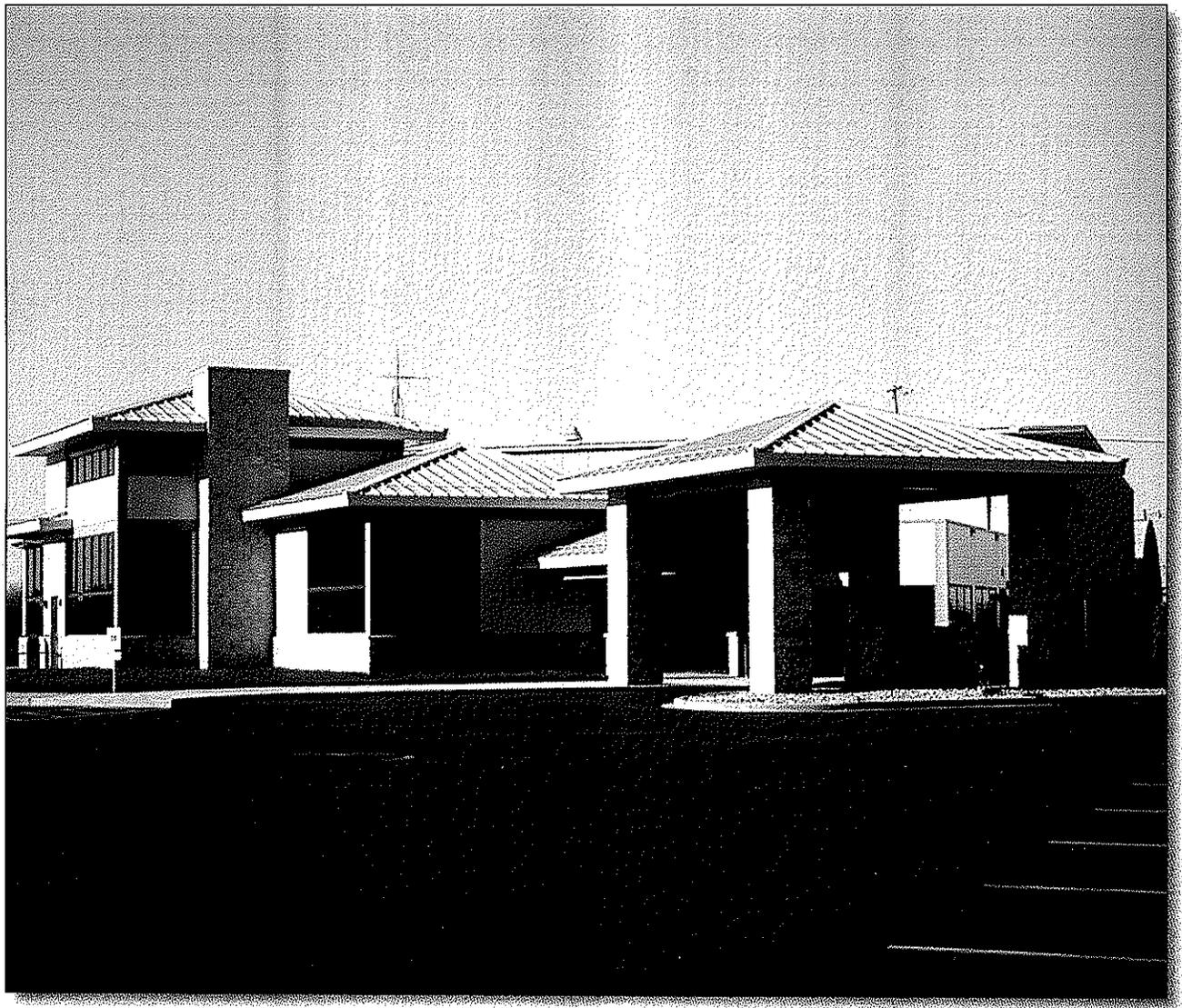


City of Marshfield, Wisconsin

**Comprehensive**  
**ANNUAL REPORT**  
**Financial**



**Including Auditors' Report**  
**for the fiscal year ended**  
**December 31, 2007**

**CITY OF MARSHFIELD, WISCONSIN  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2007**

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

**ON THE COVER: NEW GENERAL AVIATION TERMINAL BUILDING**

Demolition and construction of a new general aviation building for the Marshfield Municipal Airport, Roy Shwery Field was completed in 2007. This 4,600 square foot building was built to replace the existing building constructed in the 1940's as a garage. It will allow for more general public use with a lobby designed for extended viewing areas as well as a conference room for meetings and classroom instruction. The building also includes a quiet room for pilots separate from general public access. Construction of this \$1.6 million building was primarily funded by Federal and State grants.

**CITY OF MARSHFIELD, WISCONSIN**  
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# **INTRODUCTORY SECTION**

Finance Department  
City of Marshfield  
City Hall Plaza  
630 S. Central Avenue  
Marshfield, Wisconsin 54449-0727



Keith R. Strey, CPA  
Finance Director  
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June 15, 2007

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, 2007, 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, 2007 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, 2007, 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 2007 population of 19,420, the city has seen a slight decline in population and significant growth in its tax base over the past decade. In the 1990 publication, *The Rating Guide To Life In America's Small Cities*, Marshfield was ranked 14th in America, 3rd in the Midwest and 1st in Wisconsin for its quality of life. Each community was graded on its performance in ten clearly defined classifications: Climate/Environment, Diversions, Economics, Education, Sophistication, Health Care, Housing, Public Safety, Transportation and Urban Proximity. In addition, Marshfield was recently named as the 8<sup>th</sup> best place to live in America by *Demographics Daily*.

The city employs 197 full-time equivalent employees. The police department has 38 officers and 15 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, 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. In 2007, it was awarded the recognition of "children's hospital."

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 Clinic Laboratories is one of the largest full-service private practice medical laboratories in the nation with approximately 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 Clinic 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 overall Marshfield-Wood County area economy experienced improvement over the past twelve months. Total Wood County unemployment rate for 2007 decreased from 2005 at 4.8%. 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 increased from 1,290 claims in 2006 to 1,349 claims in 2007, an increase of 4.6%. Total Wood County employment increased in 2007 with an estimated Total Nonfarm increase of 3.7%. Sectors experiencing employment growth were Trade, Transportation & Utilities, Education & Health Services and Government. The sectors experiencing reductions in 2007 were Manufacturing and Trade and Financial Activities.

Marshfield's businesses continued to grow in 2007 with the addition of 10 new commercial and industrial buildings valued at \$3,344,820. Additionally, 116 businesses remodeled and/or expanded existing facilities valued at \$10,490,170. The city experienced a decrease in residential housing starts from 21 in 2006 to 12 in 2007 valued at \$3,672,000.

The city is positioned to experience increased development as improvements were finished to State Highway 13 on the north end of the city in 2006, completion of the new Veteran's Parkway (Marshfield Boulevard) in 2003, completion of infrastructure construction in Mill Creek Business Park in 2003, scheduled development of Yellowstone Industrial Park starting in 2007 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 \$7,910,000 of general obligation notes and \$3,120,000 of mortgage revenue bonds to fund various public purpose capital projects and refinance existing debt to reduce interest costs. As of December 31, 2007, the city had 23 debt issues outstanding. These issues included \$25,865,227 of general obligation bonds, notes and land contracts and \$25,965,227 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 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, 2007, the city's net general obligation debt of \$25,865,227 was well below the legal limit of \$62,008,575. Net bonded debt per capita equaled \$1,330. 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 4.16% to 5.25%. The city and its proprietary funds earned interest revenue of \$1,357,201 on all investments for the year ended December 31, 2007.

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 2007 the city maintained long-term investments of \$3,988,836 long-term government agency securities of varying maturity dates with interest rates between 3.88% 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**

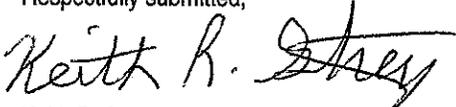
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Marshfield for its comprehensive annual financial report for the fiscal year ended December 31, 2006. This was the twelfth consecutive 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, 2006

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.



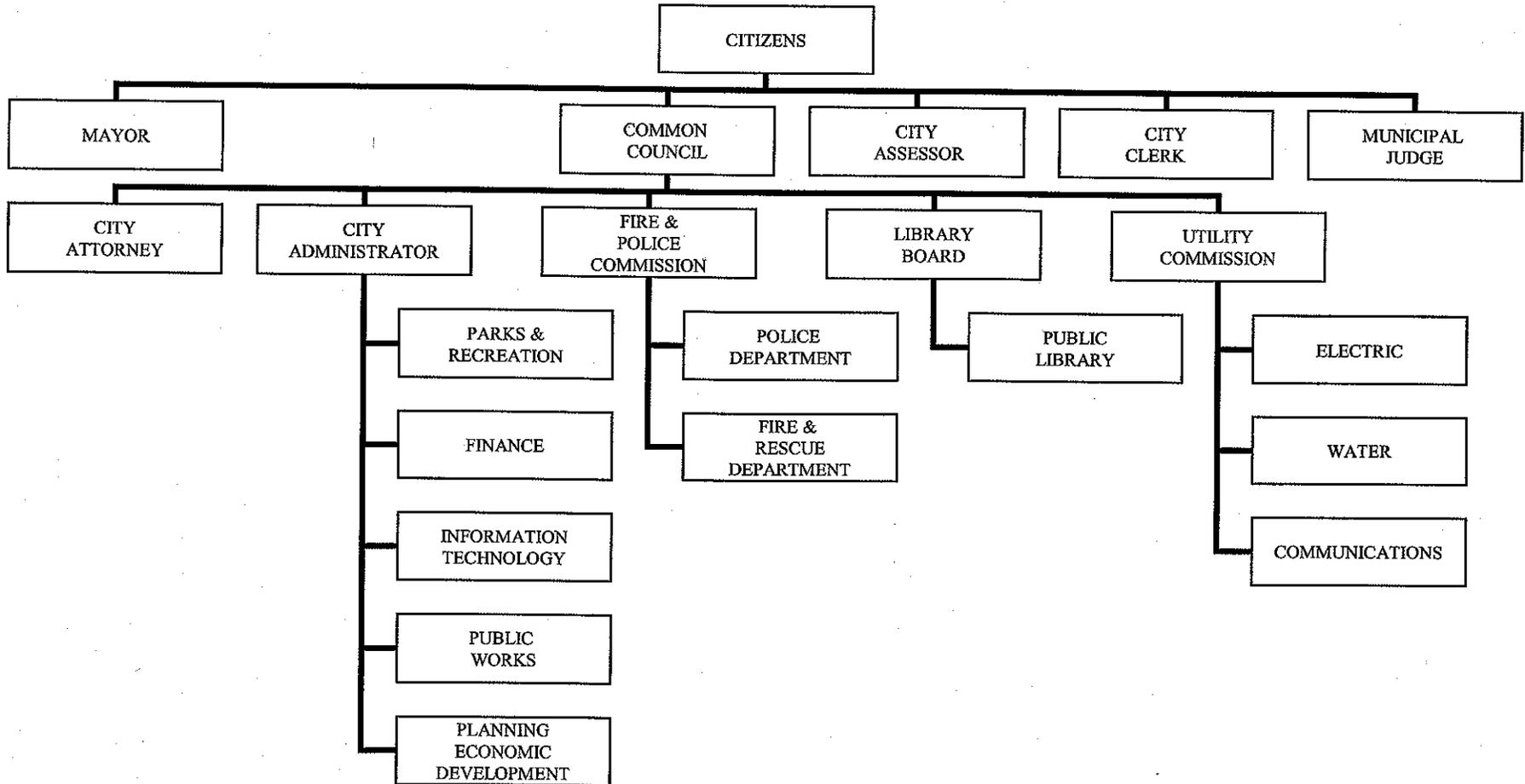
*Oliver S. Cox*

President

*Jeffrey R. Emer*

Executive Director

# CITY OF MARSHFIELD ORGANIZATION CHART



CITY OF MARSHFIELD, WISCONSIN  
List of Principal Officials – 2007

**ELECTED**

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

District	Aldersperson:
First .....	Michael Feirer
Second .....	Alanna Feddick
Third .....	Trish Seigler
Fourth .....	Tim Kraus
Fifth .....	Ed Wagner
Sixth .....	Joshua Hanson
Seventh .....	Donald Krueger
Eighth .....	John Spiros
Ninth .....	Tom Buttke
Tenth .....	Pete Hendler

**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.....James Schmidt  
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 | Business Advisors

Real Solutions. Real Service.

