</b>	<b>108,676</b>	<b>6,211,415</b>
Culture, recreation and education:				
Library	3,665,002	44,090	-	3,709,092
Parks	1,133,953	1,418,984	-	2,552,937
Recreation	1,186,616	1,350	-	1,187,966
Zoo	177,659	11,605	-	189,264
U.W. Center	3,663,355	475,299	-	4,138,654
<b>TOTAL CULTURE, RECREATION AND EDUCATION</b>	<b>9,826,585</b>	<b>1,951,328</b>	<b>-</b>	<b>11,777,913</b>
Health and human services:				
Aging	5,695	-	-	5,695
Cemetery	61,134	9,407	9,325	61,216
<b>TOTAL HEALTH AND HUMAN SERVICES</b>	<b>66,829</b>	<b>9,407</b>	<b>9,325</b>	<b>66,911</b>
<b>TOTAL GENERAL FIXED ASSETS</b>	<b>\$ 27,940,611</b>	<b>\$ 2,230,448</b>	<b>\$ 618,445</b>	<b>\$ 29,552,614</b>

# **STATISTICAL SECTION**

TABLE 1  
CITY OF MARSHFIELD, WISCONSIN  
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)  
LAST TEN FISCAL YEARS

Fiscal Year	General Government	Public Safety	Public Works	Health & Human Services	Recreation and Education	Conservation and Development	Capital Outlay (2)	Debt Service	Total
1993	\$ 1,401,908	\$ 5,117,464	\$ 3,664,949	\$ 68,470	\$ 1,876,954	\$ 633,700	\$ 633,251	\$ 2,048,626	\$ 15,445,322
1994	1,498,084	5,172,546	3,991,151	70,062	2,007,993	284,600	1,404,639	1,334,128	15,763,203
1995	1,644,535	5,296,822	3,550,584	93,127	2,018,291	245,413	668,023	1,258,620	14,775,415
1996	1,743,454	5,358,383	3,985,343	105,700	2,002,382	226,427	480,606	1,314,834	15,217,129
1997	1,807,074	5,676,130	3,988,779	111,909	2,115,724	208,121	781,366	1,465,679	16,154,782
1998	1,898,479	5,802,898	4,095,912	116,975	2,388,173	230,787	864,743	2,439,749	17,837,716
1999	2,031,998	6,290,099	4,274,182	105,276	2,244,801	235,095	635,875	1,972,589	17,789,915
2000	2,180,011	6,471,443	4,648,745	114,313	2,356,817	368,861	541,635	2,353,393	19,035,218
2001	2,173,182	7,071,984	4,554,930	122,510	2,512,465	401,862	281,023	3,037,438	20,155,394
2002	2,222,403	6,622,689	4,236,289	123,881	2,546,139	456,041	399,222	3,103,299	19,709,963

(1) Includes general, special revenue and debt service funds.

(2) Does not include outlay expenditures in capital projects funds

TABLE 2  
CITY OF MARSHFIELD, WISCONSIN  
GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)  
LAST TEN FISCAL YEARS

Fiscal Year	Taxes	Special Assessments	Inter-governmental	Licenses and Permits	Fines Forfeits & Penalties	Charges for Services	Miscellaneous	Total
1993	\$ 5,822,680	\$ 419,926	\$ 7,105,757	\$ 128,328	\$ 155,413	\$ 774,531	\$ 868,752	\$15,275,387
1994	5,938,564	336,148	6,775,461	104,228	143,800	743,476	1,179,815	15,221,492
1995	6,475,314	400,410	6,939,070	104,424	137,732	830,713	905,770	15,793,433
1996	6,348,945	243,457	6,919,187	127,494	145,979	1,091,822	783,084	15,659,968
1997	7,184,731	267,531	6,708,321	122,230	176,183	1,167,661	976,784	16,603,441
1998	7,725,891	489,763	6,901,616	138,660	172,568	1,224,339	1,290,319	17,943,156
1999	8,026,866	312,445	7,293,052	213,877	153,243	1,208,519	1,354,821	18,562,823
2000	8,248,244	706,767	7,825,819	202,666	161,443	1,305,452	1,146,705	19,597,096
2001	8,710,055	529,137	7,874,637	236,640	145,582	1,316,239	1,089,908	19,902,198
2002	9,396,043	609,635	7,647,192	310,263	146,385	612,334	1,009,094	19,730,946

(1) Includes general, special revenue and debt service funds.

