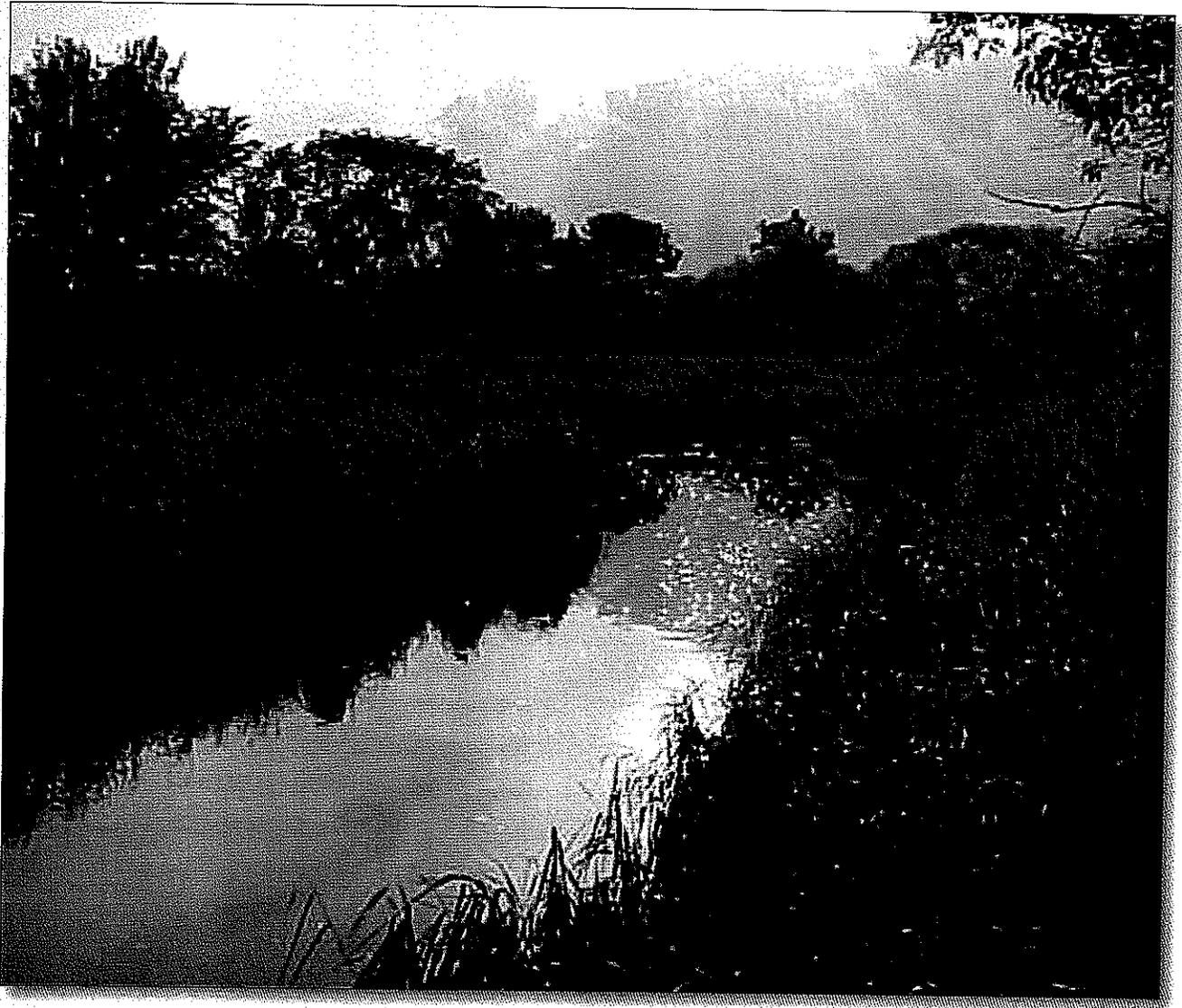


City of Marshfield, Wisconsin

Comprehensive
ANNUAL REPORT
Financial



Including Auditors' Report
for the fiscal year ended
December 31, 2005

**CITY OF MARSHFIELD, WISCONSIN
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2005**

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

ON THE COVER: JOE AND BERNADINE WEBER NATURE PARK

The Weber Park development is a 38 acre parcel that was purchased in 2002 with state grant funds and private donations. Funding was also obtained from a second DNR grant and private donations to complete phase one development in 2005. Phase one development includes a parking lot and entrance drive, pond and trail development. The master plan includes a restroom and shelter located near the parking lot. This project would be eligible for future DNR Stewardship grant funding at a 50% level. Phase two development is currently scheduled in the Capital Improvement Program for 2009.

CITY OF MARSHFIELD, WISCONSIN
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INTRODUCTORY SECTION

Finance Department
City of Marshfield
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Keith R. Strey, CPA
Finance Director
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Fax (715) 384-9310
Email: keiths@ci.marshfield.wi.us

March 17, 2006

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, 2005, is hereby submitted. This report consists of management's representations concerning the finances of the City of Marshfield. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Marshfield has established a comprehensive internal control framework. It is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of financial statements in conformance with generally accepted accounting principles (GAAP). This comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement because the cost of internal controls should not exceed their benefits. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Hawkins, Ash, Baptie & Company, LLP, a firm of licensed certified public accountants has audited the City of Marshfield's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the city for the fiscal year ended December 31, 2005 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Marshfield's financial statements for the fiscal year ended December 31, 2005, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Marshfield's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

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.

An elected Mayor and Common Council under a mayor-council form of government govern the City. Common Council members serve two-year staggered terms, with five members elected every year. The Mayor is elected to serve a two-year term. All ten of the Common Council members are elected by district and the Mayor elected at large. 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 Elected 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 Technology, 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 Common Council and a 5-year Capital Improvement Program has been subsequently adopted every year.

With an estimated 2005 population of 19,258, 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 8th best place to live in America by *Demographics Daily*.

The city employs 198 full-time equivalent employees. The police department has 38 officers and 14 staff employees. The Marshfield Fire and Rescue Department that employs 33 firefighters and one staff employee provide fire protection. The fire insurance rating is class 4.

The city provides a full range of services including police and fire protection; sanitation services; construction and maintenance of highways, streets and other infrastructure; planning and economic 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.

The annual budget serves as the foundation for the City of Marshfield's financial planning and control. All departments of the City of Marshfield are required to submit budget requests for the following fiscal year to the Finance Department by the first Friday of August. The Finance Department performs a technical review of all requests and then compiles and prepares the initial budget as a starting point for the City Administrator by the last week of August. The first full week of September, the City Administrator and Finance Director hold budget hearings with Departments to review budget requests with Department heads. The City Administrator then prepares and presents a proposed budget to the Common Council at the first regular Common Council meeting in October.

A series of three special budget work sessions of the Common Council are held to review the Administrator's recommended budget prior to publication of the Common Council proposed budget. The Council is required to hold a public hearing on the proposed budget and adopts a final budget by the last Common Council meeting in November. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads may make transfers of appropriations within a department with the exception of capital outlay. Transfers of appropriations between departments or capital outlay, however, require the special approval of the Common Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Marshfield operates.

Economic Condition and Outlook: The Marshfield family of industries is best described as diversified with 63 manufacturing firms employing 6,100 employees, 13 industrial distribution firms employing 750, 4 transport firms employing 2,300, 26 utility, communication, and printing firms employing 415, and medical service firms employing 6,038.

The Marshfield Clinic, founded in 1916, is Wisconsin's most comprehensive health care system with over 730 physicians and medical specialists, serving patients in Marshfield and more than 40 regional centers throughout central, western, eastern and northern Wisconsin. Marshfield Clinic system employs over 5,600 (exclusive of physicians).

Saint Joseph's Hospital, a 500-plus bed tertiary care teaching institution which adjoins the Clinic, is one of the largest rural referral medical centers in Wisconsin, and the only verified trauma center in the north central part of the state. It provides health care, including all major medical and surgical specialties and subspecialties, to a service area including Wisconsin and Upper Michigan. Among Saint Joseph's specialties are oncology and cardiac services.

Marshfield Clinic Research Foundation has grown into the largest private medical research institute in the state and among the largest in the nation. Over 500 clinical trials and other research projects are active in the system at any time. These studies provide knowledge to the medical community across the United States and around the world.

Marshfield Laboratories, a joint venture of Saint Joseph's Hospital and Marshfield Clinic, is the state's largest medical laboratory with over 20 million test results reported annually. The laboratory employs over 450 people and has established separate service lines for forensic toxicology, food safety and veterinary medicine. Marshfield Laboratories serves clients across the nation.

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 metalworking 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 experienced minimal improvement over the past twelve months due, in large part, to problems associated with the manufacturing sector. Total Wood County unemployment rate for 2005 was unchanged from 2004 at 5.0%. This does not correspond to what is occurring in elsewhere as the region and state are increasing and the nation as a whole is decreasing. The total number of unemployment claims in Wood County decreased 1,247 claims in 2004 to 1,290 claims in 2005, an increase of 3.4%. Total Wood County employment decreased slightly with an estimated Total Nonfarm reduction of 0.2%. Sectors experiencing employment growth were Transportation & Utilities, Education & Health Services, Leisure & Hospitality and Government. The sectors experiencing reductions in 2005 were Construction & Natural Resources, Manufacturing and Trade.

Marshfield's businesses continued to grow in 2005 with the addition of 13 new commercial and industrial buildings valued at \$4,972,516. Additionally, 72 businesses remodeled and/or expanded existing facilities valued at \$8,572,278. The city experienced a decrease in residential housing starts from 59 in 2004 to 21 in 2005 valued at \$3,941,973.

The city is positioned to experience increased development as improvements were finished to State Highway 13 on the north end of the city in 2005, completion of the new Veteran's Parkway (Marshfield Boulevard) in 2003, completion of infrastructure construction in Mill Creek Business Park in 2003, future development of Yellowstone Industrial Park planned for 2008 through 2010 and completion of the U.S. Highway 10 expansion to four-lanes from Stevens Point to Marshfield by 2013.

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). Additional details regarding this are presented in Note 10 – Defined Benefit Pension Plans in the Notes to Financial Statements.

Debt Administration: During the year, the city issued \$3,045,000 of general obligation notes to fund various public purpose capital projects for 2005. As of December 31, 2005, the city had 24 debt issues outstanding. These issues included \$24,352,816 of general obligation bonds, notes and land contracts and \$24,686,147 of mortgage revenue bonds. The city has continually maintained its "Aa3" 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, 2005, the city's net general obligation debt of \$24,352,816 was well below the legal limit of \$58,990,960. Net bonded debt per capita equaled \$1,264. The city adheres to an aggressive repayment policy.

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 2.11% to 4.06%. The city and its proprietary funds earned interest revenue of \$1,000,968 on all investments for the year ended December 31, 2005.

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 2005 the city maintained long-term investments of \$5,167,792 long-term government agency securities of varying maturity dates with interest rates between 3.12% and 4.75% with an emphasis on safety, liquidity and yield on the funds invested.

Risk Management: The City of Marshfield 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.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Marshfield for its comprehensive annual financial report for the fiscal year ended December 31, 2004. This was the eleventh consecutive year that the City of Marshfield Finance Department has received 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 the GFOA to determine its eligibility for another certificate.

I would like to acknowledge the City Administrator, city departments and all others who assisted and contributed to the preparation of this report. Also, I would like to thank our independent auditors, Hawkins, Ash, Baptie & Company for their assistance and professional guidance, which contributed significantly to the report quality and adherence to accounting standards. Their experience and expertise was extremely valuable to the Finance department.

Finally, 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. 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, 2004

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



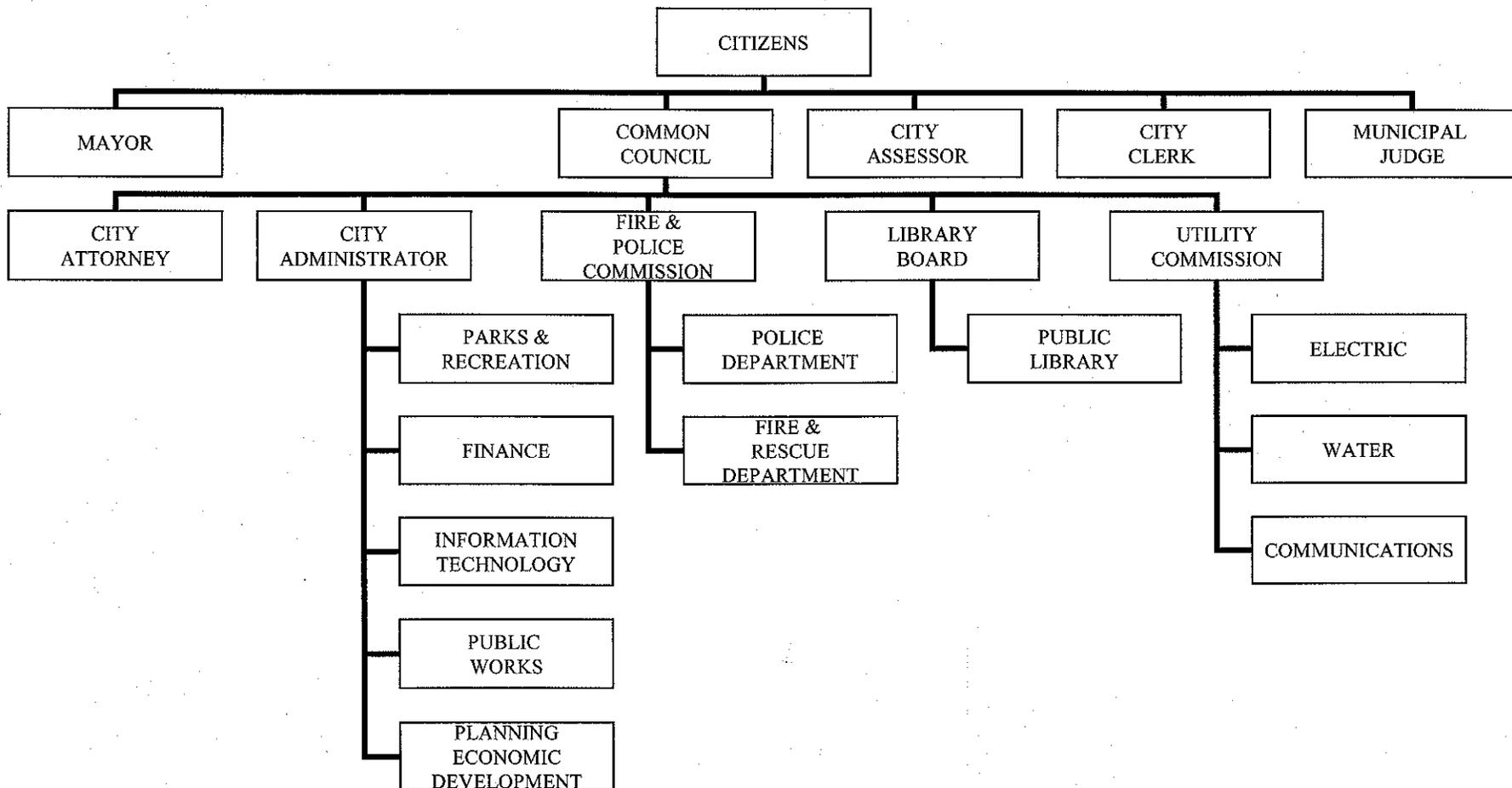
Carla E. Perry

President

Jeffrey R. Emer

Executive Director

CITY OF MARSHFIELD ORGANIZATION CHART



CITY OF MARSHFIELD, WISCONSIN
List of Principal Officials – 2005

ELECTED

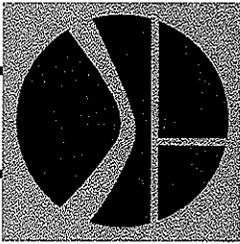
Mayor.....Michael Meyers
Common Council President.....Tom Buttke
City Clerk.....Deb Hall
City Assessor.....Joan Spencer
Municipal Judge.....John Adam Kruse

District	Aldersperson:
First	Michael Feirer
Second	Alanna Feddick
Third	Gerald Nelson
Fourth	Marty Anderson
Fifth	Jerry Bennington, Sr.
Sixth	Christopher Meyer
Seventh	Donald Krueger
Eighth	John Spiros
Ninth	Tom Buttke
Tenth	Edward Beaudry, Jr.

APPOINTED

Administrator.....Michael Brehm
City Attorney.....John Hutchinson
Finance Director.....Keith Strey
Assistant Finance Director.....Brenda Hanson
Human Resources Specialist.....Lara Baehr
Information Technology Lead Analyst.....Dan Wolfgram
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
Director of Planning and Economic Development.....Amber Miller

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 basic financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Marshfield, Wisconsin ("City"), as of and for the year ended December 31, 2005, which collectively comprise the City's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these basic 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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the City of Marshfield, Wisconsin as of December 31, 2005, and the results of its operations and cash flows of its proprietary funds 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 17, 2006, on our consideration of the City of Marshfield, Wisconsin's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. We did not audit the information and express no opinion thereon.

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The combining and individual fund financial statements, and schedules identified in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the City of Marshfield, Wisconsin. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Hawkins, Ash, Baptie & Company, LLP

Marshfield, Wisconsin
March 17, 2006

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**MANAGEMENT'S DISCUSSION
AND
ANALYSIS**

Management's Discussion and Analysis

As management of the City of Marshfield, Wisconsin, we offer readers of the City of Marshfield's basic financial statements this narrative overview and analysis of the financial activities of the City of Marshfield for the fiscal year ended December 31, 2005. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the City's basic financial statements, which follow this narrative.

Financial Highlights

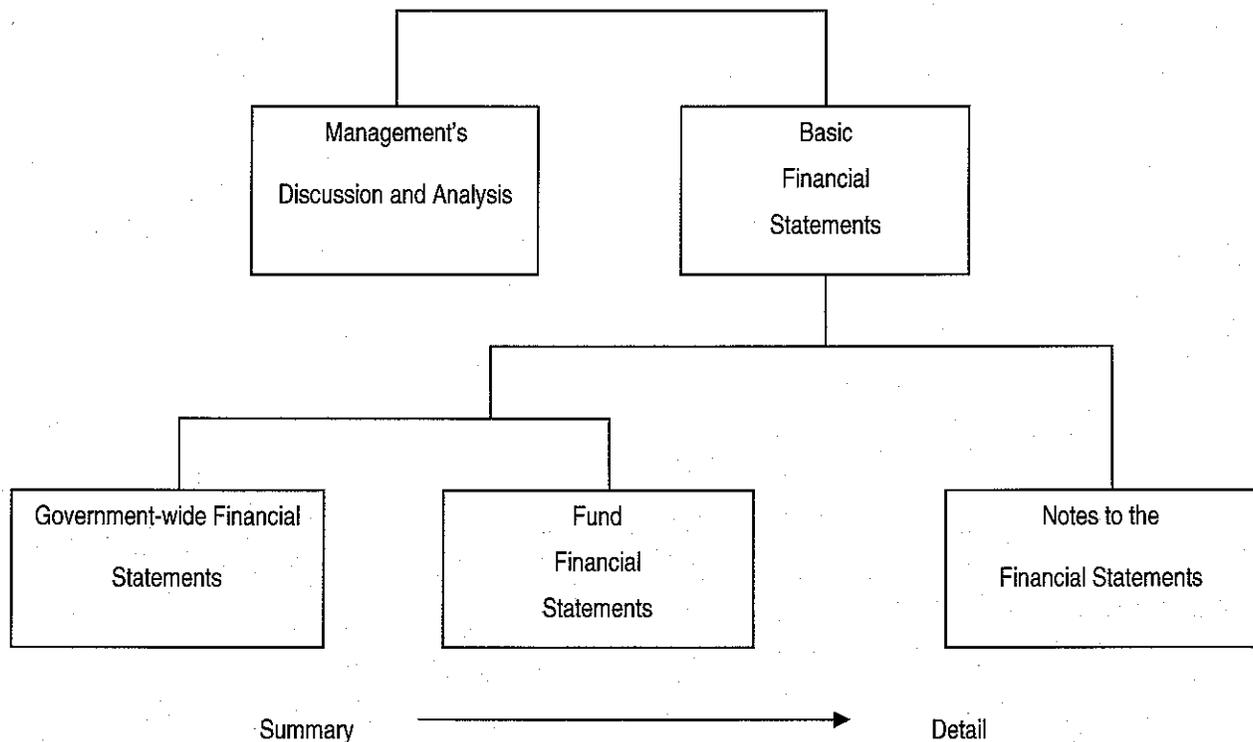
- The assets of the City of Marshfield exceeded its liabilities at the close of the fiscal year by \$111,356,861 (*net assets*).
- The government's total net assets increased by \$4,051,392, with both governmental and business-type activities increasing net assets.
- As of the close of the current fiscal year, the City of Marshfield's governmental funds reported combined ending fund balances of \$6,948,739, a decrease of \$568,464 in comparison with the prior year. The decrease is primarily due to budgeted reduction of fund balances.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$5,488,251, or 30 percent of total general fund expenditures for the fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to City of Marshfield's basic financial statements. The City's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the City through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the City of Marshfield, Wisconsin.

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

The first two statements in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the City's financial status.

The next statements are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the City's government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; and 3) the proprietary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the City's individual funds. Budgetary information required by the General Statutes also can be found in this part of the statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the City's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the City's financial status as a whole.

The two government-wide statements report the City's net assets and how they have changed. Net assets are the difference between the City's total assets and total liabilities. Measuring net assets is one way to gauge the City's financial condition.

The government-wide statements are divided into two categories: 1) governmental activities and 2) business-type activities. The governmental activities include most of the City's basic services such as public safety, parks and recreation, and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the City charges customers to provide. These include the electric, water, communications, sewer, ambulance and storm water services offered by the City of Marshfield, Wisconsin.

Fund Financial Statements

The fund financial statements provide a more detailed look at the City's most significant activities. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City of Marshfield, Wisconsin, like all other governmental entities in Wisconsin, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the State of Wisconsin Statutes or the City's budget ordinance. All of the funds of City of Marshfield, Wisconsin can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* which provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the City's programs. The relationship between government activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the debt service fund, both of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of Marshfield, Wisconsin adopts an annual budget for its governmental funds (except those for which multi-year project budgets are approved) as required by the State of Wisconsin Statutes. The budget is a legally adopted document that incorporates input from citizens of the City, management of the City, and decisions of the Council about which services to provide and how to pay for them. It also authorizes the City to obtain funds from identified sources to finance these current period activities. The budgetary comparison schedule provided for the General Fund demonstrates how well the City complied with the budget ordinance and whether or not the City succeeded in providing the services as planned when the budget was adopted. The statement shows four columns: 1) the original budget as adopted by the council; 2) the final budget as amended by the council; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the variance between the final budget and the actual revenues and expenditures.