101 West 29th Street | P.O. Box 840 | Marshfield, Wisconsin 54449-0840  
715-387-1131 | fax: 715-384-3463 | www.habco.com

### 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, 2007, 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 financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Marshfield, Wisconsin as of December 31, 2007, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United State of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated July 15, 2008, 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.

The management's discussion and analysis and budgetary comparison information on pages 13 through 19 and 52 through 53 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Marshfield, Wisconsin's basic financial statements. The introductory section, other supplementary information, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and other supplementary information have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Hawkins, Ash, Baptie & Company, LLP*

Marshfield, Wisconsin  
July 15, 2008

# **MANAGEMENT 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, 2007. 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

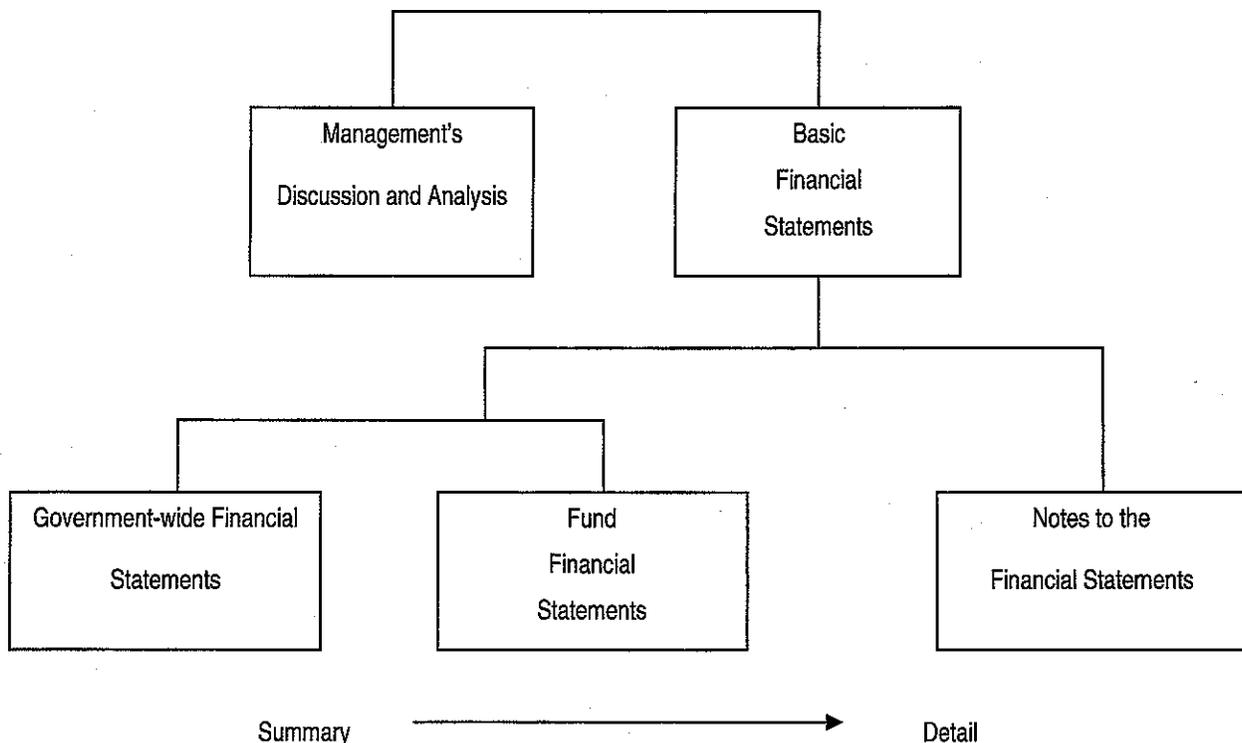
- The assets of the City of Marshfield exceeded its liabilities at the close of the fiscal year by \$127,805,130 (*net assets*).
- The government's total net assets increased by \$7,705,460, with both governmental and business-type activities increasing net assets.
- As of the close of the current fiscal year, the City of Marshfield's governmental funds reported combined ending fund balances of \$10,020,074 an increase of \$421,722 in comparison with the prior year. The increase is primarily due to issuance of debt for 2008 capital projects in December 2007 and unexpended funds budgeted for 2007 operations.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$6,569,455, or 36 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	
	2007	2006	2007	2006	2007	2006
Current & other assets	\$ 25,162	\$ 24,801	\$ 20,015	\$ 21,490	\$ 45,177	\$ 46,291
Capital assets	64,844	61,647	90,246	87,612	155,090	149,259
Total assets	<u>90,006</u>	<u>86,448</u>	<u>110,261</u>	<u>109,102</u>	<u>200,267</u>	<u>195,550</u>
Long-term liabilities outstanding	23,866	25,360	25,664	27,993	49,530	53,353
Other liabilities	13,611	13,618	9,320	8,479	22,931	22,097
Total liabilities	<u>37,477</u>	<u>38,978</u>	<u>34,984</u>	<u>36,472</u>	<u>72,461</u>	<u>75,450</u>
Net assets:						
Invested in capital assets, net of related debt	40,986	38,518	62,318	56,131	103,304	94,649
Restricted	8,674	5,276	5,814	8,759	14,489	14,035
Unrestricted	2,869	3,676	7,145	7,740	10,013	11,416
Total net assets	<u>\$ 52,529</u>	<u>\$ 47,470</u>	<u>\$ 75,277</u>	<u>\$ 72,630</u>	<u>\$ 127,806</u>	<u>\$ 120,100</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 \$127,805,130 as of December 31, 2007. The City's net assets increased by \$7,705,460 for the fiscal year ended December 31, 2007. The largest portion (80%) 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 \$14,488,583 of the City of Marshfield's net assets (12%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$10,013,183 is unrestricted.

## City of Marshfield, Wisconsin Changes in Net Assets

**Figure 2**

(In Thousands of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 1,852	\$ 1,610	\$ 37,113	\$ 32,770	\$ 38,965	\$ 34,380
Grants & contributions	5,375	3,416	729	2,687	6,104	6,103
General revenues:						
Taxes	12,404	12,243	--	--	12,404	12,243
State shared revenue	5,796	5,677	--	--	5,796	5,677
Interest and investment income	654	564	1,162	1,007	1,816	1,571
Miscellaneous	171	109	--	--	171	109
Total revenues	<u>26,252</u>	<u>\$ 23,619</u>	<u>39,004</u>	<u>36,464</u>	<u>65,256</u>	<u>60,083</u>
<b>Expenses:</b>						
General government	3,004	2,838	--	--	3,004	2,838
Public safety	7,119	7,049	--	--	7,119	7,049
Public works	7,140	6,563	--	--	7,140	6,563
Health and human services	150	145	--	--	150	145
Culture, recreation & education	3,064	3,153	--	--	3,064	3,153
Conservation & development	742	806	--	--	742	806
Interest on long-term debt	946	1,057	--	--	946	1,057
Electric	--	--	28,000	23,155	28,000	23,155
Water	--	--	2,527	2,244	2,527	2,244
Wastewater	--	--	3,618	3,524	3,618	3,524
Other business-type activities	--	--	883	805	883	805
Total expenses	<u>22,522</u>	<u>21,611</u>	<u>35,028</u>	<u>29,728</u>	<u>57,550</u>	<u>51,339</u>
Excess (deficiency) before transfers	3,730	2,008	3,976	6,736	7,706	8,744
Transfers	<u>1,329</u>	<u>1,386</u>	<u>(1,329)</u>	<u>(1,386)</u>	<u>--</u>	<u>--</u>
Change in net assets	5,059	3,394	2,647	5,350	7,706	8,744
Net assets, beginning of year	<u>47,470</u>	<u>44,076</u>	<u>72,630</u>	<u>67,280</u>	<u>120,100</u>	<u>111,356</u>
<b>Net assets, end of year</b>	<b><u>\$ 52,529</u></b>	<b><u>\$ 47,470</u></b>	<b><u>\$ 75,277</u></b>	<b><u>\$ 72,630</u></b>	<b><u>\$ 127,806</u></b>	<b><u>\$ 120,100</u></b>

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 2006).

**Business-type activities:** Wholesale electric power costs are passed along to electric customers as a component of their bill. This recovery resulted in an increase in revenue, and coupled with lower operating expenses, increased the excess of revenue over expenses by approximately \$1 million. Customer contributions increased by almost \$2 million for customer-financed capital additions, and there was no property tax levied for business-type activities for 2007.

## 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 \$6,687,867 while total fund balance was \$7,104,358. 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 36 percent of total General Fund expenditures, while total fund balance represents 38 percent of that same amount.

At December 31, 2007, the governmental funds of City of Marshfield reported a combined fund balance of \$10,020,074 an increase of \$421,722 from last year. The increase is attributable to issuance of \$1,855,000 in debt in December 2007 for 2008 capital projects and unexpended funds budgeted for 2007 operations.

**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 higher (\$519,000) than budgeted amounts primarily because of Intergovernmental (\$213,000) and public charges for services (\$160,000) exceeding budgeted expectations. Other excess revenues offset revenue budget shortfalls. Overall expenditures were less than budgeted (\$437,000) due to actual and incurred costs being less than estimated for budgeting purposes. The City had anticipated using fund balance (or having a deficit) of about \$683,000 for 2007, but instead had excess revenue of \$280,000.

**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	
	2007	2006	2007	2006
Marshfield Utilities	\$ 4,797,430	\$ 5,099,861	\$ 1,978,211	\$ 4,600,557
Wastewater	2,063,901	2,375,288	533,906	746,881
EMS	278,975	274,325	120,989	12,453

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, 2007, totals \$155,090,161 (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):

- Airport terminal building.
- Fifth Street reconstruction (Oak to Adams).
- Vine Avenue reconstruction and storm sewer (Mill Creek to 17<sup>th</sup>).
- Prairie Run construction.

## City of Marshfield, Wisconsin's Capital Assets

**Figure 3**

(In Thousands of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Land and land improvements	\$ 7,950	\$ 7,953	\$ 1,880	\$ 1,548	\$ 9,830	\$ 9,501
Buildings and improvements	18,922	16,854	28,006	27,290	46,928	44,144
Machinery and equipment	14,010	13,716	8,275	8,105	22,285	21,821
Infrastructure/systems	54,197	51,458	85,484	80,092	139,681	131,550
Improvements other than buildings	2,361	2,074	--	--	2,361	2,074
Construction in progress	156	359	1,753	2,862	1,909	3,221
Less: Accumulated depreciation	(32,752)	(30,767)	(35,152)	(32,246)	(67,904)	(63,013)
<b>TOTAL</b>	<b>\$ 64,844</b>	<b>\$ 61,647</b>	<b>\$ 90,246</b>	<b>\$ 87,651</b>	<b>\$ 155,090</b>	<b>\$ 149,298</b>

Additional information on the City's capital assets can be found in the notes to the Comprehensive Annual Financial Statements, Note 5 - Capital Assets.