TABLE 2  
CITY OF MARSHFIELD, WISCONSIN  
GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)  
LAST TEN FISCAL YEARS

Fiscal Year	General Property Tax	Mobile Home Tax	Public Accommodation Taxes	Payments		Other Taxes	Total
				In Lieu of Taxes	of Taxes		
1993	\$ 4,501,573	\$ 76,192	\$ 120,419	\$ 1,123,283	\$ 1,213	\$ 5,822,680	
1994	4,607,718	75,236	129,410	1,125,290	910	5,938,564	
1995	5,129,908	77,343	132,089	1,134,230	1,744	6,475,314	
1996	4,965,980	73,645	133,404	1,175,303	613	6,348,945	
1997	5,807,507	75,171	136,667	1,164,886	460	7,184,691	
1998	6,539,657	70,051	137,160	1,185,584	650	7,933,102	
1999	6,613,434	65,197	149,530	1,197,891	815	8,026,867	
2000	6,739,495	73,591	221,395	1,213,127	636	8,248,244	
2001	7,151,857	74,425	250,406	1,232,230	1,137	8,710,055	
2002	7,845,214	74,715	245,942	1,229,245	927	9,396,043	

(1) Includes general, special revenue and debt service funds.

TABLE 3  
CITY OF MARSHFIELD, WISCONSIN  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS

Collection Year	Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of		Ratio of Delinquent Taxes to Total Tax Levy
						Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	
1993	\$ 5,870,994	\$ 5,840,582	99.5%	\$ 27,478	\$ 5,868,060	100.0%	\$ 26,035	0.44%
1994	6,345,633	6,318,177	99.6%	45,477	6,363,654	100.3%	8,014	0.13%
1995	6,474,104	6,425,891	99.3%	46,176	6,472,067	100.0%	10,051	0.16%
1996	6,571,977	6,544,296	99.6%	23,413	6,567,709	99.9%	14,319	0.22%
1997	6,940,143	6,904,273	99.5%	36,052	6,940,325	100.0%	14,137	0.20%
1998	7,654,578	7,640,490	99.8%	15,434	7,655,924	100.0%	12,791	0.17%
1999	7,922,079	7,879,061	99.5%	44,813	7,923,874	100.0%	10,996	0.14%
2000	8,684,452	8,658,138	99.7%	31,416	8,689,554	100.1%	5,894	0.07%
2001	8,875,473	8,835,859	99.6%	34,266	8,870,125	99.9%	11,242	0.13%
2002	9,166,634	9,108,186	99.4%	33,476	9,141,662	99.7%	36,214	0.40%

TABLE 4  
 CITY OF MARSHFIELD, WISCONSIN  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF PROPERTY  
 LAST TEN FISCAL YEARS

Fiscal Year	Real Property		Personal Property		Total		Ratio of Total Assessed Value To Total Estimated Actual Value
	Assessed Value (2)	Estimated Actual Value (2)	Assessed Value (2)	Estimated Actual Value (2)	Assessed Value (1)	Estimated Actual Value	
1993	\$ 458,578,000	\$ 482,274,000	\$ 31,489,400	\$ 33,511,800	\$ 490,067,400	\$ 515,785,800	95.01%
1994	468,652,900	520,286,500	31,273,700	34,747,800	499,926,600	555,034,300	90.07%
1995	479,629,600	562,393,100	31,702,800	37,321,700	511,332,400	599,714,800	85.26%
1996	485,686,900	598,162,400	33,737,920	42,042,900	519,424,820	640,205,300	81.13%
1997	492,755,495	626,795,800	35,761,360	44,996,900	528,516,855	671,792,700	78.67%
1998	665,061,600	652,041,800	42,105,404	42,325,800	707,167,004	694,367,600	101.84%
1999	680,863,600	675,432,900	33,125,430	33,054,700	713,989,030	708,487,600	100.78%
2000	719,497,700	734,556,100	40,087,320	40,926,309	759,585,020	775,482,409	97.95%
2001	739,356,700	797,383,200	45,873,120	50,690,500	785,229,820	848,073,700	92.59%
2002	758,776,700	850,169,900	48,477,470	53,944,600	807,254,170	904,114,500	89.29%