Proprietary Funds – City of Marshfield, Wisconsin has two different kinds of proprietary funds, Enterprise and Internal Service Funds. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Marshfield uses enterprise funds to account for its electric, water and communications activity, sanitary sewer operations, ambulance services and storm water activity. These funds are the same as those functions shown in the business-type activities in the Statement of Net Assets and the Statement of Activities. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City of Marshfield's various functions. The City of Marshfield uses internal service funds to account for its machinery and equipment. Because both of these services predominately benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Marshfield Utilities and for the Wastewater Utility, both of which are considered to be major funds of the City of Marshfield. Conversely, the internal service fund is presented in the proprietary fund financial statements, as a single column.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City of Marshfield's own programs. The most significant fiduciary fund maintained by the City of Marshfield is the Property Tax Fund which records the tax roll and tax collections for other taxing jurisdictions within the City of Marshfield, Wisconsin. The accounting used for fiduciary funds is much like that used for governmental funds.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the City of Marshfield, Wisconsin. Required supplementary information can be found following the notes to the financial statements.

The City of Marshfield, Wisconsin's Net Assets

Figure 1
(In Thousands of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2005	2004	2005	2004	2005	2004
Current & other assets	\$ 21,533	\$ 21,502	\$ 14,330	\$ 11,405	\$ 35,863	\$ 32,907
Capital assets	59,725	56,753	83,118	83,358	142,843	140,111
Total assets	<u>\$ 81,258</u>	<u>\$ 78,255</u>	<u>\$ 97,448</u>	<u>\$ 94,763</u>	<u>\$ 178,706</u>	<u>\$ 173,018</u>
Long-term liabilities outstanding	\$ 23,834	\$ 23,612	\$ 26,832	\$ 27,144	\$ 50,666	\$ 50,756
Other liabilities	13,348	12,811	3,335	2,800	16,683	15,611
Total liabilities	<u>\$ 37,182</u>	<u>\$ 36,423</u>	<u>\$ 30,167</u>	<u>\$ 29,944</u>	<u>\$ 67,349</u>	<u>\$ 66,367</u>
Net assets:						
Invested in capital assets, net of related debt	\$ 38,527	\$ 35,956	\$ 58,352	\$ 58,590	\$ 96,879	\$ 94,546
Restricted	4,775	4,661	3,585	3,274	8,360	7,935
Unrestricted	774	1,215	5,344	2,955	6,118	4,170
Total net assets	<u>\$ 44,076</u>	<u>\$ 41,832</u>	<u>\$ 67,281</u>	<u>\$ 64,819</u>	<u>\$ 111,357</u>	<u>\$ 106,651</u>

As noted earlier, net assets may serve over time as one useful indicator of a government's financial condition. The assets of the City of Marshfield exceeded liabilities by \$111,357,000 as of December 31, 2005. The City's net assets increased by \$4,200,000 for the fiscal year ended December 31, 2005. The largest portion (87%) reflects the City's investment in capital assets (e.g. land, land improvements, buildings, and equipment), less any related debt still outstanding that was issued to acquire those items. The City of Marshfield uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Marshfield's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional \$8,360,000 of the City of Marshfield's net assets (7%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$6,119,000 is unrestricted.

City of Marshfield, Wisconsin Changes in Net Assets

Figure 2

(In Thousands of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2005	2004	2005	2004	2005	2004
Revenues:						
Program revenues:						
Charges for services	\$ 1,592	\$ 1,496	\$ 32,378	\$ 27,703	\$ 33,970	\$ 29,199
Grants & contributions	2,748	3,081	791	1,212	3,539	4,293
General revenues:						
Taxes	11,668	9,600	--	668	11,668	10,268
State shared revenue	5,451	5,253	--	--	5,451	5,253
Interest and investment income	425	383	676	467	1,101	850
Miscellaneous	237	205	--	16	237	221
Total revenues	<u>\$ 22,121</u>	<u>\$ 20,018</u>	<u>\$ 33,845</u>	<u>\$ 30,066</u>	<u>\$ 55,966</u>	<u>\$ 50,084</u>
Expenses:						
General government	\$ 2,636	\$ 2,596	\$ --	\$ --	\$ 2,636	\$ 2,596
Public safety	7,173	7,322	--	--	7,173	7,322
Public works	6,353	5,947	--	--	6,353	5,947
Health and human services	142	141	--	--	142	141
Culture, recreation & education	3,227	3,037	--	--	3,227	3,037
Conservation & development	1,074	760	--	--	1,074	760
Interest on long-term debt	1,053	1,149	--	--	1,053	1,149
Electric	--	--	23,716	18,548	23,716	18,548
Water	--	--	2,198	2,088	2,198	2,088
Wastewater	--	--	3,406	3,200	3,406	3,200
Other business-type activities	--	--	789	1,277	789	1,277
Total expenses	<u>\$ 21,658</u>	<u>\$ 20,952</u>	<u>\$ 30,109</u>	<u>\$ 25,113</u>	<u>\$ 51,767</u>	<u>\$ 46,065</u>
Excess (deficiency) before transfers	\$ 463	\$ (934)	\$ 3,736	\$ 4,953	\$ 4,199	\$ 4,019
Transfers	1,275	1,289	(1,275)	(1,289)	--	--
Change in net assets	\$ 1,738	\$ 355	\$ 2,461	\$ 3,664	\$ 4,199	\$ 4,019
Net assets, beginning of year	42,338	41,477	64,819	61,155	107,157	102,632
Net assets, end of year	<u>\$ 44,076</u>	<u>\$ 41,832</u>	<u>\$ 67,280</u>	<u>\$ 64,819</u>	<u>\$ 111,356</u>	<u>\$ 106,651</u>

Figure 2 provides summarized operating results and their impact on net assets. Both governmental and business-type activities increased the City's financial position.

Governmental activities: The City relies primarily on taxes (approximately 50%) and state shared revenue (approximately 25%) to provide basic services. Revenues were generally at similar levels. Public safety (approximately 33%) and public works (approximately 30%) comprise the majority of expenses. Expenses were generally consistent, with decreases in public safety and interest. This decrease is the result of the transfer of Public Fire Protection (Fire Hydrant) to the Water Utility bills (included as governmental expense for 2004).

Business-type activities: Utility charges for services increased by approximately 13%. Wholesale electric power cost increased by \$4.7 million over 2004. These costs are passed along to electric customers, and accounts for most of the increase in revenues. Customer contributions decreased for customer-financed capital additions, and there was no property tax levied for business-type activities for 2005.

Financial Analysis of the City's Funds

As noted earlier, the City of Marshfield, Wisconsin uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City of Marshfield's governmental funds provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the City of Marshfield's financing requirements. Specifically, unreserved fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the primary operating fund of the City of Marshfield, Wisconsin. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$5,488,251 while total fund balance was \$6,022,577. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 30 percent of total General Fund expenditures, while total fund balance represents 33 percent of that same amount.

At December 31, 2005, the governmental funds of City of Marshfield reported a combined fund balance of \$6,948,739, a decrease of \$568,404 from last year. The decrease is attributable to budgeted reduction of fund balances.

General Fund Budgetary Highlights: During the fiscal year, the City revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once more accurate information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services or cover unanticipated expenses. There were no significant budget amendments during the year.

Overall revenues were slightly higher (\$54,000) than budgeted amounts primarily because of Intergovernmental (\$109,000), Public Charges for Services (\$89,000) and Other Revenue (\$146,000) sources exceeding budget. These and other excess revenues offset revenue budget shortfalls due to interest earnings remaining lower than anticipated while additional donations were received, special assessment receipts being less than estimated (\$261,000) and certain fees being less than expected (\$74,000). Overall expenditures were less than budgeted (\$591,000) due to actual and incurred costs being less than estimated for budgeting purposes largely due to mild winter weather that reduced costs in a number of areas including snow and ice removal. The City had anticipated using fund balance (or having a deficit) of about \$1.1 million for 2005, but only utilized \$484,000.

Proprietary Funds. The City of Marshfield's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Information on enterprise fund net assets follows:

	Unrestricted Net Assets		Change in Net Assets	
	2005	2004	2005	2004
Marshfield Utilities	\$ 3,195,299	\$ 1,879,232	\$ 1,902,210	\$ 2,675,377
Wastewater	1,892,442	941,777	460,052	718,145
EMS	141,597	28,484	89,531	91,000
Storm Water	113,730	108,790	4,940	169,054

Other factors concerning the finances of these funds have already been addressed in the discussion of the City of Marshfield, Wisconsin's business-type activities.

Capital Asset and Debt Administration

Capital assets. The City of Marshfield, Wisconsin's investment in capital assets for its governmental and business-type activities as of December 31, 2005, totals \$132,417,948 (net of accumulated depreciation). These assets include land, land improvements, buildings, construction in progress, and infrastructure.

Major capital asset transactions during the year include the following additions (there were no significant demolitions or disposals):

- Galvin Avenue Reconstruction (4th to Becker).
- Veterans Parkway – STH 13 construction (McMillan to Frey).

City of Marshfield, Wisconsin's Capital Assets

Figure 3

(In Thousands of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2005	2004	2005	2004	2005	2004
Land and land improvements	\$ 7,948	\$ 7,617	\$ 1,335	\$ 1,333	\$ 9,283	\$ 8,950
Buildings and improvements	16,955	17,564	27,547	27,546	44,502	45,110
Machinery and equipment	13,282	13,519	8,061	7,732	21,343	21,251
Infrastructure/systems	50,259	45,337	74,795	72,849	125,054	118,186
Construction in progress	--	--	1,147	1,257	1,147	1,257
Less: Accumulated depreciation	(28,719)	(27,284)	(29,767)	(27,359)	(58,486)	(54,643)
TOTAL	\$ 59,725	\$ 56,753	\$ 83,118	\$ 83,358	\$ 142,843	\$ 140,111

Additional information on the City's capital assets can be found in the notes to the Comprehensive Annual Financial Statements.

Long-term Obligations. As of December 31, 2005 the City of Marshfield, Wisconsin had total long-term obligations outstanding of \$49,305,594. Of this, \$24,352,815 is debt backed by the full faith and credit of the City. The remainder of the City's debt represents mortgage revenue bonds secured solely by specified revenue sources (i.e. revenue bonds) and compensated absences.

City of Marshfield, Wisconsin's Outstanding Long-Term Obligations

Figure 4

(In Thousands of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2005	2004	2005	2004	2005	2004
General obligation bonds/notes	\$ 23,567	\$ 23,481	\$ 786	\$ 799	\$ 24,353	\$ 24,280
Mortgage revenue bonds	--	--	24,686	24,651	24,686	24,651
Other long-term obligations	267	273	80	118	347	391
TOTAL	\$ 23,834	\$ 23,754	\$ 25,552	\$ 25,568	\$ 49,386	\$ 49,322

The City of Marshfield, Wisconsin's total debt increased by \$108,107 (0.2%) during the past fiscal year. This was due to the issuance of more than \$5 million in new debt less scheduled principal payments of less than \$5 million during the year.

The State of Wisconsin statutes limit the amount of general obligation debt that a unit of government can issue to 5 percent of total equalized value of taxable property located within that government's boundaries. The legal debt limit for City of Marshfield, Wisconsin is \$58,990,960.

Additional information regarding the City of Marshfield's long-term debt can be found in the notes to the financial statements.

Economic Factors And Next Year's Budgets And Rates

During 2004, the city considered the formation of a Storm Water Utility for implementation in 2005, but elected not to do so. Before the end of 2006, the City of Marshfield should receive its storm water discharge permit from the WI Department of Natural Resources that will outline standards the city will be required to meet, with specific deadlines set for 2008 and 2013. Once this permit is received and an analysis performed to determine the amount of infrastructure improvements and other costs necessary to meet these regulatory deadlines, the city may reconsider formation of a Storm Water Utility as a funding source.

For 2006, the city budgeted for the issuance issue \$2,000,000 of general obligation debt for the city's 2006 capital projects.

The 2006 adopted General Fund budget is \$19.09 million, a decrease of 0.47% under the 2005 revised budget of \$19.18 million. The overall 2006 adopted budget for all funds is \$34.61 million, a decrease of 2.34% under the 2005 revised budget for all funds of \$35.44 million. Property taxes levied in 2005 for 2006 city purposes increased by \$335,324. The tax rate for city purposes in 2005 for 2006 increased by \$0.18.

During 2005, significant projects including an estimated \$2.5 million of construction in Mill Creek Industrial Park, \$1.1 million in Commercial Renovation of the Radio Station site and \$2.5 million in residential rehabilitation and additions were completed. Additionally, the new mixed-use Prairie Run Subdivision began construction with an estimated \$15 million in future development and construction of a new Goodwill Industries facility is scheduled to be completed in 2006 at an estimated value of \$800,000. Finally, in late 2005, the city entered into a Developers Agreement for redevelopment and expansion of the Northway Mall and surrounding properties with total project improvements estimated at \$14.1 million by 2010. As part of the Developers Agreement, the city will pursue formation of Tax Incremental Financing District #8 in 2006.

The City of Marshfield, the City of Wisconsin Rapids and Wood County entered into an agreement in 2005 to consolidate Emergency Communication Dispatch Services into a single Wood County function. The purpose of this consolidation was to eliminate duplication of services, personnel, facilities and equipment for this service to Wood County and City residents. The City of Marshfield and Wisconsin Rapids, as part of this agreement, agreed to equally fund 1/3 each of the initial capital start-up costs capped at \$333,333.33 for each city. Wood County will issue debt to finance the total project and will invoice each city for their share of the principal and interest payments as they become due. Wood County's Joint Dispatch will commence operations as soon as practical with a goal of the third quarter of 2006. The City of Marshfield 2006 adopted budget included funding for dispatch services for the first three quarters of 2006.

In 2005, as part of the State of WI biennial budget process, the State of WI imposed a two-year property tax levy limit on all WI municipalities. This tax levy limit impacts the City of Marshfield 2006 and 2007 budget. Under this limit, the city was eligible to increase its tax levy for 2006 by 2.358% over 2005. The 2006 adopted budget increased the tax levy by 1.595%. For 2007, the city will be able to increase its tax levy by a minimum of 2% over 2006 or the percentage increase in net new growth as determined by the State of WI, whichever is greater.

Finally, in addition to the two-year tax levy limits, the State Legislature continues to discuss passage of a constitutional amendment that would place strict limitations on the ability of all forms of government in the State of WI to raise revenue to fund operations. If passed, the earliest this would impact the City of Marshfield would be 2009.

Requests for Information

This report is designed to provide an overview of the City's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Director, City of Marshfield, P.O. Box 727, Marshfield, Wisconsin 54449.

**BASIC
FINANCIAL
STATEMENTS**

CITY OF MARSHFIELD, WISCONSIN
STATEMENT OF NET ASSETS
DECEMBER 31, 2005

	GOVERNMENTAL	BUSINESS	TOTAL
	ACTIVITIES	TYPE ACTIVITIES	
ASSETS			
Cash and equivalents	\$ 9,654,466	\$ 2,720,186	\$ 12,374,652
Investments	92,086	2,815,426	2,907,512
Receivables			
Taxes	8,619,460	41,863	8,661,323
Accounts	108,321	3,192,628	3,300,949
Special assessments	532,335	2,719	529,616
Loans	1,223,669	--	1,223,669
Other	11,078	--	11,078
Inventories	69,321	796,180	865,501
Prepays	13,644	67	13,711
Deferred charges	--	261,305	261,305
Due from other governments	303,531	313	303,844
Internal balances	905,862	(905,862)	--
Restricted assets			
Cash and investments	--	5,410,531	5,410,531
Capital assets, net of accumulated depreciation			
Land and construction in progress	7,947,472	2,481,777	10,429,249
Buildings, systems and equipment	51,777,081	80,635,846	132,412,927
TOTAL ASSETS	\$ 81,258,326	\$ 97,447,541	\$ 178,705,867

(Continued on page 21)

The accompanying notes are an integral part of these statements.

CITY OF MARSHFIELD, WISCONSIN
STATEMENT OF NET ASSETS - Continued
DECEMBER 31, 2005

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
LIABILITIES AND NET ASSETS			
LIABILITIES			
Accounts payable	\$ 957,230	\$ 2,467,155	\$ 3,424,385
Accrued interest	280,968	92,876	373,844
Other accrued expenses	21,144	744,689	765,833
Payable from restricted assets			
Current portion of long-term debt	145,637	1,385,380	1,531,017
Other	--	17,313	17,313
Due to other governments	36,592	20	36,612
Deferred revenues	12,052,416	12,650	12,065,066
NONCURRENT LIABILITIES			
Due within one year	3,316,047	470,000	3,786,047
Capital leases payable	--	79,888	79,888
Customer deposits	--	1,280,473	1,280,473
Noncurrent portion of long-term obligations	20,371,851	23,616,677	43,988,528
TOTAL LIABILITIES	\$ 37,181,885	\$ 30,167,121	\$ 67,349,006
NET ASSETS			
Invested in capital assets, net of related debt	\$ 38,526,738	\$ 58,351,590	\$ 96,878,328
Restricted for			
Special revenue funds	2,092,404	--	2,092,404
Capital projects	1,362,648	--	1,362,648
Debt service	5,490	915,568	921,058
Other activities	1,146,739	2,669,201	3,815,940
Perpetual care - nonexpendable	167,898	--	167,898
Unrestricted	774,524	5,344,061	6,118,585
TOTAL NET ASSETS	\$ 44,076,441	\$ 67,280,420	\$ 111,356,861
TOTAL LIABILITIES AND NET ASSETS	\$ 81,258,326	\$ 97,447,541	\$ 178,705,867

The accompanying notes are an integral part of these statements.

CITY OF MARSHFIELD, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2005

	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
GOVERNMENTAL ACTIVITIES				
General government	\$ 2,636,409	\$ 695,106	\$ --	--
Public safety	7,173,069	231,776	127,135	--
Public works	6,352,456	208,158	2,024,527	--
Health and human services	142,194	133,911	--	--
Culture, recreation and education	3,226,601	272,042	596,154	--
Conservation and development	1,073,530	50,985	--	--
Debt service				
Interest and fiscal charges	1,053,371	--	--	--
TOTAL GOVERNMENTAL ACTIVITIES	\$ 21,657,630	\$ 1,591,978	\$ 2,747,816	--
BUSINESS-TYPE ACTIVITIES				
Electric	\$ 23,715,632	\$ 24,339,873	\$ 210,551	--
Water	2,198,361	2,911,403	530,292	--
Communications	21,241	52,053	--	--
Wastewater	3,405,692	4,262,748	--	--
EMS	763,000	812,343	40,188	--
Storm Water	4,888	--	9,828	--
TOTAL BUSINESS TYPE ACTIVITIES	\$ 30,108,814	\$ 32,378,420	\$ 790,859	--
TOTAL	\$ 51,766,444	\$ 33,970,398	\$ 3,538,675	--

General revenues
Property taxes
Public accomodation taxes
Other taxes and payments in lieu of tax
Unrestricted state shared revenues
Unrestricted investment earnings
Miscellaneous revenues
Transfers
Total general revenues and transfers
Change in net assets

Net assets - beginning of year

Net assets - end of year

(Continued on page 23)

The accompanying notes are an integral part of these statements.

CITY OF MARSHFIELD, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2005

<u>NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS</u>		
<u>GOVERNMENTAL</u>	<u>BUSINESS-TYPE</u>	
<u>ACTIVITIES</u>	<u>ACTIVITIES</u>	<u>TOTAL</u>
\$ (1,941,303)		\$ (1,941,303)
(6,814,158)		(6,814,158)
(4,119,771)		(4,119,771)
(8,283)		(8,283)
(2,358,405)		(2,358,405)
(1,022,545)		(1,022,545)
<u>(1,053,371)</u>		<u>(1,053,371)</u>
<u>\$ (17,317,836)</u>		<u>\$ (17,317,836)</u>
	\$ 834,792	\$ 834,792
	1,243,334	1,243,334
	30,812	30,812
	857,056	857,056
	89,531	89,531
	<u>4,940</u>	<u>4,940</u>
	<u>\$ 3,060,465</u>	<u>\$ 3,060,465</u>
<u>\$ (17,317,836)</u>	<u>\$ 3,060,465</u>	<u>\$ (14,257,371)</u>
\$ 11,281,224	\$ --	\$ 11,281,224
266,823	--	266,823
120,524	--	120,524
5,451,033	--	5,451,033
424,609	675,541	1,100,150
237,137	--	237,137
<u>1,274,792</u>	<u>(1,274,792)</u>	<u>--</u>
<u>\$ 19,056,142</u>	<u>\$ (599,251)</u>	<u>\$ 18,456,891</u>
<u>\$ 1,738,306</u>	<u>\$ 2,461,214</u>	<u>\$ 4,199,520</u>
<u>42,338,135</u>	<u>64,819,206</u>	<u>107,157,341</u>
<u>\$ 44,076,441</u>	<u>\$ 67,280,420</u>	<u>\$ 111,356,861</u>

The accompanying notes are an integral part of these statements.

CITY OF MARSHFIELD, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2005

	GENERAL	DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and equivalents	\$ 4,152,058	\$ 764,236	\$ 4,119,318	\$ 9,035,612
Receivables				
Taxes	5,484,721	1,916,285	1,218,454	8,619,460
Accounts	109,313	--	--	109,313
Special assessments	532,335	--	--	532,335
Loans	--	--	1,123,656	1,123,656
Other	--	--	10,680	10,680
Prepays	11,935	--	1,709	13,644
Due from other governments	181,203	--	120,421	301,624
Due from other funds	4,627,538	--	1,660	4,629,198
	\$ 15,099,103	\$ 2,680,521	\$ 6,595,898	\$ 24,375,522
TOTAL ASSETS				
 LIABILITIES AND FUND BALANCES				
CURRENT LIABILITIES				
Accounts payable	\$ 807,019	\$ --	\$ 84,911	\$ 891,930
Due to				
Other funds	19,791	--	3,707,163	3,726,954
Other governments	35,710	--	882	36,592
Deferred revenues	8,214,006	2,675,031	1,882,270	12,771,307
	\$ 9,076,526	\$ 2,675,031	\$ 5,675,226	\$ 17,426,783
TOTAL CURRENT LIABILITIES				
 FUND BALANCES				
Reserved for				
Special revenue funds	\$ --	\$ --	\$ 2,092,404	\$ 2,092,404
Capital projects	--	--	1,362,648	1,362,648
Debt service	--	5,490	--	5,490
Other activities	534,326	--	167,898	702,224
Unreserved	5,488,251	--	(2,702,278)	2,785,973
	\$ 6,022,577	\$ 5,490	\$ 920,672	\$ 6,948,739
TOTAL FUND BALANCES				
	\$ 15,099,103	\$ 2,680,521	\$ 6,595,898	\$ 24,375,522
TOTAL LIABILITIES AND FUND BALANCES				

The accompanying notes are an integral part of these statements.