**Long-term Obligations.** As of December 31, 2007 the City of Marshfield, Wisconsin had total long-term obligations outstanding of \$52,546,218. Of this, \$24,335,000 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	
	2007	2006	2007	2006	2007	2006
General obligation bonds/notes	\$ 23,583	\$ 25,094	\$ 752	\$ 771	\$ 24,335	\$ 25,865
Mortgage revenue bonds	--	--	24,019	25,966	24,019	25,966
Other long-term obligations	283	266	--	41	283	307
<b>TOTAL</b>	<b>\$ 23,866</b>	<b>\$ 25,360</b>	<b>\$ 24,771</b>	<b>\$ 26,778</b>	<b>\$ 48,637</b>	<b>\$ 52,138</b>

The City of Marshfield, Wisconsin's total debt increased by \$3,500,000 (6.7%) during the past fiscal year. This was due to the issuance of \$1.855 million in new debt less scheduled principal payments of \$5.315 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 \$64,137,760.

Additional information regarding the City of Marshfield's long-term debt can be found in the notes to the financial statements, Note 7 - Leases and Note 8 - Long-Term Obligations.

## **Economic Factors And Next Year's Budgets And Rates**

During 2004, the city considered formation of a Storm Water Utility for implementation in 2006, but elected not to do so. Effective November 1, 2006, the City of Marshfield was under a storm water discharge permit from the WI Department of Natural Resources that outlines standards the city is required to meet, with specific compliance deadlines for 2008 and 2013. Once this permit was received, the city completed an analysis in 2007 to determine the amount of infrastructure improvements and other costs necessary to comply with these regulatory deadlines. The overall projected budgetary impact through 2013 is \$2.5 million, consisting primarily of capital improvements.

For 2008, the city budgeted the issuance of \$1,855,000 in general obligation debt for the city's 2008 capital projects, of which \$1,855,000 was issued in December 2007.

The 2008 adopted General Fund budget is \$19.74 million, an increase of 2.25% over the 2007 revised budget of \$19.30 million. The overall 2008 adopted budget for all funds is \$35.42 million, a decrease of 1.92% under the 2007 revised budget for all funds of \$36.11 million. Property taxes levied in 2007 for 2008 city purposes increased by \$105,138. The tax rate for city purposes in 2007 for 2008 decreased from \$9.90 to 9.87.

During 2007, significant projects including the residential portion of phase I of the new mixed-use Prairie Run Subdivision with an estimated value of \$1.18 million, construction of a \$800,000 new mixed use multi-tenant commercial development on the north side of the city and development of a \$650,000 Intergenerational Daycare Facility near Marshfield Senior High School were completed. In 2006, construction began on the Melvin Laird Building for Medical Research on the Marshfield Clinic campus at an estimated cost of \$36.6 million that is expected to be completed in fall 2008.

Marshfield Clinic also began expansion of the Ambulatory Surgery building constructed in 2002 by two floors. This estimated \$14 million expansion brings its total square footage to 81,736 and is scheduled to be completed in summer 2008. In late 2007, work started on an estimated \$5 million warehouse and production facility for Felker Brothers Corporation. The scheduled completion date for this project is summer 2008.

Work began in December 2007 to amend Tax Incremental Financing District #7 (Yellowstone Industrial Park) as part of discussions on a potential development agreement for adjoining property totaling 88.1 acres of privately developed industrial park land. The proposed amendment was for the purpose of providing the developer incentive payment when a parcel is sold, a building constructed and permit for occupancy issued.

Work began in December 2007 to amend Tax Incremental Financing District #8 (Shoppes at Woodridge) as part of discussions on a potential development agreement for adjoining property totaling 5.97 acres. The proposed amendment was for the purpose of construction of a new extended stay motel, restaurant, and commercial office space with an estimated total value of \$9 million and a scheduled start in summer 2008.

The City applied with the WI Public Service Commission (PSC) for approval to construct and own a new electric generating unit; the M-1 combustion turbine. The primary purpose for the M-1 generation facility with an expected 55 MW capacity is to 1) further reduce Marshfield's future demand-related electric costs; 2) hedge future energy-related electric costs; and 3) increase the reliability of electric service in Marshfield's service territory and in Eastern WI. Pending PSC approval for construction, the City anticipates issuing \$30 million in long-term electric system revenue bonds to finance the project with a scheduled late 2008 start.

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. The State of WI approved a two-year extension of the property tax levy limit in 2007. This tax levy limit impacted the City of Marshfield 2006, 2007 and 2008 budgets. For 2008, the city was eligible to increase its tax levy by 3.86% over 2007. The 2008 adopted budget increased the tax levy by 0.94%

## **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, 2007**

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
<b>ASSETS</b>			
Cash and equivalents	\$ 12,315,881	\$ 4,231,212	\$ 16,547,093
Investments	99,632	4,223,879	4,323,511
Receivables			
Taxes	9,187,973	47,759	9,235,732
Accounts	101,212	3,067,658	3,168,870
Special assessments	847,536	2,719	844,817
Loans	1,136,481	--	1,136,481
Other	2,806	--	2,806
Inventories	54,474	974,864	1,029,338
Prepays	128,132	12,674	140,806
Deferred charges	--	920,388	920,388
Due from other governments	282,471	8,221	290,692
Internal balances	1,005,000	(1,005,000)	--
Restricted assets			
Cash and investments	--	7,535,379	7,535,379
Capital assets, net of accumulated depreciation			
Land and construction in progress	8,106,348	3,632,441	11,738,789
Buildings, systems and equipment	56,737,524	86,613,848	143,351,372
<b>TOTAL ASSETS</b>	<b>\$ 90,005,470</b>	<b>\$ 110,260,604</b>	<b>\$ 200,266,074</b>

(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, 2007**

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
<b>LIABILITIES AND NET ASSETS</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 979,905	\$ 2,857,129	\$ 3,837,034
Bond anticipation notes	--	3,910,000	3,910,000
Accrued interest	233,925	92,876	326,801
Other accrued expenses	23,853	2,326,635	2,350,488
Payable from restricted assets			
Current portion of long-term debt	135,715	1,551,012	1,686,727
Other	--	131,866	131,866
Due to other governments	7,605	--	7,605
Unearned revenue	12,366,252	1,250	12,367,502
<b>NONCURRENT LIABILITIES</b>			
Due within one year	3,410,815	580,000	3,990,815
Customer deposits	--	893,429	893,429
Noncurrent portion of long-term obligations	20,318,892	22,639,785	42,958,677
<b>TOTAL LIABILITIES</b>	<u>37,476,962</u>	<u>34,983,982</u>	<u>72,460,944</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	40,985,589	62,317,775	103,303,364
Restricted for			
Special revenue funds	2,124,190	--	2,124,190
Capital projects	4,475,450	--	4,475,450
Debt service	1,887,738	5,814,338	7,702,076
Perpetual care - nonexpendable	186,867	--	186,867
Unrestricted	2,868,674	7,144,509	10,013,183
<b>TOTAL NET ASSETS</b>	<u>52,528,508</u>	<u>75,276,622</u>	<u>127,805,130</u>
 <b>TOTAL LIABILITIES AND NET ASSETS</b>	 <u>\$ 90,005,470</u>	 <u>\$ 110,260,604</u>	 <u>\$ 200,266,074</u>

The accompanying notes are an integral part of these statements.

**CITY OF MARSHFIELD, WISCONSIN**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2007**

	PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
<b>GOVERNMENTAL ACTIVITIES</b>				
General government	\$ 3,003,721	\$ 778,777	\$ --	\$ --
Public safety	7,139,830	315,359	243,834	--
Public works	7,140,078	249,416	4,526,910	--
Health and human services	150,081	137,203	--	--
Culture, recreation and education	3,400,317	304,686	604,425	--
Conservation and development	742,530	66,176	--	--
Debt service				
Interest and fiscal charges	945,708	--	--	--
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<u>22,522,265</u>	<u>1,851,617</u>	<u>5,375,169</u>	<u>--</u>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Electric	28,000,226	28,623,244	352,635	--
Water	2,526,510	3,026,993	323,913	--
Communications	24,702	56,570	--	--
Wastewater	3,618,360	4,482,341	--	--
EMS	858,601	924,049	52,521	--
<b>TOTAL BUSINESS TYPE ACTIVITIES</b>	<u>35,028,399</u>	<u>37,113,197</u>	<u>729,069</u>	<u>--</u>
<b>TOTAL</b>	<u>\$ 57,550,664</u>	<u>\$ 38,964,814</u>	<u>\$ 6,104,238</u>	<u>--</u>

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, 2007**

NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS

	<u>GOVERNMENTAL</u>	<u>BUSINESS-TYPE</u>		<u>TOTAL</u>
	<u>ACTIVITIES</u>	<u>ACTIVITIES</u>		<u>TOTAL</u>
\$	(2,224,944)		\$	(2,224,944)
	(6,580,637)			(6,580,637)
	(2,363,752)			(2,363,752)
	(12,878)			(12,878)
	(2,491,206)			(2,491,206)
	(676,354)			(676,354)
	<u>(945,708)</u>			<u>(945,708)</u>
	<u>(15,295,479)</u>			<u>(15,295,479)</u>
		\$ 975,653		975,653
		824,396		824,396
		31,868		31,868
		863,981		863,981
		<u>117,969</u>		<u>117,969</u>
		<u>2,813,867</u>		<u>2,813,867</u>
	<u>(15,295,479)</u>	<u>2,813,867</u>		<u>(12,481,612)</u>
	11,983,483	--		11,983,483
	298,206	--		298,206
	121,963	--		121,963
	5,796,398	--		5,796,398
	654,187	1,161,950		1,816,137
	170,885	--		170,885
	<u>1,329,331</u>	<u>(1,329,331)</u>		<u>--</u>
	<u>20,354,453</u>	<u>(167,381)</u>		<u>20,187,072</u>
	5,058,974	2,646,486		7,705,460
	<u>47,469,534</u>	<u>72,630,136</u>		<u>120,099,670</u>
<b>\$</b>	<b><u>52,528,508</u></b>	<b><u>\$ 75,276,622</u></b>	<b>\$</b>	<b><u>127,805,130</u></b>

The accompanying notes are an integral part of these statements.

**CITY OF MARSHFIELD, WISCONSIN**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2007**

	GENERAL	DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS</b>				
Cash and equivalents	\$ 5,036,826	\$ 2,558,054	\$ 4,243,962	\$ 11,838,842
Receivables				
Taxes	5,909,863	1,894,820	1,383,290	9,187,973
Accounts	105,415	--	--	105,415
Special assessments	847,536	--	--	847,536
Loans	--	--	1,040,747	1,040,747
Other	--	--	2,806	2,806
Prepays	118,412	--	9,720	128,132
Due from other governments	93,673	--	186,177	279,850
Due from other funds	4,626,833	--	2,511	4,629,344
<b>TOTAL ASSETS</b>	<b>\$ 16,738,558</b>	<b>\$ 4,452,874</b>	<b>\$ 6,869,213</b>	<b>\$ 28,060,645</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 730,444	\$ --	\$ 193,603	\$ 924,047
Due to				
Other funds	17,402	--	3,615,840	3,633,242
Other governments	7,371	--	234	7,605
Deferred revenues	8,878,983	2,565,136	2,031,558	13,475,677
<b>TOTAL LIABILITIES</b>	<b>9,634,200</b>	<b>2,565,136</b>	<b>5,841,235</b>	<b>18,040,571</b>
<b>FUND BALANCES</b>				
Reserved for				
Special revenue	--	--	2,045,555	2,045,555
Capital projects	--	--	520,815	520,815
Debt service	--	1,887,738	--	1,887,738
Other activities	118,412	--	196,587	314,999
Unreserved, designated	416,491	--	--	416,491
Special revenue	--	--	782,896	782,896
Capital projects	--	--	739,459	739,459
Unreserved, undesignated	6,569,455	--	--	6,569,455
Special revenue	--	--	(839)	(839)
Capital projects	--	--	(3,256,495)	(3,256,495)
<b>TOTAL FUND BALANCES</b>	<b>7,104,358</b>	<b>1,887,738</b>	<b>1,027,978</b>	<b>10,020,074</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 16,738,558</b>	<b>\$ 4,452,874</b>	<b>\$ 6,869,213</b>	<b>\$ 28,060,645</b>