(1) City-wide reappraisal completed in 1998

(2) From City Assessor's Office

TABLE 5  
 CITY OF MARSHFIELD, WISCONSIN  
 PROPERTY TAX RATES  
 LAST TEN FISCAL YEARS  
 (Amounts shown as per \$1,000 of Equalized Valuation)

Collection Year	Wood County Tax Rates						Gross Tax Rate	State Tax Credits	Net Tax Rate
	City	County	School	Midstate Tech	State	State Tax Credits			
1994	11.38262	6.09873	18.08526	1.75304	0.21070	37.53034	(1.83771)	35.69264	
1995	11.40199	6.43454	17.81507	1.87340	0.22226	37.74727	(1.70861)	36.03866	
1996	10.76043	6.78732	17.21043	1.94126	0.23475	36.93419	(1.58177)	35.35242	
1997	10.23941	5.79386	9.61349	1.65015	0.20032	27.49723	(2.15830)	25.33893	
1998	10.22753	5.71715	9.16227	1.66434	0.20131	26.97260	(1.95454)	25.01806	
1999	10.91573	5.74080	9.16919	1.65427	0.20138	27.68137	(1.75101)	25.93036	
2000	11.07017	5.77876	8.56571	1.62283	0.20148	27.23895	(1.57031)	25.66864	
2001	11.06124	5.73101	8.06875	1.64369	0.20195	26.70664	(1.39269)	25.31395	
2002	10.32711	5.75281	7.95517	1.66523	0.20198	25.90230	(1.25188)	24.65042	
2003	9.94133	5.78926	8.02938	1.66241	0.20283	25.62521	(1.13044)	24.49477	

Collection Year	Tax Levies						State	Credits	Total Net Levies
	City	TID (3)	County	School	Midstate Tech	State			
1994	5,693,244	-	2,898,302	8,594,658	833,095	100,129	(920,037)	17,199,391	
1995	6,124,305	25,457	3,113,013	8,618,878	906,347	107,677	(918,646)	17,977,031	
1996	6,237,306	31,101	3,354,478	8,505,857	959,422	116,209	(917,579)	18,286,794	
1997	6,332,798	26,672	3,581,879	5,943,247	1,020,155	124,035	(1,336,414)	15,692,372	
1998	6,601,704	112,560	3,670,596	5,882,472	1,068,562	130,090	(1,263,079)	16,202,905	
1999	7,272,831	125,234	3,804,082	6,075,870	1,096,183	134,357	(1,168,251)	17,340,306	
2000	7,495,321	134,595	3,884,720	5,758,222	1,090,931	136,445	(1,063,419)	17,436,815	
2001	8,022,712	186,628	4,137,471	5,825,186	1,186,654	147,214	(1,015,228)	18,490,637	
2002	8,047,674	196,694	4,421,098	6,113,638	1,279,749	156,762	(971,609)	19,244,006	
2003	8,187,656	295,435	4,740,695	6,575,076	1,361,311	168,446	(938,801)	20,389,818	

(3) Tax Increment District (TID) #1 closed out in 1993, other TIDS created in 1993 and later years

TABLE 5  
CITY OF MARSHFIELD, WISCONSIN  
PROPERTY TAX RATES  
LAST TEN FISCAL YEARS

(Amounts shown as per \$1,000 of Equalized Valuation)

Collection Year	Marathon County Tax Rates						Gross Tax Rate	State Tax Credits	Net Tax Rate
	City	County	School	Midstate Tech	State	State			
1994	11.73934	5.46257	17.16717	1.66405	0.19998	0.19998	(1.83437)	34.39874	
1995	11.76600	5.49077	16.03044	1.68575	0.19997	0.19997	(1.67824)	33.49469	
1996	11.01692	5.60763	14.66279	1.65390	0.19999	0.19999	(1.49510)	31.64613	
1997	10.60943	5.58390	9.59832	1.64755	0.20000	0.20000	(2.07681)	25.56239	
1998	10.58430	5.59931	9.10278	1.65354	0.20000	0.20000	(1.88036)	25.25957	
1999	11.35878	5.61534	9.04436	1.63173	0.20002	0.20002	(1.68004)	26.17019	
2000	11.12515	5.64473	8.44034	1.59907	0.19999	0.19999	(1.33941)	25.66987	
2001	12.09521	5.66040	7.99096	1.62784	0.19999	0.19999	(0.90902)	26.66538	
2002	9.82017	5.56655	7.87716	1.64891	0.20000	0.20000	(0.63638)	24.47641	
2003	11.04577	5.58086	7.91727	1.63920	0.20001	0.20001	(0.89521)	25.48790	