CITY OF MARSHFIELD, WISCONSIN
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS
YEAR ENDED DECEMBER 31, 2005

Fund balances - total governmental funds	\$	6,948,739
Amounts reported for governmental activities in the statement of assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		57,317,400
Some revenues are deferred in the funds because they are not available to pay current period's expenditures		718,891
Internal service funds are used by management to charge the costs of fleet machinery and equipment to individual funds. The assets, liabilities and net assets of the internal service fund are included with governmental activities on the statement of net assets.		2,356,739
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities – both current and long-term – are reported in the statement of net assets.		
Accrued interest payable	\$ (280,968)	
Bonds and notes payable	(22,717,730)	
Compensated absences	<u>(266,630)</u>	<u>(23,265,328)</u>
Total net assets of governmental activities		<u>\$ 44,076,441</u>

The accompanying notes are an integral part of these financial statements.

CITY OF MARSHFIELD, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2005

REVENUE	DEBT		OTHER	TOTAL
	GENERAL	SERVICE	GOVERNMENTAL FUNDS	GOVERNMENTAL FUNDS
Taxes	\$ 7,421,557	\$ 2,857,690	\$ 1,389,978	\$ 11,669,225
Special assessments	183,661	--	--	183,661
Intergovernmental revenues	7,348,754	--	480,425	7,829,179
Licenses and permits	191,121	--	170,620	361,741
Fines, forfeits and penalties	115,089	--	--	115,089
Charges for services	730,660	--	110,823	841,483
Other revenue	918,725	46,727	306,490	1,271,942
TOTAL REVENUES	\$ 16,909,567	\$ 2,904,417	\$ 2,458,336	\$ 22,272,320
EXPENDITURES				
Current				
General government	\$ 2,603,519	\$ --	\$ 94,630	\$ 2,698,149
Public safety	7,167,312	--	57,105	7,224,417
Public works	4,942,240	--	332,965	5,275,205
Health and human services	136,268	--	--	136,268
Culture, recreation and education	2,645,112	--	289,233	2,934,345
Conservation and development	579,931	--	406,840	986,771
Capital outlay	164,037	--	3,915,736	4,079,773
Debt service				
Principal retirement	--	2,824,211	--	2,824,211
Interest and fiscal charges	--	969,045	24,191	993,236
TOTAL EXPENDITURES	\$ 18,238,419	\$ 3,793,256	\$ 5,120,700	\$ 27,152,375
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (1,328,852)	\$ (888,839)	\$ (2,662,364)	\$ (4,880,055)
OTHER FINANCING SOURCES (USES)				
Issuance of long-term debt	\$ --	\$ --	\$ 3,036,799	\$ 3,036,799
Transfer from Enterprise Fund	799,792	475,000	--	1,274,792
Transfers in	47,271	415,918	679,673	1,142,862
Transfers out	(2,000)	--	(1,140,862)	(1,142,862)
TOTAL OTHER FINANCING SOURCES (USES)	\$ 845,063	\$ 890,918	\$ 2,575,610	\$ 4,311,591
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	\$ (483,789)	\$ 2,079	\$ (86,754)	\$ (568,464)
FUND BALANCES AT BEGINNING OF YEAR	6,506,366	3,411	1,007,426	7,517,203
FUND BALANCES AT END OF YEAR	\$ 6,022,577	\$ 5,490	\$ 920,672	\$ 6,948,739

The accompanying notes are an integral part of these statements.

CITY OF MARSHFIELD, WISCONSIN
RECONCILIATION OF STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2005

Net change in fund balances - total governmental funds \$ (568,464)

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

The acquisition of capital assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities.

Capital outlay reported in governmental fund statements	\$ 4,079,773	
Plus expenditures capitalized, not reported as capital outlay	142,425	
Depreciation expense reported in the statement of activities	<u>(1,779,130)</u>	
Amount by which capital outlays are greater than depreciation in the current period.		2,443,068

The net effect of various miscellaneous transactions involving capital asset sales, trade-ins, and donations and changes in accrual of revenues that do not provide current financial resources (1,744)

Internal service funds are used by management to charge the costs of fleet machinery and equipment to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities. 82,847

Some capital assets acquired during the year were financed with loans. The amount of the loan is reported in the governmental funds as a source of financing. In the statement of net assets however, loans are not reported as a financing source, but rather constitute a long-term liability. The amount of loans reported in the governmental funds statement is: (3,036,799)

Certain employee benefits are reported in the government funds when amounts are paid. The statement of activities reports the value of benefits earned during the year. This year the accrual of these benefits decreased by: 6,575

Certain revenues are deferred in the governmental funds because they are not available to pay current period expenditures. In the statement of activities these are recorded as revenue in the current year:
Special assessments to be collected after year end (149,432)

Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net assets and does not affect the statement of activities.
The amount of long-term debt principal payments in the current year is: 2,824,211

In governmental funds interest payments on outstanding debt are reported as an expenditure when paid. In the statement of activities interest is reported as it accrues.
The amount of interest paid during the current period \$ 932,286
The amount of interest accrued during the current period (942,370)
Interest paid is greater (less) than interest accrued by (10,084)

Change in net assets - governmental activities \$ 1,590,178

The accompanying notes are an integral part of these financial statements.

CITY OF MARSHFIELD, WISCONSIN
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2005

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL
	MARSHFIELD	WASTE-	OTHER	TOTAL	INTERNAL
	UTILITIES	WATER UTILITY	ENTERPRISE FUNDS		SERVICE FUND
ASSETS					
CURRENT ASSETS					
Cash	\$ 1,006,005	\$ 1,426,476	\$ 287,705	\$ 2,720,186	\$ 710,940
Investments	2,815,426	--	--	2,815,426	--
Taxes receivable	--	41,863	--	41,863	--
Accounts receivable	3,023,784	57,276	111,568	3,192,628	398
Special assessments receivable	--	2,719	--	2,719	--
Due from other funds	63,318	595,346	--	658,664	5,725
Due from other governments	--	313	--	313	1,907
Restricted assets, cash and investments	2,683,354	2,727,177	--	5,410,531	--
Inventories	702,221	93,959	--	796,180	69,321
TOTAL CURRENT ASSETS	\$ 10,294,108	\$ 4,939,691	\$ 399,273	\$ 15,633,072	\$ 788,291
NONCURRENT ASSETS					
Deferred charges	\$ 261,305	\$ --	\$ --	\$ 261,305	\$ --
Other assets	--	--	67	67	--
	\$ 261,305	\$ --	\$ 67	\$ 261,372	\$ --
Capital assets, at cost					
Land and construction in progress	\$ 2,451,816	\$ 29,961	\$ --	\$ 2,481,777	\$ 20,728
Buildings, systems and equipment	63,581,980	46,204,782	615,870	110,402,632	6,447,635
Less accumulated depreciation	(20,618,990)	(8,746,043)	(401,753)	(29,766,786)	(4,061,209)
Net capital assets	\$ 45,414,806	\$ 37,488,700	\$ 214,117	\$ 83,117,623	\$ 2,407,154
TOTAL NONCURRENT ASSETS	\$ 45,676,111	\$ 37,488,700	\$ 214,184	\$ 83,378,995	\$ 2,407,154
TOTAL ASSETS	\$ 55,970,219	\$ 42,428,391	\$ 613,457	\$ 99,012,067	\$ 3,195,445

(Continued on page 29)

The accompanying notes are an integral part of these statements.

CITY OF MARSHFIELD, WISCONSIN
STATEMENT OF NET ASSETS - Continued
PROPRIETARY FUNDS
DECEMBER 31, 2005

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL
	MARSHFIELD UTILITIES	WASTE- WATER UTILITY	OTHER ENTERPRISE FUNDS	TOTAL	ACTIVITIES- INTERNAL SERVICE FUND
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Accounts payable	\$ 2,368,143	\$ 68,229	\$ 31,776	\$ 2,468,148	\$ 65,300
Due to other funds	1,521,657	42,869	--	1,564,526	2,107
Due to other governments	--	20	--	20	--
Accrued salaries, wages and compensated absences	712,407	27,031	5,251	744,689	21,144
Accrued interest	--	92,876	--	92,876	--
Current portion of long-term debt	10,356	1,373,230	1,794	1,385,380	145,637
Deferred revenues	--	--	12,650	12,650	--
Customer advances	1,280,473	--	--	1,280,473	--
CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS					
Accrued interest	17,313	--	--	17,313	--
Current portion mortgage revenue bonds	470,000	--	--	470,000	--
TOTAL CURRENT LIABILITIES	\$ 6,380,349	\$ 1,604,255	\$ 83,247	\$ 8,036,075	\$ 234,188
NONCURRENT LIABILITIES					
Capital leases payable	\$ --	\$ 79,888	\$ --	\$ 79,888	\$ --
Long-term obligations	4,344,197	19,179,939	92,541	23,616,677	603,525
TOTAL NONCURRENT LIABILITIES	\$ 4,344,197	\$ 19,259,827	\$ 92,541	\$ 23,696,565	\$ 603,525
TOTAL LIABILITIES	\$ 10,724,546	\$ 20,864,082	\$ 144,012	\$ 31,732,640	\$ 837,713
NET ASSETS					
Invested in capital assets, net of related debt	\$ 41,134,806	\$ 17,002,666	\$ 214,118	\$ 58,351,590	\$ 1,657,992
Restricted for debt services	915,568	--	--	915,568	--
Restricted for other activities	--	2,669,201	--	2,669,201	699,740
Unrestricted	3,195,299	1,892,442	255,327	5,343,068	--
TOTAL NET ASSETS	\$ 45,245,673	\$ 21,564,309	\$ 469,445	\$ 67,279,427	\$ 2,357,732
TOTAL LIABILITIES AND NET ASSETS	\$ 55,970,219	\$ 42,428,391	\$ 613,457	\$ 67,279,427	\$ 3,195,445
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				993	
Net assets of business-type activities on statement of activities.				<u>\$ 67,280,420</u>	

The accompanying notes are an integral part of these statements.

CITY OF MARSHFIELD, WISCONSIN
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2005

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL
	MARSHFIELD	WASTE-	OTHER	TOTAL	ACTIVITIES-
	UTILITIES	WATER	ENTERPRISE		INTERNAL
	UTILITIES	UTILITY	FUNDS		SERVICE
					FUND
OPERATING REVENUES					
Charges for services	\$ 27,303,329	\$ 4,192,948	\$ 862,359	\$ 32,358,636	\$ 1,691,435
OPERATING EXPENSES					
Operations and maintenance	\$ 23,264,526	\$ 1,275,945	\$ 692,606	\$ 25,233,077	\$ 1,194,318
General	314,751	446,508	4,489	765,748	--
Depreciation	1,966,958	1,063,004	54,085	3,084,047	383,708
Taxes	139,449	--	--	139,449	--
TOTAL OPERATING EXPENSES	\$ 25,685,684	\$ 2,785,457	\$ 751,180	\$ 29,222,321	\$ 1,578,026
OPERATING INCOME	\$ 1,617,645	\$ 1,407,491	\$ 111,179	\$ 3,136,315	\$ 113,409
NONOPERATING REVENUE (EXPENSE)					
Interest income	\$ 595,864	\$ 77,463	\$ --	\$ 673,327	\$ --
Interest and fiscal charges	(241,698)	(621,916)	(5,193)	(868,807)	(34,725)
Amortization of debt issue costs	(10,652)	--	--	(10,652)	--
Miscellaneous	--	2,214	--	2,214	11,463
Other nonoperating expenses	--	--	(11,515)	(11,515)	(2,820)
TOTAL NONOPERATING REVENUE	\$ 343,514	\$ (542,239)	\$ (16,708)	\$ (215,433)	\$ (26,082)
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	\$ 1,961,159	\$ 865,252	\$ 94,471	\$ 2,920,882	\$ 87,327
Contributions from customers	740,843	69,800	--	810,643	--
Transfers to governmental funds	(799,792)	(475,000)	--	(1,274,792)	--
CHANGE IN NET ASSETS	\$ 1,902,210	\$ 460,052	\$ 94,471	\$ 2,456,733	\$ 87,327
NET ASSETS - January 1	43,343,463	21,104,257	374,974		2,270,405
NET ASSETS - December 31	\$ 45,245,673	\$ 21,564,309	\$ 469,445		\$ 2,357,732
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				4,481	
Change in net assets of business-type activities on statement of activities.				\$ 2,461,214	

The accompanying notes are an integral part of these statements.

CITY OF MARSHFIELD, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2005

	BUSINESS-TYPE ENTERPRISE FUNDS			TOTAL ENTERPRISE FUNDS	GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUND
	ELECTRIC AND WATER	WASTEWATER	OTHER ENTERPRISE FUNDS		
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 31,244,958	\$ 123,061	\$ 841,937	\$ 32,209,956	\$ 1,700,270
Payments to wastewater utility (collection of wastewater revenue)	(4,058,351)	4,058,351	-	-	-
Payments to suppliers and vendors	(22,078,321)	(748,886)	(151,200)	(22,978,407)	(397,228)
Payments to employees	(2,594,102)	(943,212)	(581,074)	(4,118,388)	(781,669)
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 2,514,184	\$ 2,489,314	\$ 109,663	\$ 5,113,161	\$ 521,373
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfer to governmental funds	\$ (350,000)	\$ (475,000)	\$ -	\$ (825,000)	\$ -
Capital paid in by municipality	350,000	-	-	350,000	-
Public benefits receipts	214,095	-	-	214,095	-
Payments for public benefits	(323,259)	-	-	(323,259)	-
TOTAL CASH FLOWS USED IN NONCAPITAL FINANCING ACTIVITIES	\$ (109,164)	\$ (475,000)	\$ -	\$ (584,164)	\$ -
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of fixed assets	\$ (1,644,041)	\$ (631,004)	\$ (42,017)	\$ (2,317,062)	\$ (292,653)
Payments payroll & benefits for employees - capitalized	(414,065)	-	-	(414,065)	-
Cost of retiring fixed assets	(70,999)	-	-	(70,999)	-
Interest paid	(227,215)	(621,916)	(5,193)	(854,324)	(34,725)
Proceeds from sale of fixed assets	85,791	-	-	85,791	50,083
Proceeds from issuance of revenue bonds	-	1,740,000	-	1,740,000	-
Principal payments of bonds payable	(450,000)	(1,254,524)	-	(1,704,524)	(141,582)
Principal payments of GO refunding bonds	(9,493)	(2,563)	(1,645)	(13,701)	-
Principal payments of capital leases	-	(37,660)	-	(37,660)	-
Contributed capital	398,218	-	-	398,218	-
Contributions refunded	(119,556)	-	-	(119,556)	-
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	\$ (2,451,360)	\$ (807,667)	\$ (48,855)	\$ (3,307,882)	\$ (418,877)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	\$ 488,331	\$ 77,463	\$ -	\$ 565,794	\$ -
Purchase of investments	(373,163)	-	-	(373,163)	-
NET CASH PROVIDED BY INVESTING ACTIVITIES	\$ 115,168	\$ 77,463	\$ -	\$ 192,631	\$ -
NET INCREASE IN CASH AND CASH EQUIVALENTS	\$ 68,828	\$ 1,284,110	\$ 60,808	\$ 1,413,746	\$ 102,496
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	3,620,529	2,869,543	226,897	6,716,969	608,444
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 3,689,357	\$ 4,153,653	\$ 287,705	\$ 8,130,715	\$ 710,940

(Continued on page 32)

The accompanying notes are an integral part of these financial statements.

CITY OF MARSHFIELD, WISCONSIN
STATEMENT OF CASH FLOWS - Continued
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2005

	BUSINESS-TYPE ENTERPRISE FUNDS			TOTAL ENTERPRISE FUNDS	GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUND
	MARSHFIELD UTILITIES	WASTEWATER	OTHER ENTERPRISE FUNDS		
RECONCILIATION OF OPERATING INCOME TO CASH					
PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income	\$ 817,853	\$ 1,407,491	\$ 111,179	\$ 2,336,523	\$ 113,409
Adjustments to reconcile operating income to net cash provided by operating activities					
Depreciation charged to depreciation expense	1,775,694	1,063,004	54,085	2,892,783	383,708
Depreciation charged to clearing account	317,262	-	-	317,262	-
Proceeds from miscellaneous sales	-	1,248	-	1,248	8,645
Changes in assets and liabilities					
(Increase) decrease in assets					
Accounts receivable	(1,076,515)	(31,892)	(20,422)	(1,128,829)	1,510
Prepaid expenses	-	9,378	(67)	9,311	1,414
Due from other funds	55,957	19,107	-	75,064	(1,320)
Inventories	(54,471)	1,644	-	(52,827)	11,657
Increase (decrease) in current liabilities					
Accounts payable	708,658	8,206	(33,534)	683,330	895
Due to other funds	53,638	8,425	-	62,063	866
Other accrued expenses	(83,892)	2,703	(1,578)	(82,767)	589
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 2,514,184	\$ 2,489,314	\$ 109,663	\$ 5,113,161	\$ 521,373
CASH AND CASH EQUIVALENTS AT END OF YEAR					
Cash	\$ 2,244,767	\$ 1,426,476	\$ 287,705	\$ 3,958,948	\$ 710,940
Revenue bond special redemption investments	1,252,881	321,724	-	1,574,605	-
Revenue bond depreciation investments	150,000	2,405,453	-	2,555,453	-
Customer deposits	41,709	-	-	41,709	-
TOTAL CASH AND CASH EQUIVALENTS	\$ 3,689,357	\$ 4,153,653	\$ 287,705	\$ 8,130,715	\$ 710,940
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Dividends reinvested	\$ 92,070	\$ -	\$ -	\$ 92,070	\$ -
Capital assets contributed by customers	-	69,800	-	69,800	-

The accompanying notes are an integral part of these financial statements.

CITY OF MARSHFIELD, WISCONSIN
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
YEAR ENDED DECEMBER 31, 2005

	AGENCY FUNDS
ASSETS	
Cash and equivalents	\$ 4,734,994
Investments	13,600
Taxes receivable	11,205,777
Other receivables	9,585
TOTAL ASSETS	\$ 15,963,956
LIABILITIES AND NET ASSETS	
Accounts payable	\$ 17,527
Payroll deductions	290,343
Due to other governments	15,656,086
TOTAL LIABILITIES	\$ 15,963,956
NET ASSETS	
Restricted	--
TOTAL NET ASSETS	\$ --
TOTAL LIABILITIES AND NET ASSETS	\$ 15,963,956

The accompanying notes are an integral part of these statements.

**NOTES
TO THE
FINANCIAL STATEMENTS**

CITY OF MARSHFIELD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2005

NOTE 1 - Summary of Significant Accounting Policies

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

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 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.

Government-Wide Financial Statements

The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The City does not allocate indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues.

The business-type activities follow all pronouncements of the Governmental Accounting Standards Board. The City has elected not to adopt the provision of GASB 20, paragraph 7, which states that all FASB statements and interpretations issued after November 30, 1989, can be applied to its proprietary funds. Unbilled utility receivables are not recorded as the amount is not material.

CITY OF MARSHFIELD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2005

NOTE 1 - Summary of Significant Accounting Policies - Continued

Fund Financial Statements

The fund financial statements provide information about the City's funds, including fiduciary funds. Financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, net assets/fund equity, revenues, and expenditure/expenses.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

Funds are organized as major funds or non-major funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental fund or enterprise fund that met the 10 percent test is at least 5 percent of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or proprietary fund that the City believes is particularly important to financial statement users may be reported as a major fund.

Basis of Presentation

The City reports the following major governmental funds:

General Fund - The General Fund is used to account for all financial resources, except those required to be accounted for in another fund.

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

The City reports the following major proprietary funds:

Marshfield Utilities - All activities necessary to provide electric, water and telecommunication services to residents of the City and outlying areas. Fund activities include administration, billing and collection, operations, maintenance, and financing.

Wastewater - This fund accounts for the maintenance of the City's sanitary sewer system. Wisconsin State Statutes Section 66.076, permit municipalities to implement sewer fees to recover the costs of operation, maintenance, repair, and depreciation of sewer collection and transportation facilities. Sewer maintenance costs are recovered through a user fee rather than through the property tax.

CITY OF MARSHFIELD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2005

NOTE 1 - Summary of Significant Accounting Policies - Continued

Additionally, the City reports the following fund types:

Internal service fund – Accounts for fleet machinery and equipment provided to other departments of the government, or to actual parties, on a cost reimbursement basis.

Agency - This fund accounts for taxes and deposits collected by the City, acting in the capacity of an agent, for distribution to other governmental units or designated beneficiaries.

Basis of Accounting

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property tax revenue, grants, and other contributions. On an accrual basis, revenue from property taxes is recognized in the period for which the levy is intended to finance, which is the year after the taxes are levied. Taxes levied in 2005 that will be collected in 2006 are recorded as receivable and deferred revenue. Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Eligibility includes timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers all revenues to be available if they are collected within 60 days of the end of the current year. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, principal and interest on general long-term debt, claims and judgments, and compensated absences are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Significant revenue sources, which are susceptible to accrual include property taxes, state share revenues, grants, contributions, and interest. All other revenue sources including licenses, permits, fines, and forfeits are considered to be measurable and available only when cash is received.

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

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

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

The City reports deferred revenues on its governmental funds balance sheet, which arise from taxes levied in the current year which are for subsequent year's operations. For governmental fund financial statements, deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received before the City has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

CITY OF MARSHFIELD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2005

NOTE 1 - Summary of Significant Accounting Policies - Continued

Basis of Accounting - Continued

The proprietary funds follow all pronouncements of the Governmental Accounting Standards Board, and have elected not to follow Financial Accounting Standards Board pronouncements issued before November 30, 1989. The proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer utilities are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Cash and Cash Equivalents

Cash and cash equivalents, as classified in the statement of cash flows, consist of all highly liquid investments with an initial maturity of three months or less.

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. Unbilled utility services at year end are recognized as revenues and receivables in the accompanying financial statements.

Inventory

Inventory is priced at the lower of cost (first-in, first-out) or market. The cost of governmental fund-type inventories are recorded as expenditures when purchased.