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, 2007**

Fund balances - total governmental funds		\$	10,020,074
Amounts reported for governmental activities in the statement of assets are different because:			
Net capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			62,616,608
Some revenues are deferred in the funds because they are not available to pay current period's expenditures			1,109,425
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.			2,358,928
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	\$	(233,925)	
Bonds and notes payable		(23,059,899)	
Compensated absences		(282,703)	(23,576,527)
<b>Total net assets of governmental activities</b>			<b>\$ 52,528,508</b>

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, 2007**

REVENUE	OTHER			TOTAL
	GENERAL	DEBT SERVICE	GOVERNMENTAL FUNDS	GOVERNMENTAL FUNDS
Taxes	\$ 7,744,885	\$ 2,589,981	\$ 2,069,245	\$ 12,404,111
Special assessments	416,277	--	--	416,277
Intergovernmental revenues	7,916,249	--	1,862,690	9,778,939
Licenses and permits	206,673	--	179,674	386,347
Fines, forfeits and penalties	134,092	--	--	134,092
Charges for services	877,105	--	130,962	1,008,067
Other revenue	984,140	53,564	1,182,353	2,220,057
<b>TOTAL REVENUES</b>	<b>18,279,421</b>	<b>2,643,545</b>	<b>5,424,924</b>	<b>26,347,890</b>
<b>EXPENDITURES</b>				
<b>Current</b>				
General government	2,742,988	--	143,521	2,886,509
Public safety	6,800,138	--	91,466	6,891,604
Public works	5,416,012	--	317,315	5,733,327
Health and human services	149,944	--	--	149,944
Culture, recreation and education	2,811,302	--	246,543	3,057,845
Conservation and development	484,049	--	237,597	721,646
Capital outlay	311,788	--	5,222,037	5,533,825
<b>Debt service</b>				
Principal retirement	--	3,202,824	--	3,202,824
Interest and fiscal charges	--	912,053	20,922	932,975
<b>TOTAL EXPENDITURES</b>	<b>18,716,221</b>	<b>4,114,877</b>	<b>6,279,401</b>	<b>29,110,499</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(436,800)</b>	<b>(1,471,332)</b>	<b>(854,477)</b>	<b>(2,762,609)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of long-term debt	--	1,855,000	--	1,855,000
Transfer from Enterprise Fund	854,331	475,000	--	1,329,331
Transfers in	10,496	923,240	2,945,164	3,878,900
Transfers out	(147,651)	(2,403,675)	(1,327,574)	(3,878,900)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>717,176</b>	<b>849,565</b>	<b>1,617,590</b>	<b>3,184,331</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>280,376</b>	<b>(621,767)</b>	<b>763,113</b>	<b>421,722</b>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<b>6,823,982</b>	<b>2,509,505</b>	<b>264,865</b>	<b>9,598,352</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 7,104,358</b>	<b>\$ 1,887,738</b>	<b>\$ 1,027,978</b>	<b>\$ 10,020,074</b>

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, 2007**

Net change in fund balances - total governmental funds \$ 421,722

*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	\$ 5,533,825	
Less expenditures not capitalized	(160,943)	
Depreciation expense reported in the statement of activities	(2,089,371)	
Book value of fixed assets disposed of during the year	<u>(28,801)</u>	
Amount by which capital outlays are greater than depreciation in the current period.		3,254,710

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 (2,377)

Internal service funds are used by management to charge the costs of fleet machinery and equipment to individual funds. The net revenue (loss) of certain activities of internal service funds is reported with governmental activities. 102,568

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: (1,855,000)

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 increased by: (12,694)

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 (64,804)

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: 3,202,824

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	932,975	
The amount of interest accrued during the current period	<u>(920,950)</u>	
Interest paid is greater (less) than interest accrued by		<u>12,025</u>

**Change in net assets - governmental activities \$ 5,058,974**

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

**CITY OF MARSHFIELD, WISCONSIN**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2007**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL
				ACTIVITIES-	
	MARSHFIELD	OTHER		INTERNAL	
	UTILITIES	WASTEWATER	ENTERPRISE	TOTAL	SERVICE
			FUNDS		FUND
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and equivalents	\$ 2,403,801	\$ 1,547,177	\$ 280,234	\$ 4,231,212	\$ 576,671
Taxes receivable	--	47,759	--	47,759	--
Accounts receivable	2,894,799	51,681	121,178	3,067,658	--
Special assessments receivable	--	2,719	--	2,719	--
Prepaid expenses	8,000	1,035	3,639	12,674	--
Due from other funds	26,260	633,374	--	659,634	10,528
Due from other governments	--	8,221	--	8,221	2,621
Restricted assets, cash and investments	4,436,489	3,098,890	--	7,535,379	--
Inventories	874,120	100,744	--	974,864	54,474
<b>TOTAL CURRENT ASSETS</b>	<b>10,643,469</b>	<b>5,486,162</b>	<b>405,051</b>	<b>16,534,682</b>	<b>644,294</b>
<b>NONCURRENT ASSETS</b>					
Deferred charges	920,388	--	--	920,388	--
Investments	4,223,879	--	--	4,223,879	--
	5,144,267	--	--	5,144,267	--
Capital assets, at cost					
Land and construction in progress	3,602,480	29,961	--	3,632,441	20,728
Buildings, systems and equipment	73,365,176	47,668,257	732,125	121,765,558	6,484,248
Less accumulated depreciation	(23,905,213)	(10,838,283)	(408,214)	(35,151,710)	(4,277,712)
Net capital assets	53,062,443	36,859,935	323,911	90,246,289	2,227,264
<b>TOTAL NONCURRENT ASSETS</b>	<b>58,206,710</b>	<b>36,859,935</b>	<b>323,911</b>	<b>95,390,556</b>	<b>2,227,264</b>
<b>TOTAL ASSETS</b>	<b>\$ 68,850,179</b>	<b>\$ 42,346,097</b>	<b>\$ 728,962</b>	<b>\$ 111,925,238</b>	<b>\$ 2,871,558</b>

(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, 2007**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL
			OTHER		
	MARSHFIELD	ENTERPRISE		ACTIVITIES-	
	UTILITIES	WASTEWATER	FUNDS	TOTAL	INTERNAL SERVICE FUND
<b>LIABILITIES AND NET ASSETS</b>					
<b>CURRENT LIABILITIES</b>					
Accounts payable	\$ 2,793,176	\$ 46,093	\$ 22,063	\$ 2,861,332	\$ 55,858
Bond anticipation notes	3,910,000	--	--	3,910,000	--
Due to other funds	1,625,289	39,345	--	1,664,634	1,630
Accrued salaries, wages and compensated absences	2,285,728	28,443	12,464	2,326,635	23,853
Accrued interest	--	92,876	--	92,876	--
Current portion of long-term debt	14,671	1,533,799	2,542	1,551,012	135,715
Deferred revenues	--	--	1,250	1,250	--
Customer advances	893,429	--	--	893,429	--
<b>CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS</b>					
Accrued interest	131,866	--	--	131,866	--
Current portion mortgage revenue bonds	580,000	--	--	580,000	--
<b>TOTAL CURRENT LIABILITIES</b>	<u>12,234,159</u>	<u>1,740,556</u>	<u>60,382</u>	<u>14,013,034</u>	<u>217,056</u>
<b>NONCURRENT LIABILITIES</b>					
Long-term obligations	4,791,581	17,760,447	87,757	22,639,785	291,371
<b>TOTAL NONCURRENT LIABILITIES</b>	<u>4,791,581</u>	<u>17,760,447</u>	<u>87,757</u>	<u>22,639,785</u>	<u>291,371</u>
<b>TOTAL LIABILITIES</b>	<u>17,025,740</u>	<u>19,501,003</u>	<u>126,076</u>	<u>36,652,819</u>	<u>508,427</u>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	44,287,443	17,706,421	323,911	62,317,775	1,800,178
Restricted for debt services	2,739,566	469,567	--	3,209,133	--
Restricted for other activities	--	2,605,205	--	2,605,205	562,953
Unrestricted	4,797,430	2,063,901	278,975	7,140,306	--
<b>TOTAL NET ASSETS</b>	<u>51,824,439</u>	<u>22,845,094</u>	<u>602,886</u>	<u>75,272,419</u>	<u>2,363,131</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 68,850,179</u>	<u>\$ 42,346,097</u>	<u>\$ 728,962</u>		<u>\$ 2,871,558</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				4,203	
Net assets of business-type activities on statement of activities.				<u>\$ 75,276,622</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, 2007**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL
	MARSHFIELD		OTHER		ACTIVITIES-
	UTILITIES	WASTEWATER	ENTERPRISE	FUNDS	INTERNAL
	TOTAL	TOTAL	TOTAL	TOTAL	SERVICE
	TOTAL	TOTAL	TOTAL	TOTAL	FUND
<b>OPERATING REVENUES</b>					
Charges for services	\$ 31,706,807	\$ 4,482,341	\$ 976,570	\$ 37,165,718	\$ 1,696,404
<b>OPERATING EXPENSES</b>					
Operations and maintenance	27,184,411	1,535,146	801,815	29,521,372	1,277,219
General	484,329	436,923	--	921,252	--
Depreciation	2,224,961	1,043,340	43,785	3,312,086	313,716
Taxes	171,772	--	--	171,772	--
<b>TOTAL OPERATING EXPENSES</b>	<u>30,065,473</u>	<u>3,015,409</u>	<u>845,600</u>	<u>33,926,482</u>	<u>1,590,935</u>
<b>OPERATING INCOME</b>	<u>1,641,334</u>	<u>1,466,932</u>	<u>130,970</u>	<u>3,239,236</u>	<u>105,469</u>
<b>NONOPERATING REVENUE (EXPENSE)</b>					
Interest income	1,003,706	155,110	25	1,158,841	--
Interest and fiscal charges	(444,256)	(604,471)	(5,018)	(1,053,745)	(24,758)
Amortization of debt issue costs	(44,790)	--	--	(44,790)	--
Miscellaneous	--	114	2,995	3,109	35,237
Other nonoperating expenses	--	(8,779)	(7,983)	(16,762)	--
<b>TOTAL NONOPERATING REVENUE</b>	<u>514,660</u>	<u>(458,026)</u>	<u>(9,981)</u>	<u>46,653</u>	<u>10,479</u>
<b>INCOME BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<u>2,155,994</u>	<u>1,008,906</u>	<u>120,989</u>	<u>3,285,889</u>	<u>115,948</u>
Contributions from customers	676,548	--	--	676,548	--
Transfers to governmental funds	(854,331)	(475,000)	--	(1,329,331)	--
<b>CHANGE IN NET ASSETS</b>	<u>1,978,211</u>	<u>533,906</u>	<u>120,989</u>	<u>2,633,106</u>	<u>115,948</u>
<b>NET ASSETS - January 1</b>	<u>49,846,228</u>	<u>22,311,188</u>	<u>481,897</u>	<u>72,639,313</u>	<u>2,247,183</u>
<b>NET ASSETS - December 31</b>	<u>\$ 51,824,439</u>	<u>\$ 22,845,094</u>	<u>\$ 602,886</u>	<u>\$ 75,087,296</u>	<u>\$ 2,363,131</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				13,380	
Change in net assets of business-type activities on statement of activities.				<u>\$ 2,646,486</u>	

The accompanying notes are an integral part of these statements.