Tax Levies

Collection Year	Tax Levies						Total Net Levies
	City	County	School	Midstate Tech	State	State	
1994	177,750	82,711	259,935	25,196	3,028	3,028	520,845
1995	195,871	91,406	266,862	28,063	3,329	3,329	557,593
1996	205,697	104,700	273,769	30,880	3,734	3,734	590,865
1997	212,507	111,845	192,254	33,000	4,006	4,006	512,014
1998	225,879	119,495	194,262	35,288	4,268	4,268	539,064
1999	256,513	126,810	204,247	36,849	4,517	4,517	590,996
2000	292,163	148,239	221,656	41,994	5,252	5,252	674,129
2001	475,112	222,346	313,893	63,943	7,856	7,856	1,047,443
2002	631,105	357,741	506,235	105,969	12,853	12,853	1,573,005
2003	683,543	345,359	489,943	101,438	12,377	12,377	1,577,262

Note: The City does not have any tax increment districts located in Marathon County.

TABLE 6  
CITY OF MARSHFIELD, WISCONSIN  
PRINCIPAL TAXPAYERS  
DECEMBER 31, 2002

Taxpayer	Type of Business	2002 Assessed Valuation	Percentage of Total Assessed Valuation
Wal-Mart Development	Retail Sales Development	\$ 20,246,920	2.51%
Marshfield DoorSystems	Wood Doors	11,025,500	1.37%
Badger Housing	Apartment Complexes	10,796,970	1.34%
Northway Mall Development	Shopping Mall	9,610,970	1.19%
Menards Development	Home Improvement Retail	9,565,010	1.18%
Rainbow Development	Food Sales, Office Products	8,111,610	1.00%
V & H Ford	Auto / Heavy Truck Sales & Service	7,934,280	0.98%
Figi's/AFIG, Inc.	Mail Order Gift Distributor	6,885,080	0.85%
Wick Building Systems	Modular Homes, Building Materials	6,167,500	0.76%
Marshfield Health Resources	Nursing Home	5,814,820	0.72%
	TOTALS	<u>\$ 96,158,660</u>	<u>11.91%</u>

TABLE 7  
CITY OF MARSHFIELD, WISCONSIN  
SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS  
LAST TEN FISCAL YEARS

Fiscal Year	Current Year Billings (1)	Current Assessments Due (2)	Current Year Collections		Percent of Assessments Collected	Total Outstanding Assessments (1)
			Receipts	Prior Year Tax Roll Collections		
1993	\$ 188,103	\$ 231,331	\$ 181,603	\$ 212,706	101.19%	\$ 1,038,509
1994	134,263	218,539	101,351	206,614	89.32%	886,675
1995	315,009	206,614	193,137	176,336	80.69%	802,972
1996	30,784	176,336	67,120	156,595	75.79%	623,396
1997	279,831	140,636	110,937	156,594	88.80%	663,719
1998	1,244,992	178,166	344,310	145,453	103.43%	1,398,415
1999	41,795	214,467	148,574	163,871	91.98%	1,223,683
2000	525,927	186,559	505,011	201,756	94.07%	950,694
2001	800,160	229,677	356,868	172,269	92.34%	1,189,167
2002	415,878	291,736	448,444	346,600	150.91%	888,299

(1) Includes paving, street openings, sanitary sewers, water mains, storm sewers and sidewalks

(2) Assessments placed on prior year tax roll due in current year

TABLE 8  
 CITY OF MARSHFIELD, WISCONSIN  
 COMPUTATION OF LEGAL DEBT MARGIN  
 DECEMBER 31, 2002

Total equalized value		<u>\$ 904,114,500</u>
Legal debt margin:		
Debt limitation-5 percent of total equalized value		45,205,725
Debt applicable to limitation:		
State trust fund loans	2,244,490	
Bonds	30,000	
General obligation notes	<u>20,929,324</u>	
Total debt applicable to limitation at December 31, 2002	23,203,814	
Less amount available in debt service funds	<u>(1,408,179)</u>	<u>(21,795,635)</u>
Legal debt margin		<u>\$ 23,410,090</u>