Prepaid Items

Cash payments benefiting future periods have been recorded as prepaid items. They will be reflected as expenditures or expenses when incurred in the subsequent year. Prepaid items in governmental funds are reserved for in fund balance, because prepaids are not expendable, available financial resources.

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.

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, 2005

NOTE 1 - Summary of Significant Accounting Policies - Continued

Capital Assets

Capital assets, which includes property, plant, and equipment, and infrastructure, are reported at cost or estimated historical cost if actual cost is not available. Contributed assets are reported at estimated fair value at the time received. General infrastructure assets, such as roads, bridges, curbs, gutters, streets, sidewalks and drainage, and lighting systems, acquired prior to January 1, 2005, are reported at estimated historical cost using prior financial information. Capital assets are depreciated using the straight-line method. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset's lives are not capitalized.

Major capital outlays for capital assets of business-type activities are included as part of the capitalized value of the assets constructed. Interest expenses incurred during construction are capitalized as part of the additions to capital assets.

Capitalization thresholds and the estimated useful lives are as follows:

Capital Asset Category	Capitalization Threshold	Estimated Useful Life
Infrastructure	\$ 1,000	20-70
Land	--	N/A
Improvements	1,000	15-40
Buildings	1,000	15-50
Machinery and equipment	1,000	3-40

Compensated Absences

Vacation pay accumulates and is fully vested. 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.

Bond Premiums, Discounts, and Issuance Costs

In the government-wide and proprietary fund financial statements, bond premiums and discounts, as well as issuance costs are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

CITY OF MARSHFIELD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2005

NOTE 1 - Summary of Significant Accounting Policies - Continued

Advance Refundings of Debt

In the government-wide and proprietary fund financial statements, gains and losses from advance refundings of debt resulting in defeasance are deferred and amortized as a component of interest expense over the shorter of the remaining life of the old debt or the life of the new debt using the effective interest method. Bonds payable are reported net of the applicable deferred amount.

Fund Balances

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for specific purposes.

Net Assets

In the government-wide and proprietary fund financial statements, equity is displayed in three components as follows:

Invested in Capital Assets, Net of Related Debt - This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted - This consists of net assets that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, generally it is the City's policy to use restricted resources first, then unrestricted resources when they are needed.

Unrestricted - This consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

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 revenue.

Interfund Transactions

Interfund transactions are accounted for as revenue, expenses or expenditures in the fund financial statements. 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. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes (which are reported as transfers) and other charges between the government's water and wastewater function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 expenditures/expenses during the reporting period. Actual results could differ from those estimates.

CITY OF MARSHFIELD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2005

NOTE 2-A - Cash and Investments

State statutes permit the City to invest available cash balances, other than debt service funds, in time deposits of authorized depositories, state obligations, U.S. Treasury obligations, U.S. agency issues, repurchase agreements and other investments secured by federal securities, high grade commercial paper, and the local government pooled-investment fund administered by the state investment board. Available balances in the Debt Service Fund may be invested in municipal obligations, obligations of the United States and the local government pooled-investment fund. No significant violations of these restrictions occurred during the year.

As of December 31, 2005, the City had the following investments.

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>	<u>Carrying Amount</u>
Federal Home Loan Consolidation Bonds	Various dates from 2009-2013	\$ 5,071,768	\$ 5,167,792
State of Wisconsin Investment Pool	Less than one year	14,754,605	14,755,255
Other	September 1, 2012	19,000	19,000
Total Investments, December 31, 2005		<u>\$ 19,845,373</u>	<u>\$ 19,942,047</u>

Fair (Market) Value of Deposits and Investments - Deposits and investments are reported at fair value. At December 31, 2005, the fair value of the City's deposits and investments approximated original cost, therefore no fair value adjustments were necessary.

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

- 1) Deposits and investments with stated interest rates (savings account and certificate of deposits) are stated at cost.
- 2) U.S. Treasury bills/notes are stated as amortized cost, and
- 3) State of Wisconsin Local Government Investment Pool fair value is determined by the Pool's investment board based on published market quotations.

Investment Pool Information - Participation in the State of Wisconsin Local Government 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, 2005, the Pool's fair value was 99.9956 percent of book value.

Income Allocation - Interest income is generally allocated to the fund that owns the certificate of deposit; money market account, savings account, and investment.

Interest Rate Risk. State statutes limit investments in commercial paper, corporate bonds, and mutual bond funds to mature or may be tendered for purchase at the option of the holder within not more than 7 years of the date acquired. The City's investment policy does not further limit investment maturities as a means of further managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. State statutes limit investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The City's investment policy does not further limit its investment choices. The State of Wisconsin Investment Pool is unrated, however, the investments at all times consist solely of securities and instrument in which Municipalities are permitted to invest.

CITY OF MARSHFIELD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2005

NOTE 2-A - Cash and Investments - Continued

Custodial Credit Risk - Deposits. Custodial credit is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy addresses collateral levels and types. As of December 31, 2005, \$4,260,651 of the City's bank balance of \$4,726,160, was exposed to custodial credit risk as follows:

Uninsured, collateral pledged by bank	\$ 3,000,000
Uninsured and uncollateralized	<u>1,260,651</u>
	<u>\$ 4,260,651</u>

Other Investment – The Marshfield Utilities has invested in American Transmission Company, LLC (ATC). ATC is an electric power group consisting of 28 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 2005 year-end the Utility received cash distributions totaling \$368,483. The Utility's total earnings for 2005 were \$460,604. Separate financial information for ATC may be obtained by writing to American Transmission Company, P.O.Box 47, Waukesha, WI. 53187-0047.

NOTE 3 - Property Taxes

Property taxes attach as an enforceable lien on property in December when the tax roll is certified. Taxes are levied in December 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 taxes for the State, County, Technical College, and 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 revenue is recognized in the year they are levied for and available for use. The 2005 tax roll (levied for 2006) has been set up as a receivable and offset by the amounts due to other governmental units and deferred income tax revenue for the City's portion. Advance tax collections are offset against the receivable.

NOTE 4 – 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:

	Balance 1/1/05	Additions	Payments & Foreclosures	Balance 12/31/05
Community Development Block				
Grant Program	\$ 280,423	\$ 0	\$ 171,000	\$ 109,423
Residential Revolving Loan	<u>181,556</u>	<u>12,278</u>	<u>18,000</u>	<u>175,834</u>
TOTAL	<u>\$ 461,979</u>	<u>\$ 12,278</u>	<u>\$ 189,000</u>	<u>\$ 285,257</u>

CITY OF MARSHFIELD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2005

NOTE 5 - Capital Assets

Capital asset activity for the year ended December 31, 2005, was as follows:

	<u>BALANCES</u> <u>1/1/05</u>	<u>ADDITIONS</u>	<u>RETIREMENTS</u>	<u>BALANCES</u> <u>12/31/05</u>
GOVERNMENTAL ACTIVITIES				
<i>Capital assets not being depreciated:</i>				
Land	\$ 7,617,097	\$ 608,757	\$ 278,382	\$ 7,947,472
Total capital assets not being depreciated	<u>\$ 7,617,097</u>	<u>\$ 608,757</u>	<u>\$ 278,382</u>	<u>\$ 7,947,472</u>
<i>Capital assets being depreciated</i>				
Buildings	\$ 15,829,433	\$ 947,931	\$ 61,238	\$ 16,716,126
Infrastructure	45,337,166	3,204,917	--	48,542,083
Improvements other than buildings	1,734,616	253,667	32,392	1,955,891
Machinery and equipment	13,518,961	548,840	786,398	13,281,403
Total capital assets being depreciated	<u>\$ 76,420,176</u>	<u>\$ 4,955,355</u>	<u>\$ 880,028</u>	<u>\$ 80,495,503</u>
Less accumulated depreciation for:				
Buildings	\$ 5,961,780	\$ 390,841	\$ 47,361	\$ 6,305,260
Infrastructure	10,798,521	1,125,986	--	11,924,507
Improvements other than buildings	399,633	73,419	30,511	442,541
Machinery and equipment	10,124,491	572,592	650,970	10,046,113
Total accumulated depreciation	<u>\$ 27,284,425</u>	<u>\$ 2,162,838</u>	<u>\$ 728,842</u>	<u>\$ 28,718,421</u>
Total capital assets being depreciated, net	<u>\$ 49,135,751</u>	<u>\$ 2,792,517</u>	<u>\$ 151,186</u>	<u>\$ 51,777,082</u>
Government Activity Capital Assets, Net	<u>\$ 56,752,848</u>	<u>\$ 3,401,274</u>	<u>\$ 429,568</u>	<u>\$ 59,724,554</u>

Depreciation expense for governmental activities was charged to functions as follows:

General government	\$ 532,159
Public safety	185,532
Public works	1,184,779
Culture, recreation, and education	254,442
Conservation and development	5,926
Total	<u>\$ 2,162,838</u>

During 2005, it was noted that certain assets had not been capitalized in prior years. The beginning balances for capital assets were increased by \$506,000 for these items, with a corresponding increase to beginning net assets.

CITY OF MARSHFIELD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2005

NOTE 5 - Capital Assets - Continued

	<u>BALANCES</u> 1/1/05	<u>ADDITIONS</u>	<u>RETIREMENTS</u>	<u>BALANCES</u> 12/31/05
BUSINESS-TYPE ACTIVITIES				
<i>Capital assets not being depreciated:</i>				
Land	\$ 1,333,062	\$ 5,020	\$ 3,069	\$ 1,335,013
Construction in progress	1,257,532	923,122	1,033,890	1,146,764
Total capital assets not being depreciated	<u>\$ 2,590,594</u>	<u>\$ 928,142</u>	<u>\$ 1,036,959</u>	<u>\$ 2,481,777</u>
<i>Capital assets being depreciated</i>				
Buildings	\$ 27,545,718	\$ 48,696	\$ 47,222	\$ 27,547,192
Infrastructure/systems	72,848,687	2,282,327	336,170	74,794,844
Machinery and equipment	7,732,520	893,191	565,112	8,060,599
Total capital assets being depreciated	<u>\$ 108,126,925</u>	<u>\$ 3,224,214</u>	<u>\$ 948,504</u>	<u>\$ 110,402,635</u>
Less accumulated depreciation for:				
Buildings	\$ 5,860,374	\$ 708,458	\$ 39,597	\$ 6,529,235
Infrastructure/systems	17,691,219	1,935,515	383,355	19,243,379
Machinery and equipment	3,807,739	745,443	559,007	3,994,175
Total accumulated depreciation	<u>\$ 27,359,332</u>	<u>\$ 3,389,416</u>	<u>\$ 981,959</u>	<u>\$ 29,766,789</u>
Total capital assets being depreciated, net	<u>\$ 80,767,593</u>	<u>\$ (165,202)</u>	<u>\$ (33,455)</u>	<u>\$ 80,635,846</u>
Business-Type Activity Capital Assets, Net	<u>\$ 83,358,187</u>	<u>\$ 762,940</u>	<u>\$ 1,003,504</u>	<u>\$ 83,117,623</u>

Depreciation expense for business-type activities was charged to functions as follows:

Electric and Water	\$ 2,229,229
Wastewater	1,055,685
Emergency Medical Services	54,085
Total	<u>\$ 3,338,999</u>

NOTE 6 - LEASES

Capital Lease – The City has entered into a 5-year capital lease agreement as lessee for financing the acquisition of a truck for its Wastewater Utility. Future lease payments include interest at 3.99% per annum. This vehicle is included in Capital Assets of the Enterprise Funds as Machinery and Equipment of \$216,112 less Accumulated Depreciation of \$104,454 at December 31, 2005.

Maturities of the capital lease obligation at December 31, 2005 is:

<u>YEARS</u>	<u>ENTERPRISE FUND LEASE</u>	
	<u>PRINCIPAL</u>	<u>INTEREST</u>
2006	\$ 39,162	\$ 3,188
2007	40,725	1,625
	<u>\$ 79,887</u>	<u>\$ 4,813</u>

CITY OF MARSHFIELD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2005

NOTE 7 - Long-Term Obligations

Details of the City's long-term obligations are set forth below.

Summary of Long-Term Obligations

	<u>BALANCES</u> <u>1/1/05</u>	<u>ADDITIONS</u>	<u>PAYMENTS</u>	<u>BALANCES</u> <u>12/31/05</u>	<u>AMOUNTS</u> <u>DUE WITHIN</u> <u>ONE YEAR</u>
GOVERNMENTAL ACTIVITIES					
General obligation debt					
Bonds payable	\$ 10,125,390	\$ --	\$ 706,300	\$ 9,419,090	\$ 730,054
Notes payable	13,355,183	3,045,000	2,252,367	14,147,816	2,465,000
Other long-term obligations					
Vacation pay and comp time	<u>273,205</u>	<u>266,630</u>	<u>273,205</u>	<u>266,630</u>	<u>266,630</u>
Total Governmental Activities	<u>\$ 23,753,778</u>	<u>\$ 3,311,630</u>	<u>\$ 3,231,872</u>	<u>\$ 23,833,536</u>	<u>\$ 3,461,684</u>

For the governmental activities, compensated absences are generally liquidated by the general fund.

BUSINESS-TYPE ACTIVITIES

General Obligation Bonds	\$ 799,611	\$ --	\$ 13,700	\$ 785,911	\$ 14,946
Mortgage Revenue Bonds	<u>24,650,673</u>	<u>1,740,000</u>	<u>1,704,526</u>	<u>24,686,147</u>	<u>1,840,434</u>
Total Business-Type Activities	<u>\$ 25,450,284</u>	<u>\$ 1,740,000</u>	<u>\$ 1,718,226</u>	<u>\$ 25,472,058</u>	<u>\$ 1,855,380</u>

CITY OF MARSHFIELD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2005

NOTE 7 - 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 taxes, and special assessments. General obligation debt at December 31, 2005, is comprised of the following issues:

<u>ISSUE DESCRIPTION</u>	<u>RATES (%)</u>	<u>DATES OF MATURITY</u>	<u>BALANCE</u> <u>12/31/05</u>
Bonds Payable			
12-98	5.15 - 6.50	10-18	\$ 930,000
5-01	5.55 - 6.65	3-21	675,000
1-03	2.00 - 4.05	4-16	1,905,000
3-03	5.13 - 5.70	12-22	3,155,000
5-04	1.40 - 4.10	4-17	2,855,000
5-04	3.50 - 5.50	4-15	685,000
Notes Payable			
4-96	4.45 - 4.55	4-06	140,000
12-96	9.00	1-07	2,816
7-97	4.50 - 4.625	6-07	585,000
4-98	3.60 - 4.40	4-08	395,000
4-99	3.90 - 4.00	4-09	1,050,000
12-99	4.40 - 5.10	4-09	575,000
3-00	5.20 - 5.25	3-10	1,725,000
5-01	3.70 - 4.50	3-11	1,865,000
5-02	3.00 - 4.25	3-12	2,910,000
1-03	2.00 - 3.60	3-12	1,855,000
5-05	3.45-3.60	5-13	3,045,000
Total General Obligation Debt			\$ 24,352,816
Less General Obligation Debt to be repaid by Enterprise Funds			<u>785,911</u>
TOTAL GOVERNMENTAL FUNDS GENERAL OBLIGATION DEBT			<u>\$ 23,566,905</u>

CITY OF MARSHFIELD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2005

NOTE 7 - Long-Term Obligations - Continued

Enterprise Fund Debt

Enterprise Fund debt is expected to be repaid with Enterprise Fund revenue. The mortgage revenue bonds are expected to be repaid with electric, water and wastewater revenue. Enterprise Fund debt at December 31, 2005, is comprised of the following issues:

<u>ISSUE DESCRIPTION</u>	<u>RATES (%)</u>	<u>DATES OF MATURITY</u>	<u>BALANCE</u> <u>12/31/05</u>
Mortgage Revenue Bonds			
10-93	4.0 - 5.5	12-13	\$ 3,545,000
3-98	2.761	5-17	2,282,808
9-98	2.761	5-18	15,193,339
6-02	3.0 - 4.35	6-13	735,000
5-03	2.00 - 3.50	5-13	1,190,000
5-05	4.125-4.65	5-20	1,740,000
General Obligation Bonds			
3-03	5.13 - 5.70	12-22	785,911
TOTAL ENTERPRISE DEBT			<u>\$ 25,472,058</u>

General Obligation Debt Limit Calculation

The 2005 equalized valuation of the City as certified by the Wisconsin Department of Revenue is \$1,179,819,200. The legal debt limit and margin of indebtedness as of December 31, 2005 in accordance with Section 67.03(1)(b) of the Wisconsin Statutes follows:

Debt limit (5% of \$1,179,819,200)	\$ 58,990,960
Applicable long-term debt	(24,352,815)
Amount available in debt service fund	<u>5,490</u>
Margin Of Indebtedness	<u>\$ 34,643,635</u>

Maturities of Long-Term Obligations

Maturities of the long-term debt to maturity, at December 31, 2005, are:

<u>YEARS</u>	<u>GENERAL OBLIGATION DEBT</u>		<u>ENTERPRISE FUND DEBT</u>	
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2006	\$ 3,197,642	\$ 971,071	\$ 1,855,381	\$ 825,829
2007	3,161,544	802,826	1,925,879	764,768
2008	2,828,826	686,416	1,996,012	699,973
2009	2,736,336	575,114	2,067,044	631,759
2010-2014	8,041,857	1,634,855	10,356,490	2,036,728
2015-2019	2,721,044	550,957	6,865,906	558,591
2020-2024	<u>879,656</u>	<u>97,077</u>	<u>405,346</u>	<u>32,994</u>
TOTAL	<u>\$ 23,566,905</u>	<u>\$ 5,318,316</u>	<u>\$ 25,472,058</u>	<u>\$ 5,550,642</u>

CITY OF MARSHFIELD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2005

NOTE 8 – 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, 2005, there were five series of industrial revenue bonds outstanding, with an aggregate principal amount payable of \$9,805,000.

NOTE 9 - Defined Benefit Pension Plans

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 the WRS. Covered employees in the General category are required by statute to contribute 5.8 percent of their salary (2.8 percent for Elected Officials, 4.9 percent for Protective Occupations with Social Security, and 3.3 percent 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 WRS for the year ended December 31, 2005, was \$11,051,045, the employer's total payroll was \$11,711,440. The total required contribution for the year ended December 31, 2005, was \$1,494,553 which consisted of \$918,486 or 7.84 percent of payroll from the employer and \$576,067 or 4.92 percent of payroll from employees. Total contributions for the years ending December 31, 2004 and 2003, were \$1,409,186 and \$1,328,037 respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 (62 for Elected Officials and 55 for Protective Occupation employees) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for Protective Occupation employees) and receive actuarially reduced benefits. 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 becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefit. For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998, are immediately vested.

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

CITY OF MARSHFIELD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2005

NOTE 10 - Post-Employment Benefits Other Than Pension Benefits

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

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 on non-represented employees into a liability account to fund the future obligations of the City for this plan. The City was not required to make a payment from the Post Employment Health Plan during the fiscal year ended December 31, 2005. As of December 31, 2005, the City has \$277,170 accumulated for payments that may be required in the future.

NOTE 11 - Interfund Receivables, Payables, and Transfers

Individual fund interfund receivable and payable balances at December 31, 2005, are as follows:

<u>FUND</u>	<u>DUE TO</u>	<u>DUE FROM</u>
General Fund	\$ 4,627,538	\$ 19,791
Other Governmental Funds		
Capital Projects Funds		
Street Construction	1,660	--
Urban Development	--	27,140
Storm Sewer Construction	--	--
Water Main Construction	--	7,126
TID #3	--	--
TID #4	--	2,071,916
TID #5	--	1,556,769
TID #6	--	32,780
TID #7	--	987
TID #8	--	6,026
City Hall Remodeling	--	4,419
Enterprise Funds		
Electric and Water Utility	63,318	1,521,657
Wastewater Utility	595,346	42,869
Internal Service Fund		
Vehicles and Equipment	5,725	2,107
	<u>\$ 5,293,587</u>	<u>\$ 5,293,587</u>

Balances resulted from the timing differences between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, (3) payments between funds are made, (4) and funds overdraw their share of pooled cash or when there are transactions between funds where one fund does not participate in the City's pooled cash.

CITY OF MARSHFIELD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2005

NOTE 11 - Interfund Receivables, Payables, and Transfers - Continued

Individual fund operating transfers during 2005 are as follows:

<u>FUND</u>	<u>TRANSFERS IN</u>	<u>TRANSFERS OUT</u>
General Fund	\$ 847,063	\$ 2,000
Debt Service Fund		
Long-term Notes	890,918	--
Other Governmental Funds		
Special Revenue Funds		
Room Tax	--	165,043
Convention and Visitors Bureau	150,043	--
Community Development Block Grant	--	65,630
Economic Development	75,000	--
Revolving Loan	65,630	--
Utility Dividend	--	359,717
Capital Projects Funds		
Street Construction	260,000	112,000
Storm Sewer Construction	112,000	--
Fire Protection	2,000	--
Parks and Recreation Capital Projects	15,000	--
TID #3	--	15,737
TID #2	--	94,996
TID #4	--	189,627
TID #6	--	2,198
TID #5	--	113,360
City Hall Remodeling	--	17,000
Enterprise Funds		
Electric and Water Utility	350,000	1,149,792
Wastewater Utility	--	475,000
Permanent Fund		
Perpetual Fund	--	5,554
	<u>\$ 2,767,654</u>	<u>\$ 2,767,654</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires collection from to the fund that statute or budget required to expend them. (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

CITY OF MARSHFIELD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2005

NOTE 12 - Fund Equity

Reservations

Governmental fund balances are reserved for special revenue funds (specific purposes and long-term receivables), debt service funds (debt retirement), capital project funds (debt covenants and projects), and other activities (perpetual care and subsequent budgets).

Deficits

The following individual funds had deficits at December 31, 2005:

Special Revenue Funds	Fire Grant	\$ 942
	Business Improvement District	399
Capital Project Funds	Urban Development	27,140
	Water Main Construction	7,126
	T.I.D. #4 (Downtown Improvements)	2,071,916
	T.I.D. #5 (Mill Creek)	1,556,769
	T.I.D. #6 (Figi)	32,780
	T.I.D. #7 (Yellowstone Industrial Park)	987
	T.I.D. #8 (Northway Mall)	14,248
	City Hall Remodling	5,654

The deficits in the Tax Incremental Finance Districts (T.I.D.'s) are expected to be funded through future tax increments, and the remaining deficits will be funded by future revenues.

NOTE 13 - 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 14 - 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 governmental activities' capital assets. 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.

CITY OF MARSHFIELD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2005

NOTE 14 - Joint Ventures - Continued

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 governmental activities' capital assets. 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.