**CITY OF MARSHFIELD, WISCONSIN**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**YEAR ENDED DECEMBER 31, 2007**

	BUSINESS-TYPE ENTERPRISE FUNDS			TOTAL	GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUND
	MARSHFIELD UTILITIES	WASTEWATER	OTHER ENTERPRISE FUNDS		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers and users	\$ 34,385,357	\$ 156,244	\$ 973,816	\$ 35,515,417	\$ 1,690,168
Kewaunee Nuclear Power Plant decommissioning refund	2,436,342	-	-	2,436,342	-
Payments to wastewater utility (collection of wastewater revenue)	(4,257,901)	4,257,901	-	-	-
Payments to suppliers and vendors	(23,868,403)	(1,203,504)	(134,781)	(25,206,688)	(860,354)
Payments to employees	(2,867,407)	(804,277)	(661,378)	(4,333,062)	(402,166)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>5,827,988</u>	<u>2,406,364</u>	<u>177,657</u>	<u>8,412,009</u>	<u>427,648</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Transfer to governmental funds	(854,331)	(475,000)	-	(1,329,331)	-
Public benefits receipts	194,088	-	-	194,088	-
Payments for public benefits	(239,701)	-	-	(239,701)	-
<b>TOTAL CASH FLOWS USED IN NONCAPITAL FINANCING ACTIVITIES</b>	<u>(899,944)</u>	<u>(475,000)</u>	<u>-</u>	<u>(1,374,944)</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Acquisition and construction of capital assets	(5,878,088)	(343,578)	(179,507)	(6,401,173)	(312,243)
Payments payroll & benefits for employees - capitalized	(326,931)	-	-	(326,931)	-
Payments for improvement of capital assets	(179,927)	-	-	(179,927)	-
Cost of retiring capital assets	(292,054)	-	-	(292,054)	-
Interest paid	(596,509)	(604,471)	(5,018)	(1,205,998)	(24,758)
Proceeds from sale of capital assets	100,823	-	-	100,823	91,312
Proceeds from issuance of revenue bonds	3,911,742	-	-	3,911,742	-
Principal payments of bonds payable	(6,010,000)	(1,412,197)	-	(7,422,197)	(176,438)
Principal payments of GO refunding bonds	(12,945)	(3,495)	(2,242)	(18,682)	-
Principal payments of capital leases	-	(40,725)	-	(40,725)	-
Contributed capital	2,483,416	-	2,995	2,486,411	-
Contributions refunded	(89,997)	-	-	(89,997)	-
<b>NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<u>(6,890,470)</u>	<u>(2,404,466)</u>	<u>(183,772)</u>	<u>(9,478,708)</u>	<u>(422,127)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest received	924,696	155,110	25	1,079,831	-
Purchase of investments	(378,342)	-	-	(378,342)	-
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<u>546,354</u>	<u>155,110</u>	<u>25</u>	<u>701,489</u>	<u>-</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u>(1,416,072)</u>	<u>(317,992)</u>	<u>(6,090)</u>	<u>(1,740,154)</u>	<u>5,521</u>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>8,256,362</u>	<u>4,964,059</u>	<u>286,324</u>	<u>13,506,745</u>	<u>571,150</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>\$ 6,840,290</u>	<u>\$ 4,646,067</u>	<u>\$ 280,234</u>	<u>\$ 11,766,591</u>	<u>\$ 576,671</u>

(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, 2007**

	BUSINESS-TYPE ENTERPRISE FUNDS			TOTAL	GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUND
	MARSHFIELD UTILITIES	WASTEWATER	OTHER ENTERPRISE FUNDS		
<b>RECONCILIATION OF OPERATING INCOME TO CASH</b>					
<b>PROVIDED (USED) BY OPERATING ACTIVITIES</b>					
Operating income	\$ 1,638,789	\$ 1,466,932	\$ 130,970	\$ 3,236,691	\$ 105,469
Adjustments to reconcile operating income to net cash provided by operating activities					
Depreciation charged to depreciation expense	1,964,146	1,043,340	43,785	3,051,271	313,716
Depreciation charged to clearing account	228,119	-	-	228,119	-
Proceeds from miscellaneous sales	-	-	-	-	-
Changes in assets and liabilities					
(Increase) decrease in assets					
Accounts receivable	(616,060)	(14,135)	(2,754)	(632,949)	(1,073)
Prepaid expenses	(8,000)	18,840	(3,565)	7,275	-
Due from other funds	(5,001)	(54,061)	-	(59,062)	(5,163)
Inventories	3,209	5,997	-	9,206	8,890
Increase (decrease) in current liabilities					
Accounts payable	887,174	(63,856)	5,297	828,615	4,242
Due to other funds	88,261	2,801	-	91,062	148
Other accrued expenses	1,647,351	506	3,924	1,651,781	1,419
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>5,827,988</u>	<u>2,406,364</u>	<u>177,657</u>	<u>8,412,009</u>	<u>427,648</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>					
Cash	3,251,416	1,547,177	280,234	5,078,827	576,671
Revenue bond special redemption investments	1,745,193	493,685	-	2,238,878	-
PCAC refunding	1,647,867	-	-	1,647,867	-
Revenue bond depreciation investments	150,000	2,605,205	-	2,755,205	-
Customer deposits	45,814	-	-	45,814	-
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<u>\$ 6,840,290</u>	<u>\$ 4,646,067</u>	<u>\$ 280,234</u>	<u>\$ 11,766,591</u>	<u>\$ 576,671</u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>					
Dividends reinvested	\$ 148,604	\$ -	\$ -	\$ 148,604	\$ -

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

**CITY OF MARSHFIELD, WISCONSIN**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**DECEMBER 31, 2007**

	AGENCY FUNDS
<b>ASSETS</b>	
Cash and equivalents	\$ 4,591,532
Investments	13,800
Taxes receivable	12,143,298
Other receivables	3,845
<b>TOTAL ASSETS</b>	<b>\$ 16,752,475</b>
<b>LIABILITIES AND NET ASSETS</b>	
Accounts payable	\$ 23,058
Payroll deductions	289,491
Due to other governments	16,439,926
<b>TOTAL LIABILITIES</b>	<b>16,752,475</b>
<b>NET ASSETS</b>	
Restricted	--
<b>TOTAL NET ASSETS</b>	<b>--</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 16,752,475</b>

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, 2007**

**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, 2007**

**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, 2007**

**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 and proprietary 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 2007 that will be collected in 2008 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, 2007**

**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, 2007**

**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, 2007**

**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. All other interfund transfers are reported as 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, 2007**

**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, 2007, 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	\$ 5,679,003	\$ 5,665,901
State of Wisconsin Investment Pool	Less than one year	12,838,012	12,838,012
Other	September 1, 2012	<u>19,000</u>	<u>19,000</u>
<b>Total Investments, December 31, 2007</b>		<b><u>\$ 18,536,015</u></b>	<b><u>\$ 18,522,913</u></b>

**Fair (Market) Value of Deposits and Investments** - Deposits and investments are reported at fair value. At December 31, 2007, 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, 2007, the Pool's fair value was 100 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. The Consolidation Bonds were rated AAA by Standard & Poor's and Moody's Investors Service.

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2007**

**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 requires collateral on certificates of deposit and repurchase agreements of at least 110% of the market value. As of December 31, 2007, \$6,192,328 of the City's bank balance of \$6,472,960 was exposed to custodial credit risk as follows:

Uninsured, collateral pledged by bank	\$ 3,000,000
Uninsured and uncollateralized	<u>3,192,328</u>
	<u>\$ 6,192,328</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 2007 year-end the Utility received cash distributions totaling \$594,738. The Utility's total earnings for 2007 were \$743,422. 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 2007 tax roll (levied for 2008) 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 1/1/07	Additions	Payments & Foreclosures	Balance 12/31/07
<b>Community Development Block Grant Program</b>	\$ 109,423	\$ --	\$ --	\$ 109,423
Residential Revolving Loan	<u>184,526</u>	<u>2,100</u>	<u>--</u>	<u>186,626</u>
<b>TOTAL</b>	<u>\$ 293,949</u>	<u>\$ 2,100</u>	<u>\$ --</u>	<u>\$ 296,049</u>

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2007**

**NOTE 5 - Capital Assets**

Capital asset activity for the year ended December 31, 2007, was as follows:

	<u>BALANCES</u> 1/1/07	<u>ADDITIONS</u>	<u>RETIREMENTS</u>	<u>BALANCES</u> 12/31/07
<b>GOVERNMENTAL ACTIVITIES</b>				
<i>Capital assets not being depreciated:</i>				
Land	\$ 7,953,014	\$ --	\$ 3,358	\$ 7,949,656
Construction in progress	<u>358,835</u>	<u>117,857</u>	<u>320,000</u>	<u>156,692</u>
Total capital assets not being depreciated	<u>8,311,849</u>	<u>117,857</u>	<u>323,358</u>	<u>8,106,348</u>
<i>Capital assets being depreciated</i>				
Buildings	16,853,944	2,076,616	9,000	18,921,560
Infrastructure	51,458,002	2,739,421	--	54,197,423
Improvements other than buildings	2,073,735	286,857	--	2,360,592
Machinery and equipment	<u>13,716,234</u>	<u>787,730</u>	<u>494,194</u>	<u>14,009,770</u>
Total capital assets being depreciated	<u>84,101,915</u>	<u>5,890,624</u>	<u>503,194</u>	<u>89,489,345</u>
Less accumulated depreciation for:				
Buildings	6,721,476	460,949	9,000	7,173,425
Infrastructure	13,125,167	1,271,981	--	14,397,148
Improvements other than buildings	520,866	91,848	--	612,714
Machinery and equipment	<u>10,399,546</u>	<u>578,307</u>	<u>409,319</u>	<u>10,568,534</u>
Total accumulated depreciation	<u>30,767,055</u>	<u>2,403,085</u>	<u>418,319</u>	<u>32,751,821</u>
Total capital assets being depreciated, net	<u>53,334,860</u>	<u>3,487,539</u>	<u>84,875</u>	<u>56,737,524</u>
<b>Government Activity Capital Assets, Net</b>	<b><u>\$ 61,646,709</u></b>	<b><u>\$ 3,605,396</u></b>	<b><u>\$ 409,233</u></b>	<b><u>\$ 64,843,872</u></b>

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

General government	\$ 187,335
Public safety	229,331
Public works	1,381,488
Culture, recreation, and education	285,629
Conservation and development	5,587
Other	<u>313,715</u>
<b>Total</b>	<b><u>\$ 2,403,085</u></b>

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2007**

**NOTE 5 - Capital Assets - Continued**

	BALANCES 1/1/07	ADDITIONS	RETIREMENTS	BALANCES 12/31/07
<b>BUSINESS-TYPE ACTIVITIES</b>				
<i>Capital assets not being depreciated:</i>				
Land	\$ 1,547,519	\$ 332,344	\$ --	\$ 1,879,863
Construction in progress	2,862,215	5,805,670	6,915,307	1,752,578
Total capital assets not being depreciated	4,409,734	6,138,014	6,915,307	3,632,441
<i>Capital assets being depreciated</i>				
Buildings	27,290,454	803,544	87,674	28,006,324
Infrastructure/systems	80,092,124	5,944,153	551,989	85,484,288
Machinery and equipment	8,104,713	413,757	243,524	8,274,946
Total capital assets being depreciated	115,487,291	7,161,454	883,187	121,765,558
<i>Less accumulated depreciation for:</i>				
Buildings	6,926,644	1,009,521	50,749	7,885,416
Infrastructure/systems	20,804,986	2,219,060	596,958	22,427,088
Machinery and equipment	4,514,313	556,893	232,000	7,839,206
Total accumulated depreciation	32,245,943	3,785,474	879,707	35,151,710
Total capital assets being depreciated, net	83,241,348	3,375,980	3,480	86,613,848
<b>Business-Type Activity Capital Assets, Net</b>	<b>\$ 87,651,082</b>	<b>\$ 9,513,995</b>	<b>\$ 6,918,787</b>	<b>\$ 90,246,289</b>

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

Electric and Water	\$ 2,673,586
Wastewater	1,068,103
Emergency Medical Services	43,785
<b>Total</b>	<b>\$ 3,785,474</b>

**NOTE 6 - Short-Term Notes Payable**

Short-term notes payable at December 31, 2007 are as follows:

DESCRIPTION	BALANCES 1/1/07	ADDITIONS	PAYMENTS	BALANCES 12/31/07
Bond Anticipation Note	\$ 5,475,000	\$ --	\$ 5,475,000	\$ --

The note was issued on August 1, 2006 at 5.55% interest, was paid on August 1, 2007.