TABLE 9  
CITY OF MARSHFIELD, WISCONSIN  
RATIO OF NET GENERAL OBLIGATION BONDED DEBT  
TO ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA  
LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Assessed Value (2),(5)	Gross Bonded Debt	Less Debt Service Fund (3)	Debt Payable from Enterprise Revenues (4)	Net Bonded Debt	Ratio of Net Bonded Debt to	
							Assessed Value	Net Bonded Debt per Capita
1993	19,700	\$ 490,067,400	\$ 5,842,278	\$ 27,609	\$ 349,613	\$ 5,465,056	1.12%	277
1994	19,793	499,926,600	6,793,191	15,448	178,273	6,599,470	1.32%	333
1995	19,889	511,332,400	6,865,902	55,889	-	6,810,013	1.33%	342
1996	19,942	519,424,820	7,233,074	130,234	-	7,102,840	1.37%	356
1997	19,991	528,516,855	13,637,490	107,793	-	13,529,697	2.56%	677
1998	19,984	707,167,004	14,531,301	(104,363)	-	14,635,664	2.07%	732
1999	19,969	713,989,030	17,200,528	(111,564)	-	17,312,092	2.42%	867
2000	19,900	759,585,020	19,061,950	207,949	-	18,854,001	2.48%	947
2001	18,887	785,229,820	20,847,476	42,338	-	20,805,138	2.65%	1,102
2002	18,908	807,254,170	23,203,814	1,408,179	-	21,795,635	2.70%	1,153

(1) From Table 13 of Statistical Section

(2) From Table 4 of Statistical Section

(3) Amount available (deficit) for repayment of general obligation debt

(4) This represents general obligation notes that were repaid from the Wastewater Utility revenues

(5) City-wide reevaluation completed in 1998

TABLE 10  
 CITY OF MARSHFIELD, WISCONSIN  
 RATIO OF ANNUAL DEBT SERVICE EXPENDITURES  
 FOR GENERAL OBLIGATION DEBT (1)  
 TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES  
 LAST TEN FISCAL YEARS

Fiscal Year	Principal	Interest and Fiscal Charges	Total Debt Service(2)	Total General Governmental Expenditures (3)	Ratio of Debt Service to General Governmental Expenditures
1993	\$ 1,703,253	\$ 345,373	\$ 2,048,626	\$ 15,445,322	13.3%
1994	970,748	363,380	1,334,128	15,763,203	8.5%
1995	949,015	309,605	1,258,620	14,775,415	8.5%
1996	967,828	347,006	1,314,834	15,217,129	8.6%
1997	1,097,527	368,152	1,465,679	16,154,782	9.1%
1998	1,628,689	813,797	2,442,486	17,837,716	13.7%
1999	1,311,867	725,366	2,037,233	17,789,915	11.5%
2000	1,588,577	820,802	2,409,379	19,035,217	12.7%
2001	2,084,571	952,865	3,037,437	20,155,394	15.1%
2002	2,104,869	998,430	3,103,299	19,786,226	15.7%

(1) General obligation debt reported in the enterprise funds have been excluded.

(2) Excludes bond issuance and other costs.

(3) Includes general, special revenue and debt service funds

TABLE 11  
 CITY OF MARSHFIELD, WISCONSIN  
 COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT  
 DECEMBER 31, 2002

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to Government (1)	Amount Applicable to Government
Direct:			
City of Marshfield	\$ 21,795,635	100.00%	\$ 21,795,635
Overlapping:			
Wood County	4,014,800	23.61%	947,894
Marathon County	4,061,095	0.95%	38,580
School District of Marshfield	1,475,000	67.02%	988,545
Mid-State Technical College District #14	12,615,000	10.28%	1,296,822
Total Overlapping Debt	<u>22,165,895</u>		<u>3,271,841</u>
Total Direct and Overlapping Debt	<u>\$ 43,961,530</u>		<u>\$ 25,067,476</u>

(1) City's share of total jurisdiction assessed value provided by City Assessor and tax levy certifications (County Clerks)