NOTE 15 - Contingencies and Commitments

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 16 -Subsequent Events

In March 2006, the City issued official statements for one debt issue, with a March sale date. \$5,285,000 of general obligation corporate purpose bonds for the City's 2006 capital projects of \$2,027,000 and refunding outstanding obligations of \$3,258,000.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

CITY OF MARSHFIELD, WISCONSIN
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUE				
Taxes	\$ 7,407,439	\$ 7,407,439	\$ 7,421,557	\$ 14,118
Special assessments	445,000	445,000	183,661	(261,339)
Intergovernmental revenues	7,217,141	7,240,142	7,348,754	108,612
Licenses and permits	158,800	158,800	191,121	32,321
Fines, forfeits and penalties	189,000	189,000	115,089	(73,911)
Public charges for services	641,626	641,626	730,660	89,034
Other revenue	748,533	773,083	918,725	145,642
TOTAL REVENUES	\$ 16,807,539	\$ 16,855,090	\$ 16,909,567	\$ 54,477
EXPENDITURES				
Current				
General government	\$ 2,589,852	\$ 2,711,986	\$ 2,603,519	\$ 108,467
Public safety	7,135,846	7,146,004	7,167,312	(21,308)
Public works	5,232,918	5,232,981	4,942,240	290,741
Health and human services	143,777	143,777	136,268	7,509
Culture, recreation and education	2,715,918	2,746,114	2,645,112	101,002
Conservation and development	617,295	617,295	579,931	37,364
Capital outlay	214,000	231,000	164,037	66,963
TOTAL EXPENDITURES	\$ 18,649,606	\$ 18,829,157	\$ 18,238,419	\$ 590,738
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (1,842,067)	\$ (1,974,067)	\$ (1,328,852)	\$ 645,215
OTHER FINANCING SOURCES (USES)				
Transfer from Enterprise Fund	\$ 805,000	\$ 805,000	\$ 799,792	\$ (5,208)
Transfers in	27,067	44,067	47,271	3,204
Transfers out	--	(2,000)	(2,000)	--
TOTAL OTHER FINANCING SOURCES (USES)	\$ 832,067	\$ 847,067	\$ 845,063	\$ (2,004)
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	\$ (1,010,000)	\$ (1,127,000)	\$ (483,789)	\$ 643,211
FUND BALANCES AT BEGINNING OF YEAR	6,506,366	6,506,366	6,506,366	--
FUND BALANCES AT END OF YEAR	\$ 5,496,366	\$ 5,379,366	\$ 6,022,577	\$ 643,211

CITY OF MARSHFIELD, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
ON BUDGETARY ACCOUNTING AND CONTROL
DECEMBER 31, 2005

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 \$181,551.

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. Several Special Revenue Funds had no budgeted expenditures since effective control is achieved through alternative procedures, and some 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.

Excess of Expenditures Over Appropriations - For the year ended December 31, 2005, expenditures exceeded budgeted amounts for public safety in the general fund by \$21,308. These over expenditures were funded by available fund balance in the general fund.

OTHER SUPPLEMENTARY INFORMATION

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.

Debt Service Fund

- **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 refunding issues. Property taxes are levied to finance the debt service.

CITY OF MARSHFIELD, WISCONSIN
GENERAL FUND
DETAILED SCHEDULE OF REVENUES
YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS
	ORIGINAL	FINAL	
Taxes			
Property	\$ 7,285,299	\$ 7,285,299	\$ 7,300,379
Sales and use	140	140	123
Payment in lieu of taxes	121,000	121,000	120,401
Interest and penalties on taxes	1,000	1,000	654
TOTAL	\$ 7,407,439	\$ 7,407,439	\$ 7,421,557
Special Assessments	\$ 445,000	\$ 445,000	\$ 183,661
Intergovernmental revenues			
State shared revenues	\$ 5,336,399	\$ 5,336,399	\$ 5,459,116
State grants	1,481,679	1,500,684	1,495,567
State payments	99,000	99,000	123,493
Grants from local governments	300,063	304,059	270,578
TOTAL	\$ 7,217,141	\$ 7,240,142	\$ 7,348,754
Licenses and Permits			
Liquor and malt beverage license	\$ 40,500	\$ 40,500	\$ 47,079
Nonbusiness license	8,500	8,500	10,555
Building permits	105,000	105,000	127,361
Zoning permits and fees	4,800	4,800	6,126
TOTAL	\$ 158,800	\$ 158,800	\$ 191,121
Fines, Forfeits and Penalties			
Law and ordinance violations	\$ 189,000	\$ 189,000	\$ 115,089
Public Charges for Services			
General government	\$ 31,175	\$ 31,175	\$ 34,967
Public safety	20,000	20,000	17,572
Transportation	36,900	36,900	80,549
Sanitation and utilities	1,200	1,200	7,155
Health	96,609	96,609	113,303
Human services	731	731	1,323
Culture, recreation and education	290,432	290,432	272,042
Conservation and development	650	650	3,279
Other charges for services	1,300	1,300	1,457
TOTAL	\$ 478,997	\$ 478,997	\$ 531,647

(Continued on Page 55)

CITY OF MARSHFIELD, WISCONSIN
GENERAL FUND
DETAILED SCHEDULE OF REVENUES, Continued
YEAR ENDED DECEMBER 31, 2005

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	
Intergovernmental charges for services			
State	\$ 4,760	\$ 4,760	6,994
Other local governments	99,200	99,200	133,815
Local departments	58,669	58,669	58,204
TOTAL	<u>\$ 162,629</u>	<u>\$ 162,629</u>	<u>\$ 199,013</u>
Other			
Interest	\$ 455,000	\$ 455,000	359,749
Rent	269,129	269,129	275,722
Donations	8,854	33,404	255,185
Sale of other equipment and property	15,550	15,550	22,949
Other miscellaneous revenues	--	--	5,120
TOTAL	<u>\$ 748,533</u>	<u>\$ 773,083</u>	<u>\$ 918,725</u>
TOTAL REVENUES	<u>\$ 16,807,539</u>	<u>\$ 16,855,090</u>	<u>\$ 16,909,567</u>

CITY OF MARSHFIELD, WISCONSIN
GENERAL FUND
DETAILED SCHEDULE OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS
	ORIGINAL	FINAL	
General Government			
Legislative	\$ 75,564	\$ 108,240	\$ 99,253
Legal	165,443	165,443	149,813
General administration	1,102,909	1,104,914	1,047,170
Financial administration	782,592	688,970	713,289
General buildings and plant	283,518	283,518	290,570
Other general government	179,826	360,901	303,424
TOTAL	\$ 2,589,852	\$ 2,711,986	\$ 2,603,519
Public Safety			
Law enforcement	\$ 3,741,146	\$ 3,741,421	\$ 3,684,317
Fire protection	2,611,302	2,620,856	2,544,499
Inspection	289,414	289,414	500,364
Emergency communications	481,067	481,396	427,585
Disaster control	12,917	12,917	10,547
TOTAL	\$ 7,135,846	\$ 7,146,004	\$ 7,167,312
Public Works			
Administration for highway and streets	\$ 530,050	\$ 530,050	\$ 511,126
Transportation cost pools	70,645	70,645	24,041
Highway and street maintenance	3,074,831	3,074,894	2,844,075
Road related facilities	805,994	805,994	816,422
Other transportation	129,940	129,940	129,108
Sanitation	621,458	621,458	617,468
TOTAL	\$ 5,232,918	\$ 5,232,981	\$ 4,942,240
Health and Human Services			
Cemetery	\$ 137,109	\$ 137,109	\$ 131,620
Aging	6,668	6,668	4,648
TOTAL	\$ 143,777	\$ 143,777	\$ 136,268
Culture, Recreation and Education			
Culture	\$ 1,305,369	\$ 1,309,365	\$ 1,259,888
Parks	583,651	585,749	583,352
Recreation programs and events	436,248	436,507	384,362
Recreation facilities	133,577	137,127	134,199
Zoo	222,220	242,513	248,678
Education	34,853	34,853	34,633
TOTAL	\$ 2,715,918	\$ 2,746,114	\$ 2,645,112

(Continued on Page 57)

CITY OF MARSHFIELD, WISCONSIN
GENERAL FUND
DETAILED SCHEDULE OF EXPENDITURES, Continued
YEAR ENDED DECEMBER 31, 2005

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	
Conservation and Development			
Resource conservation	\$ 168,924	\$ 168,924	\$ 185,877
Economic development	12,515	12,515	6,857
Other conservation and development	435,856	435,856	387,197
TOTAL	\$ 617,295	\$ 617,295	\$ 579,931
Capital Outlay	\$ 214,000	\$ 231,000	\$ 164,037
TOTAL	\$ 214,000	\$ 231,000	\$ 164,037
 TOTAL EXPENDITURES	 \$ 18,599,643	 \$ 18,762,194	 \$ 18,238,419

CITY OF MARSHFIELD, WISCONSIN
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUE				
Taxes	\$ 2,857,690	\$ 2,857,690	\$ 2,857,690	--
Other revenue	46,727	46,727	46,727	--
TOTAL REVENUES	\$ 2,904,417	\$ 2,904,417	\$ 2,904,417	--
EXPENDITURES				
Current				
Principal retirement	\$ 2,824,211	\$ 2,824,211	\$ 2,824,211	--
Interest and fiscal charges	971,158	971,158	969,045	2,113
TOTAL EXPENDITURES	\$ 3,795,369	\$ 3,795,369	\$ 3,793,256	\$ 2,113
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (890,952)	\$ (890,952)	\$ (888,839)	\$ 2,113
OTHER FINANCING SOURCES (USES)				
Transfer from Enterprise Fund	\$ 475,000	\$ 475,000	\$ 475,000	--
Transfers in	415,918	415,918	415,918	--
TOTAL OTHER FINANCING SOURCES (USES)	\$ 890,918	\$ 890,918	\$ 890,918	--
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	\$ (34)	\$ (34)	\$ 2,079	\$ 2,113
FUND BALANCES AT BEGINNING OF YEAR	3,411	3,411	3,411	--
FUND BALANCES AT END OF YEAR	\$ 3,377	\$ 3,377	\$ 5,490	\$ 2,113

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Capital Project Funds

Capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Permanent Fund

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs

- **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.

CITY OF MARSHFIELD, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2005

	SPECIAL REVENUE	CAPITAL PROJECTS	PERMANENT FUND PERPETUAL CARE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS				
Cash and equivalents	\$ 1,869,019	\$ 2,082,609	\$ 167,690	\$ 4,119,318
Receivables				
Accounts	78,871	1,139,583	--	1,218,454
Loans	1,123,656	--	--	1,123,656
Other	2,060	8,412	208	10,680
Prepays	1,709	--	--	1,709
Due from				
Other funds	--	1,660	--	1,660
Other governments	68,267	52,154	--	120,421
	\$ 3,143,582	\$ 3,284,418	\$ 167,898	\$ 6,595,898
LIABILITIES AND FUND BALANCES				
CURRENT LIABILITIES				
Accounts payable	\$ 69,079	\$ 15,832	\$ --	\$ 84,911
Due to				
Other funds	--	3,707,163	--	3,707,163
Other governments	--	882	--	882
Deferred revenues	122,905	1,759,365	--	1,882,270
	\$ 191,984	\$ 5,483,242	\$ --	\$ 5,675,226
FUND BALANCES				
Reserved for				
Special revenue funds	\$ 2,092,404	\$ --	\$ --	\$ 2,092,404
Capital projects	--	1,362,648	--	1,362,648
Other activities - nonexpendable trust	--	--	167,898	167,898
Unreserved				
Designated	860,535	155,148	--	1,015,683
Undesignated	(1,341)	(3,716,620)	--	(3,717,961)
	\$ 2,951,598	\$ (2,198,824)	\$ 167,898	\$ 920,672
	\$ 3,143,582	\$ 3,284,418	\$ 167,898	\$ 6,595,898

CITY OF MARSHFIELD, WISCONSIN
COMBINING BALANCE SHEET
DETAIL OF NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2005

	ROOM TAX FUND	CONVENTION & VISITORS BUREAU FUND	COMMUNITY DEVELOPMENT BLOCK GRANT	ECONOMIC DEVELOPMENT FUND	COMMERCIAL REHAB REVOLVING LOAN
ASSETS					
Cash and equivalents	\$ 127,951	\$ 135,311	--	\$ 697,818	--
Receivables					
Taxes	--	--	--	33,884	--
Loans	--	--	109,423	838,399	--
Other	--	--	--	--	--
Prepays	--	1,709	--	--	--
Due from other governments	--	--	--	--	--
TOTAL ASSETS	\$ 127,951	\$ 137,020	\$ 109,423	\$ 1,570,101	\$ --
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 2,442	--	--	\$ 157	--
Deferred revenues	--	--	--	47,300	--
TOTAL LIABILITIES	\$ 2,442	\$ --	\$ --	\$ 47,457	\$ --
FUND BALANCES					
Reserved	\$ --	\$ --	\$ 109,423	\$ 1,522,644	\$ --
Unreserved:					
Designated	125,509	137,020	--	--	--
Undesignated	--	--	--	--	--
TOTAL FUND BALANCES	\$ 125,509	\$ 137,020	\$ 109,423	\$ 1,522,644	\$ --
TOTAL LIABILITIES AND FUND BALANCES	\$ 127,951	\$ 137,020	\$ 109,423	\$ 1,570,101	\$ --

(Continued on page 61)

CITY OF MARSHFIELD, WISCONSIN
COMBINING BALANCE SHEET
DETAIL OF NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2005

RESIDENTIAL REVOLVING LOAN FUND	REVOLVING LOAN FUND	LAW ENFORCEMENT RESTRICTED REVENUE	FIRE GRANT FUND	TAXI SYSTEM FUND	UTILITY DIVIDEND FUND	EAST INDUSTRIAL PARK IMPROVEMENT	CABLE TELEVISION FUND	BUSINESS IMPROVEMENT DISTRICT	TOTAL SPECIAL REVENUE FUNDS
\$ 67,676	\$ 166,200	\$ 12,462	\$ 388	\$ 4,247	\$ 243,012	\$ 119,144	\$ 274,008	\$ 20,802	\$ 1,869,019
--	--	--	--	--	--	--	--	44,987	78,871
89,617	86,217	--	--	--	--	--	--	--	1,123,656
--	--	--	--	--	--	--	212	1,848	2,060
--	--	--	--	--	--	--	--	--	1,709
--	--	--	--	68,267	--	--	--	--	68,267
<u>\$ 157,293</u>	<u>\$ 252,417</u>	<u>\$ 12,462</u>	<u>\$ 388</u>	<u>\$ 72,514</u>	<u>\$ 243,012</u>	<u>\$ 119,144</u>	<u>\$ 274,220</u>	<u>\$ 67,637</u>	<u>\$ 3,143,582</u>
\$ --	\$ --	\$ --	\$ 1,330	\$ 26,780	\$ --	\$ --	\$ 38,370	\$ --	\$ 69,079
--	--	7,569	--	--	--	--	--	68,036	122,905
<u>\$ --</u>	<u>\$ --</u>	<u>\$ 7,569</u>	<u>\$ 1,330</u>	<u>\$ 26,780</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 38,370</u>	<u>\$ 68,036</u>	<u>\$ 191,984</u>
\$ 157,293	\$ 252,417	\$ 4,893	\$ --	\$ 45,734	\$ --	\$ --	\$ --	\$ --	\$ 2,092,404
--	--	--	--	--	243,012	119,144	235,850	--	860,535
--	--	--	(942)	--	--	--	--	(399)	(1,341)
<u>\$ 157,293</u>	<u>\$ 252,417</u>	<u>\$ 4,893</u>	<u>\$ (942)</u>	<u>\$ 45,734</u>	<u>\$ 243,012</u>	<u>\$ 119,144</u>	<u>\$ 235,850</u>	<u>\$ (399)</u>	<u>\$ 2,951,598</u>
<u>\$ 157,293</u>	<u>\$ 252,417</u>	<u>\$ 12,462</u>	<u>\$ 388</u>	<u>\$ 72,514</u>	<u>\$ 243,012</u>	<u>\$ 119,144</u>	<u>\$ 274,220</u>	<u>\$ 67,637</u>	<u>\$ 3,143,582</u>

CITY OF MARSHFIELD, WISCONSIN
COMBINING BALANCE SHEET
DETAIL OF NONMAJOR CAPITAL PROJECT FUNDS
DECEMBER 31, 2005

	STREET CONSTRUCTION FUND	URBAN DEVELOPMENT FUND	STORM SEWER CONSTR	FIRE PROTECTION FUND	AIRPORT OUTLAY	PARKS & REC CAPITAL PROJECTS FUND	WATER MAIN CONSTR OUTLAY
ASSETS							
Cash and equivalents	\$ 1,288,013	\$ --	\$ 193,739	\$ 203	\$ 20,445	\$ 59,989	--
Receivables							
Taxes	343,747	--	172,205	--	--	--	--
Other	8,412	--	--	--	--	--	--
Due from							
Other funds	1,660	--	--	--	--	--	--
Other governments	52,154	--	--	--	--	--	--
TOTAL ASSETS	\$ 1,693,986	\$ --	\$ 365,944	\$ 203	\$ 20,445	\$ 59,989	--
LIABILITIES AND FUND BALANCES							
CURRENT LIABILITIES							
Accounts payable	\$ 5,520	\$ --	\$ 31	\$ --	\$ --	\$ 824	--
Due to							
Other funds	--	27,140	--	--	--	--	7,126
Other governments	882	--	--	--	--	--	--
Deferred revenues	479,852	--	240,389	--	--	--	--
TOTAL CURRENT LIABILITIES	\$ 486,254	\$ 27,140	\$ 240,420	\$ --	\$ --	\$ 824	7,126
FUND BALANCES							
Reserved	\$ 1,207,732	\$ --	\$ --	\$ --	\$ 20,445	\$ 59,165	--
Unreserved							
Designated	--	--	125,524	203	--	--	--
Undesignated	--	(27,140)	--	--	--	--	(7,126)
TOTAL FUND BALANCES	\$ 1,207,732	\$ (27,140)	\$ 125,524	\$ 203	\$ 20,445	\$ 59,165	(7,126)
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,693,986	\$ --	\$ 365,944	\$ 203	\$ 20,445	\$ 59,989	--

(Continued on page 63)

CITY OF MARSHFIELD, WISCONSIN
COMBINING BALANCE SHEET
DETAIL OF NONMAJOR CAPITAL PROJECT FUNDS
DECEMBER 31, 2005

T.I.D. # 3	T.I.D. # 2	T.I.D. # 4	T.I.D. # 6	T.I.D. # 5	T.I.D. # 7	T.I.D. # 8	CITY	UW	TOTAL
TOWER	PURDY	DOWNTOWN	FIGI	MILL	YELLOWSTONE	NORTHWAY	HALL	BUILDING/	CAPITAL
HALL	FUND	PUB	PROJECT	CREEK	BUSINESS	MALL	REMODLING	REMODLING	PROJECTS
FUND	FUND	IMPROVEMENT	PROJECT	PARKWAY	FUND	FUND	FUND	FUND	FUNDS
\$ 173,862	\$ 102,739	\$ 163,154	--	\$ 31,130	--	--	\$ 12,823	\$ 36,512	\$ 2,082,609
11,835	70,816	412,062	--	78,622	--	--	32,387	17,909	1,139,583
--	--	--	--	--	--	--	--	--	8,412
--	--	--	--	--	--	--	--	--	1,660
--	--	--	--	--	--	--	--	--	52,154
<u>\$ 185,697</u>	<u>\$ 173,555</u>	<u>\$ 575,216</u>	<u>--</u>	<u>\$ 109,752</u>	<u>--</u>	<u>--</u>	<u>\$ 45,210</u>	<u>\$ 54,421</u>	<u>\$ 3,284,418</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 8,222	\$ 1,235	\$ --
--	--	2,071,916	32,780	1,556,769	987	6,026	4,419	--	3,707,163
--	--	--	--	--	--	--	--	--	882
185,091	98,855	575,216	--	109,752	--	--	45,210	25,000	1,759,365
<u>\$ 185,091</u>	<u>\$ 98,855</u>	<u>\$ 2,647,132</u>	<u>\$ 32,780</u>	<u>\$ 1,666,521</u>	<u>\$ 987</u>	<u>\$ 14,248</u>	<u>\$ 50,864</u>	<u>\$ 25,000</u>	<u>\$ 5,483,242</u>
\$ 606	\$ 74,700	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 1,362,648
--	--	--	--	--	--	--	--	29,421	155,148
--	--	(2,071,916)	(32,780)	(1,556,769)	(987)	(14,248)	(5,654)	--	(3,716,620)
<u>\$ 606</u>	<u>\$ 74,700</u>	<u>\$ (2,071,916)</u>	<u>\$ (32,780)</u>	<u>\$ (1,556,769)</u>	<u>\$ (987)</u>	<u>\$ (14,248)</u>	<u>\$ (5,654)</u>	<u>\$ 29,421</u>	<u>\$ (2,198,824)</u>
<u>\$ 185,697</u>	<u>\$ 173,555</u>	<u>\$ 575,216</u>	<u>--</u>	<u>\$ 109,752</u>	<u>--</u>	<u>--</u>	<u>\$ 45,210</u>	<u>\$ 54,421</u>	<u>\$ 3,284,418</u>

CITY OF MARSHFIELD, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2005

	SPECIAL REVENUE	CAPITAL PROJECTS	PERMANENT FUND PERPETUAL CARE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUE				
Taxes	\$ 316,823	\$ 1,073,155	\$ --	\$ 1,389,978
Intergovernmental revenues	379,789	100,636	--	480,425
Licenses and permits	170,620	--	--	170,620
Public charges for services	46,249	52,444	12,130	110,823
Other revenue	121,814	179,122	5,554	306,490
TOTAL REVENUES	\$ 1,035,295	\$ 1,405,357	\$ 17,684	\$ 2,458,336
EXPENDITURES				
Current				
General government	\$ 94,630	\$ --	\$ --	\$ 94,630
Public safety	57,105	--	--	57,105
Public works	332,965	--	--	332,965
Culture, recreation and education	289,233	--	--	289,233
Conservation and development	336,784	70,056	--	406,840
Capital outlay	153,098	3,762,638	--	3,915,736
Interest and fiscal charges	--	24,191	--	24,191
TOTAL EXPENDITURES	\$ 1,263,815	\$ 3,856,885	\$ --	\$ 5,120,700
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (228,520)	\$ (2,451,528)	\$ 17,684	\$ (2,662,364)
OTHER FINANCING SOURCES (USES)				
Proceeds of long-term debt	\$ --	\$ 3,036,799	\$ --	\$ 3,036,799
Transfers in	290,673	389,000	--	679,673
Transfers out	(590,390)	(544,918)	(5,554)	(1,140,862)
TOTAL OTHER FINANCING SOURCES (USES)	\$ (299,717)	\$ 2,880,881	\$ (5,554)	\$ 2,575,610
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	\$ (528,237)	\$ 429,353	\$ 12,130	\$ (86,754)
FUND BALANCES AT BEGINNING OF YEAR	3,479,835	(2,628,177)	155,768	1,007,426
FUND BALANCES AT END OF YEAR	\$ 2,951,598	\$ (2,198,824)	\$ 167,898	\$ 920,672