**NOTE 7 - 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 \$180,094 at December 31, 2007.

This lease was paid off in the current year.

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2007**

**NOTE 8 - Long-Term Obligations**

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

**Summary of Long-Term Obligations**

	<u>BALANCES</u> 1/1/07	<u>ADDITIONS</u>	<u>PAYMENTS</u>	<u>BALANCES</u> 12/31/07	<u>AMOUNTS</u> <u>DUE WITHIN</u> <u>ONE YEAR</u>
<b>GOVERNMENTAL ACTIVITIES</b>					
<b>General obligation debt</b>					
Bonds payable	\$ 11,519,035	\$ --	\$ 1,016,317	\$ 10,502,718	\$ 943,827
Notes payable	13,420,227	1,855,000	2,350,227	12,925,000	2,320,000
State Trust Fund Loan	155,000	--	--	155,000	33,539
<b>Other long-term obligations</b>					
Vacation pay and comp time	<u>266,023</u>	<u>282,704</u>	<u>266,023</u>	<u>282,704</u>	<u>282,704</u>
<b>Total Governmental Activities</b>	<b><u>\$ 25,360,285</u></b>	<b><u>\$ 2,137,704</u></b>	<b><u>\$ 3,632,567</u></b>	<b><u>\$ 23,865,422</u></b>	<b><u>\$ 3,580,070</u></b>

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

**BUSINESS-TYPE ACTIVITIES**

General Obligation Bonds	\$ 770,965	\$ --	\$ 18,683	\$ 752,282	\$ 21,174
Mortgage Revenue Bonds	25,965,713	--	1,947,199	24,018,514	2,109,838
Bond Anticipation Note	<u>--</u>	<u>3,910,000</u>	<u>--</u>	<u>3,910,000</u>	<u>3,910,000</u>
<b>Total Business-Type Activities</b>	<b><u>\$ 26,736,678</u></b>	<b><u>\$ 3,910,000</u></b>	<b><u>\$ 1,965,882</u></b>	<b><u>\$ 28,680,796</u></b>	<b><u>\$ 2,131,012</u></b>

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2007**

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

*General Obligation Debt*

All general obligation debt is secured by the full faith and credit and unlimited taxing powers of the City. The general obligation debt is expected to be repaid with general property taxes, and special assessments. General obligation debt at December 31, 2007, is comprised of the following issues:

<u>ISSUE DESCRIPTION</u>	<u>RATES (%)</u>	<u>DATES OF MATURITY</u>	<u>BALANCE</u> <u>12/31/07</u>
<b>Bonds Payable</b>			
12-98	5.15 - 6.50	10-18	\$ 830,000
5-01	5.55 - 6.65	3-21	620,000
1-03	2.00 - 4.05	4-16	1,610,000
3-03	5.13 - 5.70	12-22	3,020,000
5-04	1.40 - 4.10	4-17	2,055,000
5-04	3.50 - 5.50	4-15	565,000
5-05	3.45 - 3.60	5-13	2,555,000
<b>Notes Payable</b>			
5-01	3.70 - 4.50	3-11	1,295,000
5-02	3.00 - 4.25	3-12	2,075,000
1-03	2.00 - 3.60	3-12	1,325,000
3-06	3.5 - 3.625	3-16	3,905,000
12-06	3.55 - 3.7	3-16	2,470,000
12-07	3.5	3-17	1,855,000
<b>State Trust Fund Loan</b>			
10-06	5	3-11	155,000
Total General Obligation Debt			<u>\$ 24,335,000</u>
Less General Obligation Debt to be repaid by Enterprise Funds			<u>752,282</u>
<b>TOTAL GOVERNMENTAL FUNDS GENERAL OBLIGATION DEBT</b>			<b><u>\$ 23,582,718</u></b>

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2007**

**NOTE 8 - 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, 2007, is comprised of the following issues:

<u>ISSUE DESCRIPTION</u>	<u>RATES (%)</u>	<u>DATES OF MATURITY</u>	<u>BALANCE 12/31/07</u>
Mortgage Revenue Bonds			
10-93	4.0 - 5.5	12-13	\$ 2,805,000
3-98	2.761	5-17	1,952,210
9-98	2.761	5-18	13,191,304
6-02	3.0 - 4.35	12-11	510,000
5-03	2.00 - 3.50	5-13	915,000
5-05	4.125 - 4.65	5-20	1,565,000
10-06	3.55 - 4.50	12-26	1,550,000
12-06	3.6 - 4.00	5-21	1,530,000
7-07	5.30	8-08	3,910,000
General Obligation Bonds			
3-03	5.13 - 5.70	12-22	752,282
<b>TOTAL ENTERPRISE DEBT</b>			<b><u>\$ 28,680,796</u></b>

**General Obligation Debt Limit Calculation**

The 2007 equalized valuation of the City as certified by the Wisconsin Department of Revenue is \$1,282,755,200. The legal debt limit and margin of indebtedness as of December 31, 2007 in accordance with Section 67.03(1)(b) of the Wisconsin Statutes follows:

Debt limit (5% of \$1,282,755,200)	\$ 64,137,760
Applicable long-term debt	(24,335,000)
Amount available in debt service fund	<u>1,887,738</u>
<b>Margin Of Indebtedness</b>	<b><u>\$ 41,690,498</u></b>

**Maturities of Long-Term Obligations**

Maturities of the long-term debt to maturity, at December 31, 2007, 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>
2008	\$ 3,297,366	\$ 871,464	\$ 6,041,012	\$ 1,045,356
2009	3,384,864	765,809	2,202,044	747,782
2010	2,993,054	646,675	2,290,249	671,061
2011	2,682,586	537,088	2,383,159	590,323
2012	2,327,617	438,020	2,752,047	641,051
2013-2017	7,409,601	1,130,834	9,920,842	1,364,567
2018-2022	1,487,632	244,151	2,641,442	279,719
2023-2027	--	--	450,000	51,535
<b>TOTAL</b>	<b><u>\$ 23,582,718</u></b>	<b><u>\$ 4,634,040</u></b>	<b><u>\$ 28,680,796</u></b>	<b><u>\$ 5,391,395</u></b>

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2007**

**NOTE 9 – 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, 2007, there were three series of industrial revenue bonds outstanding, with an aggregate principal amount payable of \$6,195,000.

**NOTE 10 - 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 6.0 percent of their salary (3.0 percent for Elected Officials, 5.1 percent for Protective Occupations with Social Security, and 3.4 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, 2007, was \$11,289,703, the employer's total payroll was \$11,721,708. The total required contribution for the year ended December 31, 2007, was \$1,598,993 which consisted of \$982,257 or 8.7 percent of payroll from the employer and \$616,736 or 5.5 percent of payroll from employees. Total contributions for the years ending December 31, 2006 and 2005, were \$1,558,514 and \$1,494,553 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, 2007**

**NOTE 11 - 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. In 2007, each non-represented employee made an annual contribution of \$500 on a pre-tax basis to his/her own Post Employment Health Plan. This \$500 annual non-represented employee contribution ceased effective January 1, 2008 due to recent IRS clarification regarding the tax status of these contributions. 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 therefore is not recorded as a liability. 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, 2007. As of December 31, 2007, the City has \$282,652 accumulated for payments that may be required in the future.

**NOTE 12 - Interfund Receivables, Payables, and Transfers**

Individual fund interfund receivable and payable balances at December 31, 2007, are as follows:

<u>FUND</u>	<u>DUE TO</u>	<u>DUE FROM</u>
<b>General Fund</b>	\$ 4,626,833	\$ 17,402
<b>Other Governmental Funds</b>		
Special Revenue Funds		
Taxi System	--	83,428
Cable Television	--	206
Capital Projects Funds		
Urban Development	2,511	4,625
Water Main Construction	--	15,469
TID #4	--	1,901,772
TID #5	--	1,548,005
TID #6	--	32,005
TID #8	--	13,853
<b>Enterprise Funds</b>		
Electric and Water Utility	26,260	1,625,289
Wastewater Utility	633,374	39,345
<b>Internal Service Fund</b>		
Vehicles and Equipment	10,528	1,630
	<u>\$ 5,299,506</u>	<u>\$ 5,299,506</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, 2007**

**NOTE 12 - Interfund Receivables, Payables, and Transfers - Continued**

Individual fund transfers during 2007 are as follows:

<u>FUND</u>	<u>TRANSFERS IN</u>	<u>TRANSFERS OUT</u>
<b>General Fund</b>	\$ 864,827	\$ 147,651
<b>Debt Service Fund</b>		
Long-term Notes	1,398,240	2,403,675
<b>Other Governmental Funds</b>		
Special Revenue Funds		
Room Tax	--	168,838
Convention and Visitors Bureau	168,838	--
Fire Grant	172	--
Capital Projects Funds		
Street Construction	932,918	--
Storm Sewer Construction	392,000	226,995
Parks and Recreation Capital Projects	540	--
Urban Development	27,140	--
Fire Protection	392,561	--
Water Main Construction	175,719	--
City Hall Remodeling	91,000	4,044
TID #3	--	20,914
TID #2	--	99,535
TID #4	--	637,565
TID #6	--	4,044
TID #5	--	161,182
TID #7	764,276	--
Enterprise Funds		
Electric and Water Utility	--	854,331
Wastewater Utility	--	475,000
<b>Permanent Fund</b>		
Perpetual Fund	--	8,501
	<u>\$ 5,208,231</u>	<u>\$ 5,208,231</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, 2007**

**NOTE 13 - Fund Equity**

**Reservations and Designations**

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). General Fund has reserved fund balance for prepaid items.

Fund balances have also been designated for specific purposes in the special revenue and capital projects funds, and for subsequent budgets in the general fund.

**Deficits**

The following individual funds had deficits at December 31, 2007:

Special Revenue Funds	Business Improvement District	\$ 839
Capital Project Funds	Urban Development	2,524
	Water Main Construction	15,564
	T.I.D. #4 (Downtown Improvements)	2,054,756
	T.I.D. #5 (Mill Creek)	1,590,970
	T.I.D. #6 (Fig)	32,005
	T.I.D. #8 (Northway Mall)	23,954

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 14 - 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 15 - 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 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, 2007**

**NOTE 15 - 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 16 - 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.