TABLE 12  
 CITY OF MARSHFIELD, WISCONSIN  
 REVENUE BOND COVERAGE  
 LAST TEN FISCAL YEARS

Fiscal Year	Gross Revenues (1)		Operating Expenses (2)	Net Revenue Available for Debt Service		Debt Service Requirements			Coverage
	\$			\$		Principal	Interest	Total	
1993	\$ 16,279,627		\$ 13,179,245	\$ 3,100,382	\$ 250,000	\$ 590,512	\$ 840,512	3.69	
1994	16,706,503		13,088,098	3,618,405	510,000	889,381	1,399,381	2.59	
1995	17,110,378		13,047,307	4,063,071	515,000	861,484	1,376,484	2.95	
1996	16,816,918		12,846,172	3,970,746	550,000	833,331	1,383,331	2.87	
1997	17,557,528		13,631,420	3,926,108	2,560,000	798,226	3,358,226	1.17	
1998	19,737,560		14,530,518	5,207,042	3,770,000	627,051	4,397,051	1.18	
1999	20,189,216		15,323,918	4,865,298	1,053,556	464,759	1,518,315	3.20	
2000	22,106,025		16,681,698	5,424,327	575,530	645,327	1,220,857	4.44	
2001	23,562,489		17,098,854	6,463,635	1,221,805	904,176	2,125,981	3.04	
2002	23,535,655		16,901,842	6,633,813	1,442,490	841,355	2,283,845	2.90	

NOTE: Prior to 1998, there was no debt service requirements for the wastewater utility. As such, gross revenues and expenses for years prior to 1998, do not include the wastewater utility.  
 Emergency Medical Services Enterprise fund added in 2002 not included in totals as it has no debt service requirements.

(1) Total revenues (including interest) per financial statements

(2) Total operating expenses exclusive of depreciation per financial statements

TABLE 13  
CITY OF MARSHFIELD, WISCONSIN  
DEMOGRAPHIC STATISTICS  
LAST TEN FISCAL YEARS

Fiscal Year	(1) Population	(2) School Enrollment	(3) Unemployment Rate
1992	19,630	4,016	7.2%
1993	19,700	4,234	5.0%
1994	19,793	4,256	5.2%
1995	19,889	4,343	3.1%
1996	19,942	4,264	2.1%
1997	19,991	4,282	3.8%
1998	19,984	4,253	3.8%
1999	19,969	4,142	3.1%
2000	19,900	4,084	3.3%
2001	18,887	4,110	3.6%
2002	18,908	4,038	4.3%

Education Level (Persons 25 years and over) (4)

	Number	Percent
Less than 9th grade	938	7.33%
9th to 12th grade, no diploma	1,267	9.90%
High school graduate (includes equivalency)	4,430	34.60%
Some college, no degree	2,346	18.33%
Associate degree	1,122	8.76%
Bachelor's degree	1,680	13.12%
Graduate or professional degree	1,019	7.96%
	12,802	100.00%

Per Capita Income - 2000 (4)

\$21,965

Median Age - 2000 (4)

38.7

Data Sources

- (1) WI Dept. of Administration Population & Housing Estimates - [www.doa.state.wi.us](http://www.doa.state.wi.us)
- (2) Marshfield School District - Public Schools only (as of 1/1 of subsequent year)
- (3) WI Dept. of Workforce Development - [www.doa.state.wi.us/dwd](http://www.doa.state.wi.us/dwd)
- (4) 2000 Census - [www.doa.state.wi.us/dhir/wisconsin/1605549675.pdf](http://www.doa.state.wi.us/dhir/wisconsin/1605549675.pdf)

TABLE 14  
CITY OF MARSHFIELD, WISCONSIN  
PROPERTY VALUES AND CONSTRUCTION  
LAST TEN FISCAL YEARS

Fiscal Year	Property Value (1)		Total	Commercial/Industrial Construction (2)		Residential Construction(2)	
	Commercial	Residential		Number of Units	Value	Number of Units	Value
1993	\$ 142,167,700	\$ 309,966,400	\$ 452,134,100	8	\$ 1,305,000	44	\$ 3,997,870
1994	154,583,600	335,499,000	490,082,600	4	2,060,703	42	4,089,097
1995	160,885,600	367,830,500	528,716,100	10	2,374,690	43	4,492,392
1996	168,961,600	396,014,000	564,975,600	6	3,860,550	25	3,101,466
1997	163,811,800	429,458,800	593,270,600	8	2,195,000	25	3,768,640
1998	181,757,100	435,816,600	617,573,700	12	6,302,500	36	4,951,000
1999	172,216,800	452,482,900	624,699,700	16	18,592,449	53	5,732,491
2000	209,470,300	471,016,400	680,486,700	18	6,195,588	73	8,901,300
2001	229,112,800	527,452,300	756,565,100	20	13,793,362	50	8,027,700
2002	246,866,900	558,927,300	805,794,200	22	32,160,664	63	9,284,600