CITY OF MARSHFIELD, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
DETAIL OF NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED DECEMBER 31, 2005

	ROOM TAX FUND	CONVENTION & VISITORS BUREAU FUND	COMMUNITY DEVELOPMENT BLOCK GRANT	ECONOMIC DEVELOPMENT FUND	COMMERCIAL REHAB REVOLVING LOAN
REVENUE					
Taxes	\$ 266,823	\$ --	\$ --	\$ 50,000	\$ --
Intergovernmental revenues	--	--	--	--	--
Licenses and permits	--	--	--	--	--
Public charges for services	--	--	--	--	--
Other revenue	--	62,784	--	54,623	5
TOTAL REVENUES	\$ 266,823	\$ 62,784	\$ --	\$ 104,623	\$ 5
EXPENDITURES					
Current					
General government	\$ --	\$ --	\$ --	\$ --	\$ --
Public safety	--	--	--	--	--
Public works	--	--	--	--	--
Culture, recreation and education	40,143	249,090	--	--	--
Conservation and development	--	--	105,370	180,204	3,536
Capital outlay	73,247	--	--	--	--
TOTAL EXPENDITURES	\$ 113,390	\$ 249,090	\$ 105,370	\$ 180,204	\$ 3,536
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 153,433	\$ (186,306)	\$ (105,370)	\$ (75,581)	\$ (3,531)
OTHER FINANCING SOURCES (USES)					
Transfers in	\$ --	\$ 150,043	\$ --	\$ 75,000	\$ --
Transfers out	(165,043)	--	(65,630)	--	--
TOTAL OTHER FINANCING SOURCES (USES)	\$ (165,043)	\$ 150,043	\$ (65,630)	\$ 75,000	\$ --
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	\$ (11,610)	\$ (36,263)	\$ (171,000)	\$ (581)	\$ (3,531)
FUND BALANCES AT BEGINNING OF YEAR	137,119	173,283	280,423	1,523,225	3,531
FUND BALANCES AT END OF YEAR	\$ 125,509	\$ 137,020	\$ 109,423	\$ 1,522,644	\$ --

CITY OF MARSHFIELD, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
DETAIL OF NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED DECEMBER 31, 2005

RESIDENTIAL REVOLVING LOAN FUND	REVOLVING LOAN FUND	LAW ENFORCEMENT RESTRICTED REVENUE	FIRE GRANT FUND	TAXI SYSTEM FUND	UTILITY DIVIDEND FUND	EAST INDUSTRIAL PARK IMPROVEMENT	CABLE TELEVISION FUND	BUSINESS IMPROVEMENT DISTRICT	TOTAL SPECIAL REVENUE FUNDS
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 316,823
--	--	--	56,163	323,626	--	--	--	--	379,789
--	--	--	--	--	--	--	170,620	--	170,620
--	--	--	--	--	--	--	--	46,249	46,249
--	1,604	200	--	1,965	--	--	--	633	121,814
<u>\$ --</u>	<u>\$ 1,604</u>	<u>\$ 200</u>	<u>\$ 56,163</u>	<u>\$ 325,591</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 170,620</u>	<u>\$ 46,882</u>	<u>\$ 1,035,295</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 94,630	\$ --	\$ 94,630
--	--	--	57,105	--	--	--	--	--	57,105
--	--	--	--	332,965	--	--	--	--	332,965
--	--	--	--	--	--	--	--	--	289,233
--	172	--	--	--	--	--	--	47,502	336,784
<u>18,000</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>61,851</u>	<u>--</u>	<u>153,098</u>
<u>\$ 18,000</u>	<u>\$ 172</u>	<u>\$ --</u>	<u>\$ 57,105</u>	<u>\$ 332,965</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 156,481</u>	<u>\$ 47,502</u>	<u>\$ 1,263,815</u>
\$ (18,000)	\$ 1,432	\$ 200	\$ (942)	\$ (7,374)	\$ --	\$ --	\$ 14,139	\$ (620)	\$ (228,520)
\$ --	\$ 65,630	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 290,673
--	--	--	--	--	(359,717)	--	--	--	(590,390)
<u>\$ --</u>	<u>\$ 65,630</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (359,717)</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (299,717)</u>
\$ (18,000)	\$ 67,062	\$ 200	\$ (942)	\$ (7,374)	\$ (359,717)	\$ --	\$ 14,139	\$ (620)	\$ (528,237)
<u>175,293</u>	<u>185,355</u>	<u>4,693</u>	<u>--</u>	<u>53,108</u>	<u>602,729</u>	<u>119,144</u>	<u>221,711</u>	<u>221</u>	<u>3,479,835</u>
<u>\$ 157,293</u>	<u>\$ 252,417</u>	<u>\$ 4,893</u>	<u>\$ (942)</u>	<u>\$ 45,734</u>	<u>\$ 243,012</u>	<u>\$ 119,144</u>	<u>\$ 235,850</u>	<u>\$ (399)</u>	<u>\$ 2,951,598</u>

CITY OF MARSHFIELD, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
DETAIL OF NONMAJOR CAPITAL PROJECT FUNDS
YEAR ENDED DECEMBER 31, 2005

	STREET CONSTRUCTION FUND	URBAN DEVELOPMENT FUND	STORM SEWER CONSTR	FIRE PROTECTION FUND	AIRPORT OUTLAY	PARKS & REC CAPITAL PROJECTS FUND	WATER MAIN CONSTR OUTLAY
REVENUE							
Taxes	\$ 328,537	\$ --	\$ 71,241	--	\$ --	--	\$ 157,758
Intergovernmental revenues	52,154	16,114	--	--	--	--	--
Public charges for services	52,444	--	--	--	--	--	--
Other revenue	26,800	--	--	--	--	86,075	1,481
TOTAL REVENUES	\$ 459,935	\$ 16,114	\$ 71,241	\$ --	\$ --	\$ 86,075	\$ 159,239
EXPENDITURES							
Current							
Conservation and development	\$ --	\$ 69,395	\$ --	\$ --	\$ --	--	\$ --
Capital outlay	1,631,949	18,471	348,007	1,797	--	309,236	857,904
Interest and fiscal charges	24,191	--	--	--	--	--	--
TOTAL EXPENDITURES	\$ 1,656,140	\$ 87,866	\$ 348,007	\$ 1,797	\$ --	\$ 309,236	\$ 857,904
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (1,196,205)	\$ (71,752)	\$ (276,766)	\$ (1,797)	\$ --	\$ (223,161)	\$ (698,665)
OTHER FINANCING SOURCES (USES)							
Proceeds of long-term debt	\$ 1,579,799	--	\$ 350,000	--	\$ --	--	\$ 758,000
Transfers in	260,000	--	112,000	2,000	--	15,000	--
Transfers out	(112,000)	--	--	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	\$ 1,727,799	\$ --	\$ 462,000	\$ 2,000	\$ --	\$ 15,000	\$ 758,000
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	\$ 531,594	\$ (71,752)	\$ 185,234	\$ 203	\$ --	\$ (208,161)	\$ 59,335
FUND BALANCES AT BEGINNING OF YEAR	676,138	44,612	(59,710)	--	20,445	267,326	(66,461)
FUND BALANCES AT END OF YEAR	\$ 1,207,732	\$ (27,140)	\$ 125,524	\$ 203	\$ 20,445	\$ 59,165	\$ (7,126)

(Continued on page 68)

CITY OF MARSHFIELD, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
DETAIL OF NONMAJOR CAPITAL PROJECT FUNDS
YEAR ENDED DECEMBER 31, 2005

T.I.D. # 3	T.I.D. # 2	T.I.D. # 4	T.I.D. # 6	T.I.D. # 5	T.I.D. # 7	T.I.D. # 8	CITY	UW	TOTAL
TOWER	PURDY	DOWNTOWN	FIGI	MILL	YELLOWSTONE	NORTHWAY	HALL	BUILDING/	CAPITAL
HALL	FUND	PUB	PROJECT	CREEK	BUSINESS	MALL	REMODLING	REMODLING	PROJECTS
FUND	FUND	IMPROVEMENT	PROJECT	PARKWAY	FUND	FUND	FUND	FUND	FUNDS
\$ 16,660	\$ 99,961	\$ 176,419	\$ --	\$ 114,299	\$ --	\$ --	\$ 108,280	\$ --	\$ 1,073,155
7	5	21,210	2,886	8,260	--	--	--	--	100,636
--	--	--	--	--	--	--	--	--	52,444
(6,981)	--	--	--	71,747	--	--	--	--	179,122
<u>\$ 9,686</u>	<u>\$ 99,966</u>	<u>\$ 197,629</u>	<u>\$ 2,886</u>	<u>\$ 194,306</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 108,280</u>	<u>\$ --</u>	<u>\$ 1,405,357</u>
\$ 142	\$ 142	\$ --	\$ 142	\$ 235	\$ --	\$ --	\$ --	\$ --	\$ 70,056
--	--	235	--	25,574	235	14,248	363,849	191,133	3,762,638
--	--	--	--	--	--	--	--	--	24,191
<u>\$ 142</u>	<u>\$ 142</u>	<u>\$ 235</u>	<u>\$ 142</u>	<u>\$ 25,809</u>	<u>\$ 235</u>	<u>\$ 14,248</u>	<u>\$ 363,849</u>	<u>\$ 191,133</u>	<u>\$ 3,856,885</u>
\$ 9,544	\$ 99,824	\$ 197,394	\$ 2,744	\$ 168,497	\$ (235)	\$ 14,248	\$ (255,569)	\$ (191,133)	\$ (2,451,528)
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 150,000	\$ 199,000	\$ 3,036,799
--	--	--	--	--	--	--	--	--	389,000
(15,737)	(94,996)	(189,627)	(2,198)	(113,360)	--	--	(17,000)	--	(544,918)
<u>\$ (15,737)</u>	<u>\$ (94,996)</u>	<u>\$ (189,627)</u>	<u>\$ (2,198)</u>	<u>\$ (113,360)</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 133,000</u>	<u>\$ 199,000</u>	<u>\$ 2,880,881</u>
\$ (6,193)	\$ 4,828	\$ 7,767	\$ 546	\$ 55,137	\$ (235)	\$ (14,248)	\$ (122,569)	\$ 7,867	\$ 429,353
6,799	69,872	(2,079,683)	(33,326)	(1,611,906)	(752)	--	116,915	21,554	(2,628,177)
<u>\$ 606</u>	<u>\$ 74,700</u>	<u>\$ (2,071,916)</u>	<u>\$ (32,780)</u>	<u>\$ (1,556,769)</u>	<u>\$ (987)</u>	<u>\$ (14,248)</u>	<u>\$ (5,654)</u>	<u>\$ 29,421</u>	<u>\$ (2,198,824)</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 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 Rehab Revolving Loan 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.
- **Fire Grant** – to account for grant subsidies received and utilized for capital purchases that do not qualify for recording in Capital Project Funds.
- **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.
- **Cable Television Fund** – to account for Cable Television Franchise Fees received and utilized for operation of local Cable Access Programming.

CITY OF MARSHFIELD, WISCONSIN
ROOM TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUE				
Taxes				
Public accomodation taxes	\$ 255,867	\$ 255,867	\$ 266,823	\$ 10,956
TOTAL REVENUES	<u>\$ 255,867</u>	<u>\$ 255,867</u>	<u>\$ 266,823</u>	<u>\$ 10,956</u>
EXPENDITURES				
Current				
Culture, recreation and education				
Parks	\$ --	\$ --	\$ 40,143	\$ (40,143)
Capital outlay				
Parks	115,000	120,000	73,247	46,753
TOTAL EXPENDITURES	<u>\$ 115,000</u>	<u>\$ 120,000</u>	<u>\$ 113,390</u>	<u>\$ 6,610</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 140,867</u>	<u>\$ 135,867</u>	<u>\$ 153,433</u>	<u>\$ (17,566)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	\$ (160,000)	\$ (160,000)	\$ (165,043)	\$ (5,043)
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ (160,000)</u>	<u>\$ (160,000)</u>	<u>\$ (165,043)</u>	<u>\$ (5,043)</u>
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>\$ (19,133)</u>	<u>\$ (24,133)</u>	<u>\$ (11,610)</u>	<u>\$ (12,523)</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>137,119</u>	<u>137,119</u>	<u>137,119</u>	<u>--</u>
FUND BALANCE AT END OF YEAR	<u>\$ 117,986</u>	<u>\$ 112,986</u>	<u>\$ 125,509</u>	<u>\$ (12,523)</u>

CITY OF MARSHFIELD, WISCONSIN
CONVENTION AND VISITORS BUREAU SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUE				
Miscellaneous				
Interest	\$ 79,000	\$ 79,000	\$ 62,784	\$ (16,216)
TOTAL REVENUES	\$ 79,000	\$ 79,000	\$ 62,784	\$ (16,216)
EXPENDITURES				
Current				
Culture, recreation and education				
Culture	\$ 220,700	\$ 220,700	\$ 249,090	\$ (28,390)
TOTAL EXPENDITURES	\$ 220,700	\$ 220,700	\$ 249,090	\$ (28,390)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (141,700)	\$ (141,700)	\$ (186,306)	\$ 44,606
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 145,000	\$ 145,000	\$ 150,043	\$ 5,043
TOTAL OTHER FINANCING SOURCES (USES)	\$ 145,000	\$ 145,000	\$ 150,043	\$ 5,043
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	\$ 3,300	\$ 3,300	\$ (36,263)	\$ 39,563
FUND BALANCE AT BEGINNING OF YEAR	173,283	173,283	173,283	--
FUND BALANCE AT END OF YEAR	\$ 176,583	\$ 176,583	\$ 137,020	\$ 39,563

CITY OF MARSHFIELD, WISCONSIN
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUE				
Miscellaneous				
Miscellaneous	\$ --	\$ --	\$ --	\$ --
TOTAL REVENUES	\$ --	\$ --	\$ --	\$ --
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ --	\$ --	\$ --	\$ --
EXPENDITURES				
Current				
Conservation and development	\$ --	\$ 105,370	\$ 105,370	\$ --
TOTAL EXPENDITURES	\$ --	\$ 105,370	\$ 105,370	\$ --
OTHER FINANCING SOURCES (USES)				
Transfers out	\$ --	\$ --	\$ (65,630)	\$ (65,630)
TOTAL OTHER FINANCING SOURCES (USES)	\$ --	\$ --	\$ (65,630)	\$ (65,630)
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	\$ --	\$ (105,370)	\$ (171,000)	\$ 65,630
FUND BALANCE AT BEGINNING OF YEAR	280,423	280,423	280,423	--
FUND BALANCE AT END OF YEAR	\$ 280,423	\$ 175,053	\$ 109,423	\$ 65,630

CITY OF MARSHFIELD, WISCONSIN
ECONOMIC DEVELOPMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUES				
Taxes				
General property taxes	\$ 50,000	\$ 50,000	\$ 50,000	\$ --
Miscellaneous				
Interest	34,791	34,791	54,623	19,832
TOTAL REVENUES	<u>\$ 84,791</u>	<u>\$ 84,791</u>	<u>\$ 104,623</u>	<u>\$ 19,832</u>
EXPENDITURES				
Current				
Conservation and development				
Economic development	\$ 105,920	\$ 180,920	\$ 180,204	\$ 716
TOTAL EXPENDITURES	<u>\$ 105,920</u>	<u>\$ 180,920</u>	<u>\$ 180,204</u>	<u>\$ 716</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (21,129)</u>	<u>\$ (96,129)</u>	<u>\$ (75,581)</u>	<u>\$ 20,548</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ --	\$ 75,000	\$ 75,000	\$ --
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ --</u>	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ --</u>
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>\$ (21,129)</u>	<u>\$ (21,129)</u>	<u>\$ (581)</u>	<u>\$ 20,548</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>1,523,225</u>	<u>1,523,225</u>	<u>1,523,225</u>	<u>--</u>
FUND BALANCE AT END OF YEAR	<u>\$ 1,502,096</u>	<u>\$ 1,502,096</u>	<u>\$ 1,522,644</u>	<u>\$ 20,548</u>

CITY OF MARSHFIELD, WISCONSIN
COMMERCIAL REHAB REVOLVING LOAN SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUES				
Miscellaneous				
Interest	\$ 20	\$ 20	\$ 5	\$ (15)
TOTAL REVENUES	\$ 20	\$ 20	\$ 5	\$ (15)
EXPENDITURES				
Current				
Conservation and development				
Economic development	\$ --	\$ --	\$ 3,536	\$ (3,536)
TOTAL EXPENDITURES	\$ --	\$ --	\$ 3,536	\$ (3,536)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 20	\$ 20	(3,531)	\$ (3,551)
FUND BALANCE AT BEGINNING OF YEAR	3,531	3,531	3,531	--
FUND BALANCE AT END OF YEAR	\$ 3,551	\$ 3,551	--	\$ (3,551)

CITY OF MARSHFIELD, WISCONSIN
RESIDENTIAL REVOLVING LOAN SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUES				
Miscellaneous				
Interest	\$ --	\$ --	\$ --	\$ --
TOTAL REVENUES	\$ --	\$ --	\$ --	\$ --
EXPENDITURES				
Capital outlay				
Community development block grant	\$ --	\$ --	18,000	\$ (18,000)
TOTAL EXPENDITURES	\$ --	\$ --	18,000	\$ (18,000)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ --	\$ --	(18,000)	\$ (18,000)
FUND BALANCE AT BEGINNING OF YEAR	<u>175,293</u>	<u>175,293</u>	<u>175,293</u>	<u>--</u>
FUND BALANCE AT END OF YEAR	<u>\$ 175,293</u>	<u>\$ 175,293</u>	<u>\$ 157,293</u>	<u>\$ (18,000)</u>

CITY OF MARSHFIELD, WISCONSIN
REVOLVING LOAN SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUES				
Miscellaneous				
Interest	\$ 400	\$ 400	\$ 1,604	\$ 1,204
TOTAL REVENUES	<u>\$ 400</u>	<u>\$ 400</u>	<u>\$ 1,604</u>	<u>\$ 1,204</u>
EXPENDITURES				
Current				
Conservation and development				
Economic development	\$ 150	\$ 150	\$ 172	(22)
TOTAL EXPENDITURES	<u>\$ 150</u>	<u>\$ 150</u>	<u>\$ 172</u>	<u>(22)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 250</u>	<u>\$ 250</u>	<u>\$ 1,432</u>	<u>(1,182)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ --	\$ --	\$ 65,630	\$ 65,630
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 65,630</u>	<u>\$ 65,630</u>
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>\$ 250</u>	<u>\$ 250</u>	<u>\$ 67,062</u>	<u>\$ 66,812</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>185,355</u>	<u>185,355</u>	<u>185,355</u>	<u>--</u>
FUND BALANCE AT END OF YEAR	<u>\$ 185,605</u>	<u>\$ 185,605</u>	<u>\$ 252,417</u>	<u>\$ 66,812</u>

CITY OF MARSHFIELD, WISCONSIN
LAW ENFORCEMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUES				
Intergovernmental				
Interest	\$ --	\$ --	\$ 200	\$ 200
TOTAL REVENUES	\$ --	\$ --	\$ 200	\$ 200
EXPENDITURES				
Current				
Public safety				
Law enforcement	\$ --	\$ --	\$ --	\$ --
TOTAL EXPENDITURES	\$ --	\$ --	\$ --	\$ --
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ --	\$ --	\$ 200	\$ (200)
FUND BALANCE AT BEGINNING OF YEAR	4,693	4,693	4,693	--
FUND BALANCE AT END OF YEAR	\$ 4,693	\$ 4,693	\$ 4,893	\$ 200

CITY OF MARSHFIELD, WISCONSIN
FIRE GRANT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE	
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)	
REVENUES					
Intergovernmental					
Federal grants	\$	-- \$	101,163 \$	56,163 \$	(45,000)
TOTAL REVENUES	<u>\$</u>	<u>-- \$</u>	<u>101,163 \$</u>	<u>56,163 \$</u>	<u>(45,000)</u>
EXPENDITURES					
Current					
Public safety					
Fire protection	\$	-- \$	101,163 \$	57,105 \$	44,058
TOTAL EXPENDITURES	<u>\$</u>	<u>-- \$</u>	<u>101,163 \$</u>	<u>57,105 \$</u>	<u>44,058</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$	-- \$	-- \$	(942) \$	942
FUND BALANCE AT BEGINNING OF YEAR		--	--	--	--
FUND BALANCE AT END OF YEAR	<u>\$</u>	<u>-- \$</u>	<u>-- \$</u>	<u>(942) \$</u>	<u>(942)</u>

CITY OF MARSHFIELD, WISCONSIN
TAXI SYSTEM SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUES				
Intergovernmental				
State grants	\$ 343,272	\$ 343,272	\$ 323,626	\$ (19,646)
Interest	--	--	1,965	1,965
TOTAL REVENUES	<u>\$ 343,272</u>	<u>\$ 343,272</u>	<u>\$ 325,591</u>	<u>\$ (17,681)</u>
EXPENDITURES				
Current				
Conservation and development				
Economic development	\$ 323,782	\$ 323,782	\$ 332,965	\$ (9,183)
Capital outlay				
Automotive equipment	25,000	25,000	--	25,000
TOTAL EXPENDITURES	<u>\$ 348,782</u>	<u>\$ 348,782</u>	<u>\$ 332,965</u>	<u>\$ 15,817</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (5,510)</u>	<u>\$ (5,510)</u>	<u>\$ (7,374)</u>	<u>\$ (1,864)</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>53,108</u>	<u>53,108</u>	<u>53,108</u>	<u>--</u>
FUND BALANCE AT END OF YEAR	<u>\$ 47,598</u>	<u>\$ 47,598</u>	<u>\$ 45,734</u>	<u>\$ (1,864)</u>