**REQUIRED  
SUPPLEMENTARY  
INFORMATION**

**CITY OF MARSHFIELD, WISCONSIN**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUE</b>				
Taxes	\$ 7,772,808	\$ 7,772,808	\$ 7,744,885	\$ (27,923)
Special assessments	370,000	366,000	416,277	50,277
Intergovernmental revenues	7,746,345	7,703,122	7,916,249	213,127
Licenses and permits	174,400	174,400	206,673	32,273
Fines, forfeits and penalties	219,300	219,300	134,092	(85,208)
Public charges for services	726,327	717,378	877,105	159,727
Other revenue	798,079	806,562	984,140	177,578
<b>TOTAL REVENUES</b>	<u>17,807,259</u>	<u>17,759,570</u>	<u>18,279,421</u>	<u>519,851</u>
<b>EXPENDITURES</b>				
Current				
General government	2,819,609	2,700,127	2,742,988	(42,861)
Public safety	6,901,149	6,881,380	6,800,138	81,242
Public works	5,604,066	5,617,161	5,416,012	201,149
Health and human services	164,905	166,805	149,944	16,861
Culture, recreation and education	2,855,752	2,865,978	2,811,302	54,676
Conservation and development	558,827	558,827	484,049	74,778
Capital outlay	350,908	362,696	311,788	50,908
<b>TOTAL EXPENDITURES</b>	<u>19,255,216</u>	<u>19,152,974</u>	<u>18,716,221</u>	<u>436,753</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,447,957)</u>	<u>(1,393,404)</u>	<u>(436,800)</u>	<u>956,604</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer from Enterprise Fund	849,916	849,916	854,331	4,415
Transfers in	687,658	691,053	10,496	(680,557)
Transfers out	(42,945)	(147,565)	(147,651)	86
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>1,494,629</u>	<u>1,393,404</u>	<u>717,176</u>	<u>(676,228)</u>
<b>NET CHANGE IN FUND BALANCES</b>	46,672	--	280,376	280,376
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>6,823,982</u>	<u>6,823,982</u>	<u>6,823,982</u>	<u>--</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$ 6,870,654</u>	<u>\$ 6,823,982</u>	<u>\$ 7,104,358</u>	<u>\$ 280,376</u>

**CITY OF MARSHFIELD, WISCONSIN**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**ON BUDGETARY ACCOUNTING AND CONTROL**  
**DECEMBER 31, 2007**

**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 \$16,378.

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, 2007, expenditures exceeded budgeted amounts for general government in the general fund by \$42,861. These over expenditures were funded by available fund balance in the general fund.

**OTHER  
SUPPLEMENTARY  
INFORMATION**

**CITY OF MARSHFIELD, WISCONSIN**  
**GENERAL FUND**  
**DETAILED SCHEDULE OF REVENUES**  
**YEAR ENDED DECEMBER 31, 2007**

	BUDGET AMOUNTS		ACTUAL AMOUNTS
	ORIGINAL	FINAL	
<b>Taxes</b>			
Property	\$ 7,648,857	\$ 7,648,857	\$ 7,622,463
Sales and use	120	120	117
Payment in lieu of taxes	122,931	122,931	121,846
Interest and penalties on taxes	900	900	459
<b>TOTAL</b>	<u>7,772,808</u>	<u>7,772,808</u>	<u>7,744,885</u>
<b>Special Assessments</b>	<u>370,000</u>	<u>366,000</u>	<u>416,277</u>
<b>Intergovernmental revenues</b>			
Federal grants	1,223	--	--
State shared revenues	5,751,545	5,751,545	5,792,856
State grants	1,610,295	1,592,295	1,743,796
State payments	98,000	98,000	120,957
Grants from local governments	285,282	261,282	258,640
<b>TOTAL</b>	<u>7,746,345</u>	<u>7,703,122</u>	<u>7,916,249</u>
<b>Licenses and Permits</b>			
Liquor and malt beverage license	51,300	51,300	49,592
Nonbusiness license	10,400	10,400	11,650
Building permits	106,000	106,000	135,600
Zoning permits and fees	6,700	6,700	9,831
<b>TOTAL</b>	<u>174,400</u>	<u>174,400</u>	<u>206,673</u>
<b>Fines, Forfeits and Penalties</b>			
Law and ordinance violations	<u>219,300</u>	<u>219,300</u>	<u>134,092</u>
<b>Public Charges for Services</b>			
General government	32,100	32,100	38,182
Public safety	17,400	17,400	33,427
Transportation	35,500	35,500	116,434
Sanitation and utilities	2,500	2,500	7,852
Health	101,747	101,747	116,806
Human services	1,351	1,351	1,542
Culture, recreation and education	325,617	325,617	304,686
Conservation and development	1,000	1,000	1,263
Other charges for services	1,500	1,500	1,145
<b>TOTAL</b>	<u>518,715</u>	<u>518,715</u>	<u>621,337</u>

(Continued on Page 55)

**CITY OF MARSHFIELD, WISCONSIN**  
**GENERAL FUND**  
**DETAILED SCHEDULE OF REVENUES, Continued**  
**YEAR ENDED DECEMBER 31, 2007**

	BUDGET AMOUNTS		ACTUAL
	ORIGINAL	FINAL	AMOUNTS
Intergovernmental charges for services			
State	\$ 14,000	\$ 14,000	\$ 20,860
Other local governments	118,149	109,200	171,009
Local departments	75,463	75,463	63,899
TOTAL	<u>207,612</u>	<u>198,663</u>	<u>255,768</u>
Other			
Interest	450,000	450,000	557,461
Rent	323,635	323,635	325,112
Donations	6,694	17,677	51,574
Sale of other equipment and property	17,750	15,250	20,157
Other miscellaneous revenues	--	--	29,836
TOTAL	<u>798,079</u>	<u>806,562</u>	<u>984,140</u>
 <b>TOTAL REVENUES</b>	 <b>\$ 17,807,259</b>	 <b>\$ 17,759,570</b>	 <b>\$ 18,279,421</b>

**CITY OF MARSHFIELD, WISCONSIN**  
**GENERAL FUND**  
**DETAILED SCHEDULE OF EXPENDITURES**  
**YEAR ENDED DECEMBER 31, 2007**

	BUDGET AMOUNTS		ACTUAL AMOUNTS
	ORIGINAL	FINAL	
<b>General Government</b>			
Legislative	\$ 79,969	\$ 79,969	\$ 76,024
Legal	165,290	164,208	136,782
General administration	1,242,178	1,240,978	1,352,968
Financial administration	860,507	742,807	727,860
General buildings and plant	280,615	281,115	280,743
Other general government	191,050	191,050	168,611
<b>TOTAL</b>	<b>2,819,609</b>	<b>2,700,127</b>	<b>2,742,988</b>
<b>Public Safety</b>			
Law enforcement	4,004,229	4,001,026	4,002,162
Fire protection	2,435,794	2,424,214	2,364,112
Inspection	319,917	321,117	299,704
Emergency communications	126,056	127,556	127,508
Disaster control	15,153	7,467	6,652
<b>TOTAL</b>	<b>6,901,149</b>	<b>6,881,380</b>	<b>6,800,138</b>
<b>Public Works</b>			
Administration for highway and streets	528,631	536,231	534,540
Transportation cost pools	65,789	65,789	5,601
Highway and street maintenance	3,180,434	3,183,934	3,153,647
Road related facilities	999,694	999,694	884,137
Other transportation	137,308	139,303	148,289
Sanitation	692,210	692,210	689,798
<b>TOTAL</b>	<b>5,604,066</b>	<b>5,617,161</b>	<b>5,416,012</b>
<b>Health and Human Services</b>			
Cemetery	140,101	142,001	133,384
Aging	24,804	24,804	16,560
<b>TOTAL</b>	<b>164,905</b>	<b>166,805</b>	<b>149,944</b>
<b>Culture, Recreation and Education</b>			
Culture	1,337,748	1,339,748	1,373,744
Parks	639,893	643,319	610,783
Recreation programs and events	449,866	452,266	411,149
Recreation facilities	135,261	135,261	132,787
Zoo	248,691	251,091	238,304
Education	44,293	44,293	44,535
<b>TOTAL</b>	<b>2,855,752</b>	<b>2,865,978</b>	<b>2,811,302</b>

(Continued on Page 57)

**CITY OF MARSHFIELD, WISCONSIN**  
**GENERAL FUND**  
**DETAILED SCHEDULE OF EXPENDITURES, Continued**  
**YEAR ENDED DECEMBER 31, 2007**

	BUDGET AMOUNTS		ACTUAL AMOUNTS
	ORIGINAL	FINAL	
Conservation and Development			
Resource conservation	\$ 199,157	\$ 199,157	\$ 170,851
Economic development	9,915	9,915	6,988
Other conservation and development	349,755	349,755	306,210
TOTAL	<u>558,827</u>	<u>558,827</u>	<u>484,049</u>
Capital Outlay	<u>350,908</u>	<u>362,696</u>	<u>311,788</u>
TOTAL	<u>350,908</u>	<u>362,696</u>	<u>311,788</u>
 <b>TOTAL EXPENDITURES</b>	 <u>\$ 19,255,216</u>	 <u>\$ 19,152,974</u>	 <u>\$ 18,716,221</u>

**CITY OF MARSHFIELD, WISCONSIN**  
**DEBT SERVICE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
<b>REVENUE</b>				
Taxes	\$ 2,589,981	\$ 2,589,981	\$ 2,589,981	\$ --
Other revenue	49,609	49,609	53,564	3,955
<b>TOTAL REVENUES</b>	<u>2,639,590</u>	<u>2,639,590</u>	<u>2,643,545</u>	<u>3,955</u>
<b>EXPENDITURES</b>				
Current				
Principal retirement	3,219,330	3,219,330	3,202,824	16,506
Interest and fiscal charges	850,206	850,206	912,053	(61,847)
<b>TOTAL EXPENDITURES</b>	<u>4,069,536</u>	<u>4,069,536</u>	<u>4,114,877</u>	<u>(45,341)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,429,946)</u>	<u>(1,429,946)</u>	<u>(1,471,332)</u>	<u>(41,386)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of long-term debt	--	--	1,855,000	1,855,000
Transfer from Enterprise Fund	475,000	475,000	475,000	--
Transfers in	923,240	923,240	923,240	--
Transfers out	--	--	(2,403,675)	(2,403,675)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>1,398,240</u>	<u>1,398,240</u>	<u>849,565</u>	<u>(548,675)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(31,706)	(31,706)	(621,767)	(590,061)
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>2,509,505</u>	<u>2,509,505</u>	<u>2,509,505</u>	<u>--</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$ 2,477,799</u>	<u>\$ 2,477,799</u>	<u>\$ 1,887,738</u>	<u>\$ (590,061)</u>

**NONMAJOR  
GOVERNMENTAL  
FUNDS**

**CITY OF MARSHFIELD, WISCONSIN**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2007**

	SPECIAL REVENUE	CAPITAL PROJECTS	PERMANENT FUND PERPETUAL CARE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
<b>ASSETS</b>				
Cash and equivalents	\$ 1,809,252	\$ 2,248,066	\$ 186,644	\$ 4,243,962
Receivables				
Accounts	94,625	1,288,665	--	1,383,290
Loans	1,040,747	--	--	1,040,747
Other	2,583	--	223	2,806
Prepays	6,470	3,250	--	9,720
Due from				
Other funds	--	2,511	--	2,511
Other governments	134,040	52,137	--	186,177
<b>TOTAL ASSETS</b>	<b>\$ 3,087,717</b>	<b>\$ 3,594,629</b>	<b>\$ 186,867</b>	<b>\$ 6,869,213</b>
<b>LIABILITIES AND NET ASSETS</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable	\$ 27,768	\$ 165,835	\$ --	\$ 193,603
Due to				
Other funds	83,634	3,532,206	--	3,615,840
Other governments	13	221	--	234
Deferred revenues	142,220	1,889,338	--	2,031,558
<b>TOTAL CURRENT LIABILITIES</b>	<b>253,635</b>	<b>5,587,600</b>	<b>--</b>	<b>5,841,235</b>
<b>NET ASSETS</b>				
Reserved for				
Special revenue funds	2,039,085	--	--	2,039,085
Capital projects	--	520,362	--	520,362
Other activities - prepaids	6,470	3,250	--	9,720
Other activities - nonexpendable trust	--	--	186,867	186,867
Unreserved				
Designated	789,366	739,459	--	1,528,825
Undesignated	(839)	(3,256,042)	--	(3,256,881)
<b>TOTAL NET ASSETS</b>	<b>2,834,082</b>	<b>(1,992,971)</b>	<b>186,867</b>	<b>1,027,978</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 3,087,717</b>	<b>\$ 3,594,629</b>	<b>\$ 186,867</b>	<b>\$ 6,869,213</b>

**CITY OF MARSHFIELD, WISCONSIN**  
**COMBINING BALANCE**  
**DETAIL OF NONMAJOR SPECIAL REVENUE FUNDS**  
**DECEMBER 31, 2007**