(1) Equalized values from Annual report from City Assessor

(2) Source: City Building Services Department

TABLE 15  
CITY OF MARSHFIELD, WISCONSIN  
MISCELLANEOUS STATISTICS  
DECEMBER 31, 2002

Date of Incorporation		1883
Form of Government		Mayor/Council
Number of employees (including part-time)		544
Area in square miles		13.3
Name of Government facilities and services:		
Miles of streets		133.1
Number of street lights		1,282
Culture and Recreation:		
Community centers (Senior Center)		1
Parks		18
Park acreage		350
Swimming pools		1
Tennis/raquetball courts		
outdoor-lighted		18
indoor tennis		1
racquetball		1
Fire Protection:		
Number of stations		1
Number of fire personnel and officers		34 (6 Officers)
Number of city calls answered		311
Number of inspections conducted		2,156
Police Protection:		
Number of stations		1
Number of police personnel and officers		53 (38 officers)
Number of enforcement units		16
Number of law violations:		
Physical arrests		1,610
Traffic violations		1,934
Sewerage System:		
Miles of sanitary sewers		130.0
Miles of storm sewers		65.0
Number of treatment plants		1
Number of service connections		7,631
Daily average treatment in gallons		3,600,000
Maximum daily capacity of treatment plant in gallons		28,000,000
Water System:		
Miles of water mains		133
Number of service connections		7,429
Number of fire hydrants		806
Daily average consumption in gallons		1,918,443
Maximum daily capacity of plant in gallons		4,800,000
Facilities and services not included in the reporting entity:		
Education:		
	Public	Private
Number of elementary schools	7	7
Number of elementary school instructors	195	71
Number of secondary schools	1	3
Number of secondary school instructors	104	27
Number of technical colleges	1	
Number of universities (limited 4 year)	1	
Hospitals:		
Number of hospitals		1
Number of patient beds		524

**SINGLE  
AUDIT**

**&**

**FINANCIAL  
COMPLIANCE  
SECTION**



# Hawkins, Ash, Baptie & Company, LLP

*Certified Public Accountants* ◆ *Management Consultants*

## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM, AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND STATE SINGLE AUDIT GUIDELINES

### Compliance

We have audited the compliance of the City of Marshfield, Wisconsin ("City"), with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and *State Single Audit Guidelines* issued by the Wisconsin Department of Administration, that are applicable to each of its major federal and state programs for the year ended December 31, 2002. The City's major federal and state programs are identified in the accompanying Schedule of Findings and Questioned Cost. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and state programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Those standards, OMB Circular A-133, and state guidelines require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on major federal and state programs occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City of Marshfield, Wisconsin complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended December 31, 2002.

### Internal Control Over Compliance

The management of the City of Marshfield, Wisconsin ("City"), is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal and state programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and state guidelines.

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Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal or state program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Hawkins, Ash, Baptie & Company, LLP*

Marshfield, Wisconsin  
March 28, 2003

CITY OF MARSHFIELD, WISCONSIN  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED DECEMBER 31, 2002