CITY OF MARSHFIELD, WISCONSIN
UTILITY DIVIDEND SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
OTHER FINANCING SOURCES (USES)				
Transfers out	(284,717)	(359,717)	(359,717)	--
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ (284,717)</u>	<u>\$ (359,717)</u>	<u>\$ (359,717)</u>	<u>--</u>
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	\$ (284,717)	\$ (359,717)	\$ (359,717)	--
FUND BALANCE AT BEGINNING OF YEAR	<u>602,729</u>	<u>602,729</u>	<u>602,729</u>	<u>--</u>
FUND BALANCE AT END OF YEAR	<u>\$ 318,012</u>	<u>\$ 243,012</u>	<u>\$ 243,012</u>	<u>--</u>

CITY OF MARSHFIELD, WISCONSIN
EAST INDUSTRIAL PARK SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	VARIANCE
	<u>ORIGINAL</u>	<u>FINAL</u>		FAVORABLE (UNFAVORABLE)
OTHER FINANCING SOURCES (USES)				
Transfers out	\$ --	\$ --	\$ --	--
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>--</u>
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	\$ --	\$ --	\$ --	--
FUND BALANCE AT BEGINNING OF YEAR	<u>119,144</u>	<u>119,144</u>	<u>119,144</u>	<u>--</u>
FUND BALANCE AT END OF YEAR	<u>\$ 119,144</u>	<u>\$ 119,144</u>	<u>\$ 119,144</u>	<u>--</u>

CITY OF MARSHFIELD, WISCONSIN
CABLE TELEVISION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u> <u>AMOUNTS</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
REVENUE				
Licenses and permits				
Cable franchise fees	\$ 154,900	\$ 154,900	\$ 170,620	\$ 15,720
TOTAL REVENUES	<u>\$ 154,900</u>	<u>\$ 154,900</u>	<u>\$ 170,620</u>	<u>\$ 15,720</u>
EXPENDITURES				
Current				
General government				
Cable television	\$ 103,250	\$ 103,250	\$ 94,630	\$ 8,620
Capital outlay				
Cable television	<u>202,400</u>	<u>202,400</u>	<u>61,851</u>	<u>140,549</u>
TOTAL EXPENDITURES	<u>\$ 305,650</u>	<u>\$ 305,650</u>	<u>\$ 156,481</u>	<u>\$ 149,169</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (150,750)</u>	<u>\$ (150,750)</u>	<u>\$ 14,139</u>	<u>\$ 164,889</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>221,711</u>	<u>221,711</u>	<u>221,711</u>	<u>--</u>
FUND BALANCE AT END OF YEAR	<u>\$ 70,961</u>	<u>\$ 70,961</u>	<u>\$ 235,850</u>	<u>\$ 164,889</u>

CITY OF MARSHFIELD, WISCONSIN
BUSINESS IMPROVEMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	VARIANCE
	<u>ORIGINAL</u>	<u>FINAL</u>		FAVORABLE (UNFAVORABLE)
REVENUES				
Public charges for services				
Economic development	\$ 48,800	\$ 48,800	\$ 46,249	\$ (2,551)
Miscellaneous				
Interest	150	150	633	483
TOTAL REVENUES	<u>\$ 48,950</u>	<u>\$ 48,950</u>	<u>\$ 46,882</u>	<u>\$ (2,068)</u>
EXPENDITURES				
Current				
Conservation and development				
Economic development	\$ 48,800	\$ 48,800	\$ 47,502	\$ 1,298
TOTAL EXPENDITURES	<u>\$ 48,800</u>	<u>\$ 48,800</u>	<u>\$ 47,502</u>	<u>\$ 1,298</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 150	\$ 150	\$ (620)	\$ (770)
FUND BALANCE AT BEGINNING OF YEAR	<u>221</u>	<u>221</u>	<u>221</u>	<u>--</u>
FUND BALANCE AT END OF YEAR	<u>\$ 371</u>	<u>\$ 371</u>	<u>\$ (399)</u>	<u>\$ (770)</u>

CAPITAL PROJECT 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.
- **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.
- **T.I.D.#7** – to account for improvements to Yellowstone Business Park.
- **T.I.D.#8** – to account for the City's share of infrastructure and costs pertinent to redevelopment and revitalization of the Northway Mall and surrounding properties.
- **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
STREET CONSTRUCTION CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUE				
Taxes				
General property	\$ 328,537	\$ 328,537	\$ 328,537	\$ --
Intergovernmental				
State grants	52,154	52,154	52,154	--
Public charges for services				
Highway maintenance and construction fees	14,000	14,000	52,444	38,444
Miscellaneous				
Interest	--	--	26,800	26,800
TOTAL REVENUES	\$ 394,691	\$ 394,691	\$ 459,935	\$ (65,244)
EXPENDITURES				
Capital outlay				
Public works	\$ 2,139,224	\$ 1,949,224	\$ 1,631,949	\$ 317,275
Debt service				
Interest and fiscal charges	20,050	20,050	24,191	(4,141)
TOTAL EXPENDITURES	\$ 2,159,274	\$ 1,969,274	\$ 1,656,140	\$ 313,134
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (1,764,583)	\$ (1,574,583)	\$ (1,196,205)	\$ 378,378
OTHER FINANCING SOURCES (USES)				
Proceeds of long-term debt	\$ 1,634,000	\$ 1,556,000	\$ 1,579,799	\$ 23,799
Transfers in	260,000	260,000	260,000	--
Transfers out	--	(112,000)	(112,000)	--
TOTAL OTHER FINANCING SOURCES (USES)	\$ 1,894,000	\$ 1,704,000	\$ 1,727,799	\$ 23,799
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	\$ 129,417	\$ 129,417	\$ 531,594	\$ 402,177
FUND BALANCE AT BEGINNING OF YEAR	676,138	676,138	676,138	--
FUND BALANCE AT END OF YEAR	\$ 805,555	\$ 805,555	\$ 1,207,732	\$ 402,177

CITY OF MARSHFIELD, WISCONSIN
URBAN DEVELOPMENT CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUE				
Intergovernmental				
Economic development grants	\$	-- \$	\$ 16,114	\$ 16,114
TOTAL REVENUES	\$	-- \$	\$ 16,114	\$ 16,114
EXPENDITURES				
Current				
Conservation and development	\$	-- \$	\$ 69,395	\$ (69,395)
Capital outlay				
Urban development	--	--	18,471	(18,471)
TOTAL EXPENDITURES	\$	-- \$	\$ 87,866	\$ (87,866)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$	-- \$	\$ (71,752)	\$ (71,752)
OTHER FINANCING SOURCES (USES)				
Transfers out	\$	-- \$	-- \$	--
TOTAL OTHER FINANCING SOURCES (USES)	\$	-- \$	-- \$	--
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	\$	-- \$	\$ (71,752)	\$ (71,752)
FUND BALANCE AT BEGINNING OF YEAR		44,612	44,612	--
FUND BALANCE AT END OF YEAR	\$	44,612 \$	(27,140) \$	(71,752)

CITY OF MARSHFIELD, WISCONSIN
STORM SEWER CONSTRUCTION CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUE				
Taxes				
General property	\$ 71,241	\$ 71,241	\$ 71,241	\$ --
TOTAL REVENUES	<u>\$ 71,241</u>	<u>\$ 71,241</u>	<u>\$ 71,241</u>	<u>\$ --</u>
EXPENDITURES				
Capital outlay				
Public works	\$ 377,275	\$ 489,275	\$ 348,007	\$ 141,268
TOTAL EXPENDITURES	<u>\$ 377,275</u>	<u>\$ 489,275</u>	<u>\$ 348,007</u>	<u>\$ 141,268</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (306,034)</u>	<u>\$ (418,034)</u>	<u>\$ (276,766)</u>	<u>\$ 141,268</u>
OTHER FINANCING SOURCES (USES)				
Proceeds of long-term debt	\$ 350,000	\$ 350,000	\$ 350,000	\$ --
Transfers in	--	112,000	112,000	--
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ 350,000</u>	<u>\$ 462,000</u>	<u>\$ 462,000</u>	<u>\$ --</u>
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>\$ 43,966</u>	<u>\$ 43,966</u>	<u>\$ 185,234</u>	<u>\$ 141,268</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>(59,710)</u>	<u>(59,710)</u>	<u>(59,710)</u>	<u>--</u>
FUND BALANCE AT END OF YEAR	<u>\$ (15,744)</u>	<u>\$ (15,744)</u>	<u>\$ 125,524</u>	<u>\$ 141,268</u>

CITY OF MARSHFIELD, WISCONSIN
FIRE PROTECTION CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES				
Capital outlay				
Fire protection	\$ --	\$ 2,000	\$ 1,797	\$ 203
TOTAL EXPENDITURES	<u>\$ --</u>	<u>\$ 2,000</u>	<u>\$ 1,797</u>	<u>\$ 203</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ --</u>	<u>\$ 2,000</u>	<u>\$ 1,797</u>	<u>\$ (203)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	--	2,000	2,000	--
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ --</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ --</u>
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (203)</u>	<u>\$ (203)</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
FUND BALANCE AT END OF YEAR	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (203)</u>	<u>\$ (203)</u>

CITY OF MARSHFIELD, WISCONSIN
AIRPORT OUTLAY CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
EXPENDITURES				
Capital outlay				
Public works	\$ 2,000	\$ 2,000	\$ --	\$ 2,000
TOTAL EXPENDITURES	\$ 2,000	\$ 2,000	\$ --	\$ 2,000
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ --	\$ --	\$ --	\$ --
TOTAL OTHER FINANCING SOURCES (USES)	\$ --	\$ --	\$ --	\$ --
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	\$ 2,000	\$ 2,000	\$ --	\$ (2,000)
FUND BALANCE AT BEGINNING OF YEAR	20,445	20,445	20,445	--
FUND BALANCE AT END OF YEAR	\$ (18,445)	\$ (18,445)	\$ (20,445)	\$ (2,000)

CITY OF MARSHFIELD, WISCONSIN
PARKS / RECREATION CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUE				
Intergovernmental				
State grants	\$ 40,000	\$ 40,000	\$ --	\$ (40,000)
Miscellaneous				
Miscellaneous	10,000	10,000	86,075	76,075
TOTAL REVENUES	\$ 50,000	\$ 50,000	\$ 86,075	\$ (36,075)
EXPENDITURES				
Capital outlay				
Parks outlay	\$ 150,000	\$ 179,000	\$ 309,236	\$ (130,236)
TOTAL EXPENDITURES	\$ 150,000	\$ 179,000	\$ 309,236	\$ (130,236)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (100,000)	\$ (129,000)	\$ (223,161)	\$ (94,161)
OTHER FINANCING SOURCES (USES)				
Operating transfers in	\$ 15,000	\$ 15,000	\$ 15,000	\$ --
TOTAL OTHER FINANCING SOURCES (USES)	\$ 15,000	\$ 15,000	\$ 15,000	\$ --
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	\$ (85,000)	\$ (114,000)	\$ (208,161)	\$ (94,161)
FUND BALANCE AT BEGINNING OF YEAR	267,326	267,326	267,326	--
FUND BALANCE AT END OF YEAR	\$ 182,326	\$ 153,326	\$ 59,165	\$ (94,161)

CITY OF MARSHFIELD, WISCONSIN
WATER MAIN CONSTRUCTION CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUE				
Taxes	\$ 157,758	\$ 157,758	\$ 157,758	\$ --
Other	--	--	1,481	(1,481)
TOTAL REVENUE	\$ 157,758	\$ 157,758	\$ 159,239	\$ (1,481)
EXPENDITURES				
Current				
Conservation and development				
Urban development	\$ 697,914	\$ 919,914	\$ 857,904	\$ (62,010)
TOTAL EXPENDITURES	\$ 697,914	\$ 919,914	\$ 857,904	\$ (62,010)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (540,156)	\$ (762,156)	\$ (698,665)	\$ (1,481)
OTHER FINANCING SOURCES				
Proceeds of long-term debt	\$ 680,000	\$ 758,000	\$ 758,000	\$ --
TOTAL OTHER FINANCING SOURCES	\$ 680,000	\$ 758,000	\$ 758,000	\$ --
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 139,844	\$ (4,156)	\$ 59,335	\$ (63,491)
FUND BALANCE AT BEGINNING OF YEAR	(66,461)	(66,461)	(66,461)	--
FUND BALANCE AT END OF YEAR	\$ 73,383	\$ (70,617)	\$ (7,126)	\$ (63,491)

CITY OF MARSHFIELD, WISCONSIN
T.I.D. NO. 3 (TOWER HALL) CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUE				
Taxes				
General property	\$ 15,869	\$ 15,869	\$ 16,660	\$ 791
Intergovernmental				
State shared grants	10	10	7	(3)
Other revenue	--	--	(6,981)	(6,981)
TOTAL REVENUES	<u>\$ 15,879</u>	<u>\$ 15,879</u>	<u>\$ 9,686</u>	<u>\$ 6,193</u>
EXPENDITURES				
Current				
Conservation and development				
Urban development	\$ 142	\$ 142	\$ 142	--
TOTAL EXPENDITURES	<u>\$ 142</u>	<u>\$ 142</u>	<u>\$ 142</u>	<u>--</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 15,737</u>	<u>\$ 15,737</u>	<u>\$ 9,544</u>	<u>\$ 6,193</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers out	\$ (15,737)	\$ (15,737)	\$ (15,737)	--
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ (15,737)</u>	<u>\$ (15,737)</u>	<u>\$ (15,737)</u>	<u>--</u>
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (6,193)</u>	<u>\$ (6,193)</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>6,799</u>	<u>6,799</u>	<u>6,799</u>	<u>--</u>
FUND BALANCE AT END OF YEAR	<u>\$ 6,799</u>	<u>\$ 6,799</u>	<u>\$ 606</u>	<u>\$ (6,193)</u>

CITY OF MARSHFIELD, WISCONSIN
T.I.D. NO. 2 (PURDY SCHOOL) CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUE				
Taxes				
General property	\$ 95,126	\$ 95,126	\$ 99,961	\$ 4,835
Intergovernmental				
Other state shared taxes	12	12	5	(7)
TOTAL REVENUES	<u>\$ 95,138</u>	<u>\$ 95,138</u>	<u>\$ 99,966</u>	<u>\$ 4,828</u>
EXPENDITURES				
Current				
Conservation and development				
Urban development	\$ 142	\$ 142	\$ 142	--
TOTAL EXPENDITURES	<u>\$ 142</u>	<u>\$ 142</u>	<u>\$ 142</u>	<u>--</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 94,996</u>	<u>\$ 94,996</u>	<u>\$ 99,824</u>	<u>\$ 4,828</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers out	\$ (94,996)	\$ (94,996)	\$ (94,996)	--
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ (94,996)</u>	<u>\$ (94,996)</u>	<u>\$ (94,996)</u>	<u>--</u>
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 4,828</u>	<u>\$ 4,828</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>69,872</u>	<u>69,872</u>	<u>69,872</u>	<u>--</u>
FUND BALANCE AT END OF YEAR	<u>\$ 69,872</u>	<u>\$ 69,872</u>	<u>\$ 74,700</u>	<u>\$ 4,828</u>

CITY OF MARSHFIELD, WISCONSIN
T.I.D. NO. 4 (DOWNTOWN IMPROVEMENTS) CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUE				
Taxes				
General property	\$ 167,907	\$ 167,907	\$ 176,419	\$ 8,512
Intergovernmental				
Other state shared taxes	21,955	21,955	21,210	(745)
TOTAL REVENUES	\$ 189,862	\$ 189,862	\$ 197,629	\$ 7,767
EXPENDITURES				
Capital outlay				
Conservation and development	\$ 235	\$ 235	\$ 235	\$ --
TOTAL EXPENDITURES	\$ 235	\$ 235	\$ 235	\$ --
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 189,627	\$ 189,627	\$ 197,394	\$ (7,767)
OTHER FINANCING SOURCES (USES)				
Operating transfers out	\$ (189,627)	\$ (189,627)	\$ (189,627)	\$ --
TOTAL OTHER FINANCING SOURCES (USES)	\$ (189,627)	\$ (189,627)	\$ (189,627)	\$ --
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	\$ --	\$ --	\$ 7,767	\$ 7,767
FUND BALANCE AT BEGINNING OF YEAR	(2,079,683)	(2,079,683)	(2,079,683)	--
FUND BALANCE AT END OF YEAR	\$ (2,079,683)	\$ (2,079,683)	\$ (2,071,916)	\$ 7,767

CITY OF MARSHFIELD, WISCONSIN
T.I.D. NO. 6 (FIGI'S) CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUE				
Intergovernmental				
Other state shared taxes	\$ 2,340	\$ 2,340	\$ 2,886	\$ 546
TOTAL REVENUES	\$ 2,340	\$ 2,340	\$ 2,886	\$ 546
EXPENDITURES				
Current				
Conservation and development				
Urban development	\$ 142	\$ 142	\$ 142	\$ --
TOTAL EXPENDITURES	\$ 142	\$ 142	\$ 142	\$ --
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 2,198	\$ 2,198	\$ 2,744	\$ 546
OTHER FINANCING SOURCES (USES)				
Operating transfers out	\$ (2,198)	\$ (2,198)	\$ (2,198)	\$ --
TOTAL OTHER FINANCING SOURCES (USES)	\$ (2,198)	\$ (2,198)	\$ (2,198)	\$ --
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	\$ --	\$ --	\$ 546	\$ 546
FUND BALANCE AT BEGINNING OF YEAR	(33,326)	(33,326)	(33,326)	--
FUND BALANCE AT END OF YEAR	\$ (33,326)	\$ (33,326)	\$ (32,780)	\$ 546

CITY OF MARSHFIELD, WISCONSIN
T.I.D. NO. 5 (MILL CREEK BUSINESS PARK) CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FAVORABLE (UNFAVORABLE)</u>
REVENUE				
Taxes				
General property	\$ 108,795	\$ 108,795	\$ 114,299	\$ 5,504
Intergovernmental				
Other state shared revenues	4,800	4,800	8,260	3,460
Miscellaneous				
Miscellaneous	100	100	71,747	71,647
TOTAL REVENUES	\$ 113,695	\$ 113,695	\$ 194,306	\$ 80,611
EXPENDITURES				
Current				
Conservation and development				
Urban development	\$ 235	\$ 235	\$ 235	--
Capital outlay				
Public works	--	--	25,574	(25,574)
TOTAL EXPENDITURES	\$ 235	\$ 235	\$ 25,809	\$ (25,574)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 113,460	\$ 113,460	\$ 168,497	\$ 55,037
OTHER FINANCING SOURCES (USES)				
Operating transfers out	\$ (113,360)	\$ (113,360)	\$ (113,360)	--
TOTAL OTHER FINANCING SOURCES (USES)	\$ (113,360)	\$ (113,360)	\$ (113,360)	--
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	\$ 100	\$ 100	\$ 55,137	\$ 55,037
FUND BALANCE AT BEGINNING OF YEAR	(1,611,906)	(1,611,906)	(1,611,906)	--
FUND BALANCE AT END OF YEAR	\$ (1,611,806)	\$ (1,611,806)	\$ (1,556,769)	\$ 55,037

CITY OF MARSHFIELD, WISCONSIN
T.I.D. NO. 7 (YELLOWSTONE INDUSTRIAL PARK) CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
EXPENDITURES				
Capital outlay				
Conservation and development	\$ 235	\$ 235	\$ 235	\$ --
TOTAL EXPENDITURES	\$ 235	\$ 235	\$ 235	\$ --
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (235)	\$ (235)	\$ (235)	\$ --
FUND BALANCE AT BEGINNING OF YEAR	(752)	(752)	(752)	--
FUND BALANCE AT END OF YEAR	\$ (987)	\$ (987)	\$ (987)	\$ --

CITY OF MARSHFIELD, WISCONSIN
T.I.D. NO. 8 (NORTHWAY MALL) CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE	
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)	
EXPENDITURES					
Capital outlay					
Conservation and development	\$	--	\$	14,248	\$ (14,248)
TOTAL EXPENDITURES	\$	--	\$	14,248	\$ (14,248)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$	--	\$	(14,248)	\$ 14,248
FUND BALANCE AT BEGINNING OF YEAR		--		--	--
FUND BALANCE AT END OF YEAR	\$	--	\$	(14,248)	\$ 14,248

CITY OF MARSHFIELD, WISCONSIN
CITY HALL REMODLING CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUE				
Taxes				
General property	\$ 108,280	\$ 108,280	\$ 108,280	\$ --
TOTAL REVENUES	<u>\$ 108,280</u>	<u>\$ 108,280</u>	<u>\$ 108,280</u>	<u>\$ --</u>
EXPENDITURES				
Capital outlay				
General government	\$ 150,000	\$ 133,000	\$ 363,849	\$ (230,849)
TOTAL EXPENDITURES	<u>\$ 150,000</u>	<u>\$ 133,000</u>	<u>\$ 363,849</u>	<u>\$ (230,849)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (41,720)</u>	<u>\$ (24,720)</u>	<u>\$ (255,569)</u>	<u>\$ (230,849)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds of long-term debt	\$ 150,000	\$ 150,000	\$ 150,000	\$ --
Operating transfers out	--	(17,000)	(17,000)	--
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ 150,000</u>	<u>\$ 133,000</u>	<u>\$ 133,000</u>	<u>\$ --</u>
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>\$ 108,280</u>	<u>\$ 108,280</u>	<u>\$ (122,569)</u>	<u>\$ (230,849)</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>116,915</u>	<u>116,915</u>	<u>116,915</u>	<u>--</u>
FUND BALANCE AT END OF YEAR	<u>\$ 225,195</u>	<u>\$ 225,195</u>	<u>\$ (5,654)</u>	<u>\$ (230,849)</u>

CITY OF MARSHFIELD, WISCONSIN
UW BUILDING/REMODELING CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2005

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUE				
Taxes				
General property	\$ --	\$ --	\$ --	\$ --
TOTAL REVENUES	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
EXPENDITURES				
Current				
Conservation and development				
UW Wood County campus	\$ 199,000	\$ 199,000	\$ 191,133	\$ 7,867
TOTAL EXPENDITURES	<u>\$ 199,000</u>	<u>\$ 199,000</u>	<u>\$ 191,133</u>	<u>\$ 7,867</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (199,000)</u>	<u>\$ (199,000)</u>	<u>\$ (191,133)</u>	<u>\$ 7,867</u>
OTHER FINANCING SOURCES (USES)				
Proceeds of long-term debt	\$ 199,000	\$ 199,000	\$ 199,000	\$ --
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ 199,000</u>	<u>\$ 199,000</u>	<u>\$ 199,000</u>	<u>\$ --</u>
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 7,867</u>	<u>\$ 7,867</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>21,554</u>	<u>21,554</u>	<u>21,554</u>	<u>--</u>
FUND BALANCE AT END OF YEAR	<u>\$ 21,554</u>	<u>\$ 21,554</u>	<u>\$ 29,421</u>	<u>\$ 7,867</u>

NONMAJOR ENTERPRISE FUNDS

- **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 - NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2005

	STORM WATER UTILITY	EMERGENCY MEDICAL SERVICES	TOTAL
ASSETS			
CURRENT ASSETS			
Cash	\$ 113,730	\$ 173,975	\$ 287,705
Accounts receivable	--	111,568	111,568
Prepaid expenses	--	67	67
TOTAL CURRENT ASSETS	\$ 113,730	\$ 285,610	\$ 399,340
NONCURRENT ASSETS			
Capital assets, at cost			
Buildings, systems and equipment	--	615,870	615,870
Less accumulated depreciation	--	(401,753)	(401,753)
Net capital assets	\$ --	\$ 214,117	\$ 214,117
TOTAL NONCURRENT ASSETS	\$ --	\$ 214,117	\$ 214,117
TOTAL ASSETS AND OTHER DEBITS	\$ 113,730	\$ 499,727	\$ 613,457
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Accounts payable	\$ --	\$ 31,776	\$ 31,776
Accrued salaries, wages and compensated absences	--	5,251	5,251
Current portion of long-term debt	--	1,794	1,794
Deferred revenues	--	12,650	12,650
TOTAL CURRENT LIABILITIES	\$ --	\$ 51,471	\$ 51,471
NONCURRENT LIABILITIES			
Long-term obligations	\$ --	\$ 92,541	\$ 92,541
TOTAL NONCURRENT LIABILITIES	\$ --	\$ 92,541	\$ 92,541
TOTAL LIABILITIES	\$ --	\$ 144,012	\$ 144,012
FUND BALANCES			
Invested in capital assets, net of related debt	\$ --	\$ 214,118	\$ 214,118
Unrestricted	113,730	141,597	255,327
TOTAL FUND BALANCES	\$ 113,730	\$ 355,715	\$ 469,445
TOTAL LIABILITIES AND FUND BALANCES	\$ 113,730	\$ 499,727	\$ 613,457

CITY OF MARSHFIELD, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED DECEMBER 31, 2005

	STORM WATER UTILITY	EMERGENCY MEDICAL SERVICES	TOTAL
OPERATING REVENUES			
Charges for services	\$ 9,828	\$ 852,531	\$ 862,359
OPERATING EXPENSES			
Operations	\$ 399	\$ 692,207	\$ 692,606
General	4,489	--	4,489
Depreciation	--	54,085	54,085
TOTAL OPERATING EXPENSES	\$ 4,888	\$ 746,292	\$ 751,180
OPERATING INCOME	\$ 4,940	\$ 106,239	\$ 111,179
NONOPERATING REVENUE (EXPENSE)			
Interest and fiscal charges	\$ --	\$ (5,193)	\$ (5,193)
Other miscellaneous income	--	(11,515)	(11,515)
TOTAL NONOPERATING REVENUE	\$ --	\$ (16,708)	\$ (16,708)
CHANGE IN NET ASSETS	\$ 4,940	\$ 89,531	\$ 94,471
NET ASSETS AT BEGINNING OF YEAR	108,790	266,184	374,974
NET ASSETS AT END OF YEAR	\$ 113,730	\$ 355,715	\$ 469,445

CITY OF MARSHFIELD, WISCONSIN
STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED DECEMBER 31, 2005

	STORM WATER	EMERGENCY MEDICAL SERVICES	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 9,828	\$ 832,109	\$ 841,937
Payments to suppliers and vendors	(47,395)	(103,805)	(151,200)
Payments to employees	(3,208)	(577,866)	(581,074)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>\$ (40,775)</u>	<u>\$ 150,438</u>	<u>\$ 109,663</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of fixed assets	\$ -	\$ (42,017)	\$ (42,017)
Interest paid	-	(5,193)	(5,193)
Principal payments of GO refunding bonds	-	(1,645)	(1,645)
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	<u>\$ -</u>	<u>\$ (48,855)</u>	<u>\$ (48,855)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>\$ (40,775)</u>	<u>\$ 101,583</u>	<u>\$ 60,808</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>154,505</u>	<u>72,392</u>	<u>226,897</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 113,730</u>	<u>\$ 173,975</u>	<u>\$ 287,705</u>
RECONCILIATION OF OPERATING INCOME TO CASH PROVIDED BY (USED IN) ACTIVITIES			
Operating income (loss)	\$ 4,940	\$ 106,239	\$ 111,179
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation charged to depreciation expense	-	54,085	54,085
Changes in assets and liabilities			
(Increase) decrease in assets			
Accounts receivable	-	(20,422)	(20,422)
Prepaid expenses	-	(67)	(67)
Increase (decrease) in current liabilities			
Accounts payable	(45,715)	12,181	(33,534)
Other accrued expenses	-	(1,578)	(1,578)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>\$ (40,775)</u>	<u>\$ 150,438</u>	<u>\$ 109,663</u>

The accompanying notes are an integral part of these financial statements.

FIDUCIARY FUNDS

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.

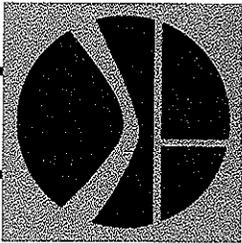
CITY OF MARSHFIELD, WISCONSIN
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
YEAR ENDED DECEMBER 31, 2005

	AGENCY FUNDS				TOTAL
	PAYROLL DEDUCTIONS	PERFORMANCE BONDS	PROPERTY TAX	SALES TAX	
ASSETS					
Cash and equivalents	\$ 280,758	\$ 1,470	\$ 4,451,839	\$ 927	\$ 4,734,994
Investments	--	13,600	--	--	13,600
Taxes receivable	--	--	11,205,777	--	11,205,777
Other receivables	9,585	--	--	--	9,585
TOTAL ASSETS	\$ 290,343	\$ 15,070	\$ 15,657,616	\$ 927	\$ 15,963,956
LIABILITIES AND NET ASSETS					
LIABILITIES					
Accounts payable	\$ --	\$ 15,070	\$ 2,457	\$ --	\$ 17,527
Other accrued expenses	290,343	--	--	--	290,343
Due to other governments	--	--	15,655,159	927	15,656,086
TOTAL LIABILITIES	\$ 290,343	\$ 15,070	\$ 15,657,616	\$ 927	\$ 15,963,956
NET ASSETS					
Restricted	\$ --	\$ --	\$ --	\$ --	\$ --
TOTAL NET ASSETS	\$ --	\$ --	\$ --	\$ --	\$ --
TOTAL LIABILITIES AND NET ASSETS	\$ 290,343	\$ 15,070	\$ 15,657,616	\$ 927	\$ 15,963,956

CITY OF MARSHFIELD, WISCONSIN
COMBINING STATEMENT OF CHANGES IN ASSETS
AND LIABILITIES - ALL AGENCY FUNDS
YEAR ENDED DECEMBER 31, 2005

	BALANCE 1/1/05	ADDITIONS	DEDUCTIONS	BALANCE 12/31/05
<u>Payroll Deductions</u>				
ASSETS				
Cash	\$ 247,312	\$ 2,301,015	\$ 2,267,569	\$ 280,758
Receivables-Other	13,850	60,998	65,263	9,585
TOTAL ASSETS	\$ 261,162	\$ 2,362,013	\$ 2,332,832	\$ 290,343
LIABILITIES				
Payroll Deductions	\$ 261,162	\$ 2,167,233	\$ 2,138,052	\$ 290,343
<u>Performance Bonds</u>				
ASSETS				
Cash and Investments	\$ 15,270	\$ -	\$ 200	\$ 15,070
LIABILITIES				
Accounts Payable	\$ 15,270	\$ -	\$ 200	\$ 15,070
<u>Property Tax</u>				
ASSETS				
Cash	\$ 4,257,401	\$ 24,187,761	\$ 23,993,323	\$ 4,451,839
Taxes Receivable	11,162,055	28,788,816	28,745,094	11,205,777
TOTAL ASSETS	\$ 15,419,456	\$ 52,976,577	\$ 52,738,417	\$ 15,657,616
LIABILITIES				
Accounts Payable	\$ 8,204	\$ 26,086	\$ 31,833	\$ 2,457
Due to Other Governments	15,411,252	15,655,159	15,411,252	15,655,159
TOTAL LIABILITIES	\$ 15,419,456	\$ 15,681,245	\$ 15,443,085	\$ 15,657,616
<u>State of Wisconsin</u>				
ASSETS				
Cash	\$ 1,111	\$ 11,206	\$ 11,390	\$ 927
LIABILITIES				
Due to Other Governments	\$ 1,111	\$ 11,206	\$ 11,390	\$ 927
<u>TOTAL - ALL AGENCY FUNDS</u>				
ASSETS				
Cash and Investments	\$ 4,521,094	\$ 26,499,982	\$ 26,272,482	\$ 4,748,594
Taxes Receivable	11,162,055	28,788,816	28,745,094	11,205,777
Receivables-Other	13,850	60,998	65,263	9,585
TOTAL ASSETS	\$ 15,696,999	\$ 55,349,796	\$ 55,082,839	\$ 15,963,956
LIABILITIES				
Accounts Payable	\$ 23,474	\$ 26,086	\$ 32,033	\$ 17,527
Payroll Deductions	261,162	2,167,233	2,138,052	290,343
Due to Other Governments	15,412,363	15,666,365	15,422,642	15,656,086
TOTAL LIABILITIES	\$ 15,696,999	\$ 17,859,684	\$ 17,592,727	\$ 15,963,956

OTHER REPORTS



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 BASIC FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Common Council
City of Marshfield, Wisconsin

We have audited the financial statements of the City of Marshfield, Wisconsin ("City"), as of and for the year ended December 31, 2005, and have issued our report thereon dated March 17, 2006. 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 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 control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the 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 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 operations that we consider to be material weaknesses.

This report is intended solely for the information and use of the Council and management of the City 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 17, 2006

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**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 (1)	Debt Service	Total
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
2003	2,422,536	6,943,438	4,753,033	129,354	2,669,165	533,726	524,647	3,787,917	21,763,816
2004	2,433,613	7,143,411	4,579,859	132,291	2,742,275	581,582	721,787	3,727,573	22,062,391
2005	2,698,149	7,224,417	5,275,205	136,268	2,934,345	986,771	318,320	3,793,256	23,366,731

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

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

<u>Fiscal Year</u>	<u>Taxes</u>	<u>Special Assessments</u>	<u>Inter-governmental</u>	<u>Licenses and Permits</u>	<u>Fines Forfeits & Penalties</u>	<u>Charges for Services</u>	<u>Miscellaneous</u>	<u>Total</u>
1996	\$6,348,945	\$ 243,457	\$ 6,919,187	\$ 127,494	\$ 145,979	\$ 1,091,822	\$ 783,084	\$ 15,659,968
1997	7,184,691	267,531	6,708,321	122,230	176,183	1,167,661	976,784	16,603,401
1998	7,933,102	489,763	6,901,616	138,660	172,568	1,224,339	1,290,319	18,150,367
1999	8,026,867	312,445	7,293,052	213,877	153,243	1,208,519	1,354,821	18,562,824
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
2003	10,058,764	415,819	7,793,470	358,383	144,742	725,525	793,081	20,289,785
2004	9,359,497	430,341	7,352,047	349,784	115,939	725,776	739,222	19,072,606
2005	11,395,860	183,660	7,728,533	361,722	115,090	776,929	867,267	21,429,061

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

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

Fiscal Year	General Property Tax	Mobile Home Tax	Public Accommodation Taxes	Payments In Lieu of Taxes	Other Taxes	Total
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
2003	8,483,706	65,976	241,645	1,265,738	1,700	10,058,764
2004	7,744,907	62,287	239,137	1,312,227	939	9,359,497
2005	10,145,747	62,322	266,823	920,192	777	11,395,860

(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 Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
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%
2003	9,432,927	9,379,880	99.4%	64,321	9,444,200	100.1%	24,941	0.26%
2004	11,201,144	11,143,098	99.5%	52,966	11,196,064	100.0%	30,021	0.27%
2005	11,766,379	11,746,602	99.8%	38,783	11,785,385	100.2%	11,015	0.09%

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	
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%
2003	943,220,200	898,203,100	53,460,110	51,663,900	996,680,310	949,867,000	104.93%
2004	1,054,841,400	1,061,303,800	72,037,230	72,104,100	1,126,878,630	1,133,407,900	99.42%
2005	1,076,356,500	1,115,295,500	64,347,180	64,523,700	1,140,703,680	1,179,819,200	96.68%

(1) City-wide reappraisal completed in 1998 and 2003

(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	City	County	School	Wood County Tax Rates		Gross Tax Rate	State Tax Credits	Net Tax Rate
				Midstate Tech	State			
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
2004	9.71027	4.90772	8.32049	1.65908	0.20331	24.80087	(1.09006)	23.71081
2005	9.67281	4.90942	7.28757	1.60527	0.20337	23.67844	(0.92322)	22.75522
2006	9.57677	5.11081	7.19404	1.59326	0.19373	23.66861	(0.91414)	22.75447

Collection Year	City	TID (1)	County	Tax Levies				Credits	Total Net Levies
				School	Midstate Tech	State			
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	
2004	8,382,611	348,442	4,171,754	7,072,748	1,410,280	175,686	(941,946)	20,619,576	
2005	10,059,830	407,339	5,017,239	7,447,615	1,640,523	211,341	(959,402)	23,824,486	
2006	10,154,730	800,344	5,249,744	7,389,607	1,636,575	205,511	(969,750)	24,466,760	

(1) 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	<u>Marathon County</u> <u>Tax Rates</u>						Gross Tax Rate	State Tax Credits	Net Tax Rate
	City	County	School	Midstate Tech	State				
1996	\$ 11.01692	\$ 5.60763	\$ 14.66279	\$ 1.65390	\$ 0.19999	\$ 33.14123	\$ (1.49510)	\$ 31.64613	
1997	10.60943	5.58390	9.59832	1.64755	0.20000	27.63920	(2.07681)	25.56239	
1998	10.58430	5.59931	9.10278	1.65354	0.20000	27.13993	(1.88036)	25.25957	
1999	11.35878	5.61534	9.04436	1.63173	0.20002	27.85023	(1.68004)	26.17019	
2000	11.12515	5.64473	8.44034	1.59907	0.19999	27.00928	(1.33941)	25.66987	
2001	12.09521	5.66040	7.99096	1.62784	0.19999	27.57440	(0.90902)	26.66538	
2002	9.82017	5.56655	7.87716	1.64891	0.20000	25.11279	(0.63638)	24.47641	
2003	11.04577	5.58086	7.91727	1.63920	0.20001	26.38311	(0.89521)	25.48790	
2004	9.82528	5.41169	8.18492	1.63204	0.20000	25.25393	(0.93306)	24.32087	
2005	9.56908	5.32437	7.16676	1.57866	0.20000	23.83887	(1.00062)	22.83825	
2006	9.63193	5.23847	6.96584	1.54272	0.18758	23.56654	(0.88650)	22.68004	

Collection Year	<u>Tax Levies</u>						Credits	Total Net Levies
	City	County	School	Midstate Tech	State			
1996	\$ 205,697	\$ 104,700	\$ 273,769	\$ 30,880	\$ 3,734	\$ (27,915)	\$ 590,865	
1997	212,507	111,845	192,254	33,000	4,006	(41,599)	512,014	
1998	225,879	119,495	194,262	35,288	4,268	(40,129)	539,064	
1999	256,513	126,810	204,247	36,849	4,517	(37,940)	590,996	
2000	292,163	148,239	221,656	41,994	5,252	(35,175)	674,129	
2001	475,112	222,346	313,893	63,943	7,856	(35,707)	1,047,443	
2002	631,105	357,741	506,235	105,969	12,853	(40,898)	1,573,005	
2003	683,543	345,359	489,943	101,438	12,377	(55,398)	1,577,262	
2004	701,874	386,587	584,694	116,586	14,287	(66,654)	1,737,374	
2005	733,975	408,394	549,711	121,088	15,341	(76,750)	1,751,758	
2006	811,305	441,241	586,738	129,945	15,800	(74,671)	1,910,358	

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

TABLE 6
CITY OF MARSHFIELD, WISCONSIN
PRINCIPAL TAXPAYERS
DECEMBER 31, 2005

Taxpayer	Type of Business	2005 Assessed Valuation	Percentage of Total Assessed Valuation
Marshfield Clinic	Healthcare	\$ 93,122,720	8.16%
Wal-Mart Development	Retail Sales Development	22,430,880	1.97%
Badger Housing	Apartment Complexes	13,946,250	1.22%
Marshfield DoorSystems	Wood Doors	12,189,300	1.07%
Menards Development	Home Improvement Retail	12,185,200	1.07%
Green Roof Building	Residential / Commercial Construction	11,963,730	1.05%
Pathos - Festival Foods	Food Sales, Office Products	11,262,410	0.99%
V & H Ford	Auto / Heavy Truck Sales & Service	11,061,120	0.97%
Wick Building Systems	Modular Homes, Building Materials	9,850,300	0.86%
Northway Mall Development	Shopping Mall	8,879,590	0.78%
TOTALS		\$ 206,891,500	18.14%

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		
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	291,461	356,868	172,269	92.34%	1,189,167
2002	415,878	234,739	448,444	346,600	118.92%	888,299
2003	385,241	219,360	313,222	139,742	59.53%	849,985
2004	335,211	188,874	265,834	197,567	90.07%	711,466
2005	24,036	162,886	49,290	134,371	71.14%	548,468

(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, 2004

Total equalized value		<u>\$1,179,819,200</u>
Legal debt margin:		
Debt limitation-5 percent of total equalized value		58,990,960
Debt applicable to limitation:		
Bonds	8,600,000	
General obligation notes	<u>15,752,815</u>	
Total debt applicable to limitation at December 31, 2004	24,352,815	
Less amount available in debt service funds	<u>(5,490)</u>	<u>(24,347,325)</u>
Legal debt margin		<u>\$ 34,643,635</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),(4)	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
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
2003	18,861	996,680,310	26,160,234	1,406,548	-	24,753,686	2.48%	1,312
2004	19,012	1,126,878,630	24,280,183	3,411	-	24,276,772	2.15%	1,277
2005	19,258	1,140,703,680	24,352,815	5,490	-	24,347,325	2.13%	1,264

(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) City-wide reevaluation completed in 1998 and 2003

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(4)(5)	Interest and Fiscal Charges(4)(5)	Total Debt Service(2)	Total General Governmental Expenditures(3)(4)(5)	Ratio of Debt Service to General Governmental Expenditures
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%
2003	2,641,499	1,146,417	3,787,917	21,737,586	17.4%
2004	2,642,305	1,085,268	3,727,573	23,621,210	15.8%
2005	2,824,211	969,045	3,793,256	24,013,312	15.8%

- (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
- (4) 2003 Principal and Interest / Fiscal Charges exclude expenditures related to WI Retirement System Outstanding Pension Liability refinancing
- (5) 2004 Principal and Interest / Fiscal Charges exclude expenditures related to all State Trust Fund Loans and 1997B G.O. Note refinancing

TABLE 11
 CITY OF MARSHFIELD, WISCONSIN
 COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT
 DECEMBER 31, 2004

Jurisdiction	General Obligation Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
Direct:			
City of Marshfield	\$ 24,347,325	100.00%	\$ 24,347,325
Overlapping:			
Wood County	5,505,000	26.26%	1,445,613
Marathon County	4,560,000	1.08%	49,248
School District of Marshfield	13,742,583	67.90%	9,331,214
Mid-State Technical College District #14	15,455,000	10.90%	1,684,595
Total Overlapping Debt	<u>39,262,583</u>		<u>12,510,670</u>
 Total Direct and Overlapping Debt	 <u>\$ 63,609,908</u>		 <u>\$ 36,857,995</u>

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	Revenue Bond Debt Service Requirements			Coverage
				Principal	Interest	Total	
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	23,535,764	16,901,842	6,633,922	1,442,490	841,355	2,283,845	2.90
2003	25,401,785	18,879,185	6,522,600	1,467,434	845,664	2,313,098	2.82
2004	27,179,689	20,081,297	7,098,392	1,644,445	814,549	2,458,994	2.89
2005	32,171,818	25,441,179	6,730,639	1,704,524	798,304	2,502,828	2.69

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.

Storm Water Utility Enterprise fund added in 2003 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
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%
2003	18,861	4,060	5.3%
2004	19,012	3,955	5.0%
2005	19,258	3,910	5.0%

<u>Education Level (Persons 25 years and over) (4)</u>	<u>Number</u>	<u>Percent</u>
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%
	<u>12,802</u>	<u>100.00%</u>

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

(2) Marshfield School District - Public Schools only (as of 1/1 of subsequent year)

(3) WI Dept. of Workforce Development - www.dwd.wisconsin.gov/news.htm

(4) 2000 Census - 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)			Commercial/Industrial Construction (2)		Residential Construction(2)	
	Commercial	Residential	Total	Number of Units	Value	Number of Units	Value
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	13,592,449	53	5,732,491
2000	209,470,300	471,016,400	680,486,700	18	6,195,588	57	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
2003	273,747,400	576,537,300	850,284,700	21	12,401,287	64	13,715,023
2004	373,751,200	639,303,800	1,013,055,000	12	7,533,422	59	14,736,631
2005	391,692,800	671,974,700	1,063,667,500	13	4,972,516	21	3,941,973

(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, 2004

Date of Incorporation		1883
Form of Government		Mayor/Council
Number of employees (including part-time)		537
Area in square miles		13.3
Name of Government facilities and services:		
Miles of streets		138
Number of street lights		1,874
Culture and Recreation:		
Community centers		2
Parks		17
Park acreage		256
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		254
Number of inspections conducted		2,331
Police Protection:		
Number of stations		1
Number of police personnel and officers		52 (38 officers)
Number of enforcement units		16
Number of Arrests / Citations / Warnings		7,595
Sewerage System:		
Miles of sanitary sewers		132.6
Miles of storm sewers		73.7
Number of treatment plants		1
Number of service connections		7,781
Daily average treatment in gallons		2,700,000
Maximum daily capacity of treatment plant in gallons		28,000,000
Water System:		
Miles of water mains		135.7
Number of service connections		7,599
Number of fire hydrants		844
Daily average consumption in gallons		1,904,019
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 secondary schools	1	3
Number of technical colleges	1	
Number of universities (limited 4 year)	1	
Hospitals:		
Number of hospitals		1
Number of patient beds		524