GRANTING AGENCY PASS-THROUGH AGENCY GRANT DESCRIPTION GRANT PERIOD	FEDERAL CATALOG STATE I.D. NUMBER	GRANT OR PROJECT NUMBER	PROGRAM OR AWARD AMOUNT	RECEIVABLE (DEFERRED) REVENUE JAN 1, 2002	FEDERAL SHARE	REVENUES		EXPENDI- TURES	RECEIVABLE (DEFERRED) REVENUE) DEC. 31, 2002
						STATE SHARE	LOCAL SHARE		
<b>WI DEPT. OF NATURAL RESOURCES</b> Wi Department of Administration Clean Water Fund Program WWTP & Interceptor Sewer project loan reimbursements - 2002 Brownsfield Grant Program for site assessment	66.458	4053-03 01SSAG-38	\$20,685,998 30,000	\$9,867 0	\$208,137 0	\$41,627 17,047	\$0 17,047	\$265,553 34,094	\$25,656 0
<b>TOTAL DEPT. OF NATURAL RESOURCES</b>				<u>9,867</u>	<u>208,137</u>	<u>58,674</u>	<u>17,047</u>	<u>299,647</u>	<u>25,656</u>
<b>WI DEPT. OF TRANSPORTATION</b> Wi Department of Transportation Public Transportation for Nonurbanized Area Operating - 2002 Withheld amount awaiting audit - 2002 Withheld amount awaiting audit - 2001 Withheld amount awaiting audit - 2000	49 USC 5311 20.509		\$127,494 163,326	\$0 0 15,109 15,182	\$126,364 0 0 0	\$163,326 (16,333) 9,599 15,182	\$154,962 0 5,510 0	\$444,652 0 0 0	\$0 16,333 0 0
<b>TOTAL DEPT. OF TRANSPORTATION</b>				<u>30,291</u>	<u>126,364</u>	<u>171,774</u>	<u>160,472</u>	<u>444,652</u>	<u>16,333</u>
<b>WI DEPT. OF HEALTH AND SOCIAL SERVICES</b> Emergency Medical Services Program (Wisconsin Act 102) Operating - 2000 Operating - 2001				(\$97) (3,797)	\$0 0	\$0 0	\$0 0	\$97 3,797	\$0 0
<b>TOTAL DEPT. OF HEALTH AND SOCIAL SERVICES</b>				<u>(3,894)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,894</u>	<u>0</u>
<b>WI DEPT. OF MILITARY AFFAIRS</b> Emergency Management - Disaster Recovery	83.544 465.305		\$3,143 504	\$0 0	\$3,143 0	\$0 504	\$0 0	\$3,143 504	\$0 0
<b>TOTAL DEPT. OF MILITARY AFFAIRS</b>				<u>0</u>	<u>3,143</u>	<u>504</u>	<u>0</u>	<u>3,647</u>	<u>0</u>
<b>TOTAL FEDERAL AND STATE ASSISTANCE</b>				<u>\$36,264</u>	<u>\$337,644</u>	<u>\$230,951</u>	<u>\$177,519</u>	<u>\$751,839</u>	<u>\$41,989</u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

**NOTE A - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal and state awards includes the grant activity of the City of Marshfield and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**CITY OF MARSHFIELD, WISCONSIN**  
**SCHEDULE OF FINDINGS AND QUESTIONED COST**  
**DECEMBER 31, 2002**

**Section I - Summary of Auditor's Results**

*Financial Statements*

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes          X     No
- Reportable condition(s) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes          X     None Reported
- Noncompliance material to financial statements noted? \_\_\_\_\_ Yes          X     No

*Federal Awards*

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes          X     No
- Reportable condition(s) identified that are not considered to be material weakness(es)? \_\_\_\_\_ Yes          X     None Reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit finding disclosed that are required to be Reported in accordance with Section 510(a) of Circular A-133? \_\_\_\_\_ Yes          X     No

Identification of major programs:

Major Federal Programs

- 20.509 Public Transportation for Nonurbanized Areas

Major State Program

- 395.106 Public Transportation for Nonurbanized Areas

Dollar threshold used to distinguish between Type A and Type B programs:      \$300,000

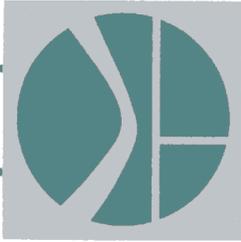
Auditee qualified as low-risk auditee?          X     Yes      \_\_\_\_\_ No

**Section II - Financial Statement Findings**

NONE

**Section III - Federal Award Findings and Questioned Cost**

NONE



# Hawkins, Ash, Baptie & Company, LLP

*Certified Public Accountants* ◆ *Management Consultants*

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON  
INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENTAL AUDITING STANDARDS*

We have audited the general purpose financial statements of the City of Marshfield, Wisconsin, as of and for the year ended December 31, 2002, and have issued our report thereon dated March 28, 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

## Compliance

As part of obtaining reasonable assurance about whether the City's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

## Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee and management and is not intended to be and should not be used by anyone other than those specified parties.

*Hawkins, Ash, Baptie & Company, LLP*

Marshfield, Wisconsin  
March 28, 2003

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