	ROOM TAX FUND	CONVENTION & VISITORS BUREAU FUND	COMMUNITY DEVELOPMENT BLOCK GRANT	ECONOMIC DEVELOPMENT FUND	COMMERCIAL REHAB REVOLVING LOAN
<b>ASSETS</b>					
Cash and equivalents	\$ 160,526	\$ 144,463	--	\$ 794,010	--
Receivables					
Taxes	--	--	--	32,133	--
Loans	--	--	109,423	744,698	--
Other	--	--	--	--	--
Prepays	--	3,889	--	--	--
Due from other governments	--	--	--	--	--
<b>TOTAL ASSETS</b>	<b>\$ 160,526</b>	<b>\$ 148,352</b>	<b>\$ 109,423</b>	<b>\$ 1,570,841</b>	<b>\$ --</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ --	\$ --	\$ --	\$ 281	--
Due to other funds	--	--	--	--	--
Due to other governments	--	--	--	--	--
Deferred revenues	--	2,470	--	43,500	--
<b>TOTAL LIABILITIES</b>	<b>--</b>	<b>2,470</b>	<b>--</b>	<b>43,781</b>	<b>--</b>
<b>FUND BALANCES</b>					
Reserved	--	3,889	109,423	1,527,060	--
Unreserved:					
Designated	160,526	141,993	--	--	--
Undesignated	--	--	--	--	--
<b>TOTAL FUND BALANCES</b>	<b>160,526</b>	<b>145,882</b>	<b>109,423</b>	<b>1,527,060</b>	<b>--</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 160,526</b>	<b>\$ 148,352</b>	<b>\$ 109,423</b>	<b>\$ 1,570,841</b>	<b>\$ --</b>

(Continued on page 61)

**CITY OF MARSHFIELD, WISCONSIN**  
**COMBINING BALANCE**  
**DETAIL OF NONMAJOR SPECIAL REVENUE FUNDS**  
**DECEMBER 31, 2007**

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
\$ 28,599	\$ 157,280	\$ 16,201	\$ 172	\$ --	\$ 243,012	\$ 132,625	\$ 115,117	\$ 17,247	\$ 1,809,252
--	--	9,972	--	3,767	--	--	--	48,753	94,625
83,660	102,966	--	--	--	--	--	--	--	1,040,747
--	--	--	--	--	--	--	--	2,583	2,583
--	--	--	--	--	--	--	2,581	--	6,470
--	--	16,331	--	117,709	--	--	--	--	134,040
<u>\$ 112,259</u>	<u>\$ 260,246</u>	<u>\$ 42,504</u>	<u>\$ 172</u>	<u>\$ 121,476</u>	<u>\$ 243,012</u>	<u>\$ 132,625</u>	<u>\$ 117,698</u>	<u>\$ 68,583</u>	<u>\$ 3,087,717</u>
\$ --	\$ --	\$ 10,507	\$ --	\$ 6,809	\$ --	\$ --	\$ 10,171	\$ --	\$ 27,768
--	--	--	--	83,428	--	--	206	--	83,634
--	13	--	--	--	--	--	--	--	13
--	--	21,728	--	5,100	--	--	--	69,422	142,220
--	13	32,235	--	95,337	--	--	10,377	69,422	253,635
112,259	260,233	10,269	172	26,139	--	--	2,581	--	2,052,025
--	--	--	--	--	243,012	132,625	104,740	--	782,896
--	--	--	--	--	--	--	--	(839)	(839)
<u>112,259</u>	<u>260,233</u>	<u>10,269</u>	<u>172</u>	<u>26,139</u>	<u>243,012</u>	<u>132,625</u>	<u>107,321</u>	<u>(839)</u>	<u>2,834,082</u>
<u>\$ 112,259</u>	<u>\$ 260,246</u>	<u>\$ 42,504</u>	<u>\$ 172</u>	<u>\$ 121,476</u>	<u>\$ 243,012</u>	<u>\$ 132,625</u>	<u>\$ 117,698</u>	<u>\$ 68,583</u>	<u>\$ 3,087,717</u>

**CITY OF MARSHFIELD, WISCONSIN**  
**COMBINING BALANCE SHEET**  
**DETAIL OF NONMAJOR CAPITAL PROJECT FUNDS**  
**DECEMBER 31, 2007**

	STREET CONSTRUCTION FUND	URBAN DEVELOPMENT FUND	STORM SEWER CONSTR	FIRE PROTECTION FUND	AIRPORT OUTLAY	PARKS & REC CAPITAL PROJECTS FUND	WATER MAIN CONSTR OUTLAY
<b>ASSETS</b>							
Cash and equivalents	\$ 610,404	\$ --	\$ 442,243	\$ 274,220	\$ 33,898	\$ 44,582	\$ --
Receivables							
Taxes	359,611	--	--	--	87,534	108,586	--
Prepaid expenses	2,797	--	--	--	--	--	--
Due from							
Other funds	--	2,511	--	--	--	--	--
Other governments	--	--	--	--	--	--	--
<b>TOTAL ASSETS</b>	<b>\$ 972,812</b>	<b>\$ 2,511</b>	<b>\$ 442,243</b>	<b>\$ 274,220</b>	<b>\$ 121,432</b>	<b>\$ 153,168</b>	<b>\$ --</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>CURRENT LIABILITIES</b>							
Accounts payable	\$ 57,797	\$ 410	\$ 8,285	\$ 17,827	\$ --	\$ --	\$ 95
Due to							
Other funds	--	4,625	--	--	--	--	15,469
Other governments	221	--	--	--	--	--	--
Deferred revenues	486,828	--	--	--	118,500	147,000	--
<b>TOTAL CURRENT LIABILITIES</b>	<b>544,846</b>	<b>5,035</b>	<b>8,285</b>	<b>17,827</b>	<b>118,500</b>	<b>147,000</b>	<b>15,564</b>
<b>FUND BALANCES</b>							
Reserved	427,966	--	--	--	2,932	6,168	--
Unreserved							
Designated	--	--	433,958	256,393	--	--	--
Undesignated	--	(2,524)	--	--	--	--	(15,564)
<b>TOTAL FUND BALANCES</b>	<b>427,966</b>	<b>(2,524)</b>	<b>433,958</b>	<b>256,393</b>	<b>2,932</b>	<b>6,168</b>	<b>(15,564)</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 972,812</b>	<b>\$ 2,511</b>	<b>\$ 442,243</b>	<b>\$ 274,220</b>	<b>\$ 121,432</b>	<b>\$ 153,168</b>	<b>\$ --</b>

(Continued on page 63)

**CITY OF MARSHFIELD, WISCONSIN**  
**COMBINING BALANCE SHEET**  
**DETAIL OF NONMAJOR CAPITAL PROJECT FUNDS**  
**DECEMBER 31, 2007**

T.I.D. # 3 TOWER HALL FUND	T.I.D. # 2 PURDY FUND	T.I.D. # 4 DOWNTOWN PUB IMPROVEMENT	T.I.D. # 6 FIGI PROJECT	T.I.D. # 5 MILL CREEK PARKWAY	T.I.D. # 7 YELLOWSTONE BUSINESS FUND	T.I.D. # 8 NORTHWAY MALL FUND	CITY HALL REMODLING FUND	UW BUILDING/ REMODLING FUND	TOTAL CAPITAL PROJECTS FUNDS
\$ 155,670	\$ 102,469	\$ --	\$ --	\$ --	\$ 478,989	\$ --	\$ 105,591	\$ --	2,248,066
1,667	74,094	432,447	--	121,453	--	27,927	14,774	60,572	1,288,665
--	--	--	--	--	453	--	--	--	3,250
--	--	--	--	--	--	--	--	--	2,511
--	--	--	--	--	--	--	--	52,137	52,137
<u>\$ 157,337</u>	<u>\$ 176,563</u>	<u>\$ 432,447</u>	<u>\$ --</u>	<u>\$ 121,453</u>	<u>\$ 479,442</u>	<u>\$ 27,927</u>	<u>\$ 120,365</u>	<u>\$ 112,709</u>	<u>\$ 3,594,629</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ 15,711	\$ 221	\$ 65,489	\$ --	165,835
--	--	1,901,772	32,005	1,548,005	--	13,853	--	16,477	3,532,206
--	--	--	--	--	--	--	--	--	221
147,049	100,305	585,431	--	164,418	--	37,807	20,000	82,000	1,889,338
147,049	100,305	2,487,203	32,005	1,712,423	15,711	51,881	85,489	98,477	5,587,600
10,288	76,258	--	--	--	453	--	--	--	524,065
--	--	--	--	--	--	--	34,876	14,232	739,459
--	--	(2,054,756)	(32,005)	(1,590,970)	463,278	(23,954)	--	--	(3,256,495)
10,288	76,258	(2,054,756)	(32,005)	(1,590,970)	463,731	(23,954)	34,876	14,232	(1,992,971)
<u>\$ 157,337</u>	<u>\$ 176,563</u>	<u>\$ 432,447</u>	<u>\$ --</u>	<u>\$ 121,453</u>	<u>\$ 479,442</u>	<u>\$ 27,927</u>	<u>\$ 120,365</u>	<u>\$ 112,709</u>	<u>\$ 3,594,629</u>

**CITY OF MARSHFIELD, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2007**

	SPECIAL REVENUE	CAPITAL PROJECTS	PERMANENT FUND PERPETUAL CARE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
<b>REVENUE</b>				
Taxes	\$ 370,028	\$ 1,699,217	\$ --	\$ 2,069,245
Intergovernmental revenues	429,567	1,433,123	--	1,862,690
Licenses and permits	179,674	--	--	179,674
Public charges for services	67,822	52,137	11,003	130,962
Other revenue	188,117	985,735	8,501	1,182,353
<b>TOTAL REVENUES</b>	<u>1,235,208</u>	<u>4,170,212</u>	<u>19,504</u>	<u>5,424,924</u>
<b>EXPENDITURES</b>				
Current				
General government	143,521	--	--	143,521
Public safety	91,466	--	--	91,466
Public works	317,315	--	--	317,315
Culture, recreation and education	246,543	--	--	246,543
Conservation and development	185,177	52,420	--	237,597
Capital outlay	174,207	5,047,830	--	5,222,037
Interest and fiscal charges	--	20,922	--	20,922
<b>TOTAL EXPENDITURES</b>	<u>1,158,229</u>	<u>5,121,172</u>	<u>--</u>	<u>6,279,401</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>76,979</u>	<u>(950,960)</u>	<u>19,504</u>	<u>(854,477)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	169,010	2,776,154	--	2,945,164
Transfers out	(168,838)	(1,150,235)	(8,501)	(1,327,574)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>172</u>	<u>1,625,919</u>	<u>(8,501)</u>	<u>1,617,590</u>
<b>NET CHANGE IN FUND BALANCES</b>	77,151	674,959	11,003	763,113
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>2,756,931</u>	<u>(2,667,930)</u>	<u>175,864</u>	<u>264,865</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$ 2,834,082</u>	<u>\$ (1,992,971)</u>	<u>\$ 186,867</u>	<u>\$ 1,027,978</u>

**CITY OF MARSHFIELD, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**DETAIL OF NONMAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED DECEMBER 31, 2007**

	ROOM TAX FUND	CONVENTION & VISITORS BUREAU FUND	COMMUNITY DEVELOPMENT BLOCK GRANT	ECONOMIC DEVELOPMENT FUND	COMMERCIAL REHAB REVOLVING LOAN
<b>REVENUE</b>					
Taxes	\$ 298,206	\$ --	\$ --	\$ 49,288	\$ --
Intergovernmental revenues	--	--	--	--	--
Licenses and permits	--	--	--	--	--
Public charges for services	--	--	--	--	--
Other revenue	--	71,605	--	64,259	--
<b>TOTAL REVENUES</b>	<b>298,206</b>	<b>71,605</b>	<b>--</b>	<b>113,547</b>	<b>--</b>
<b>EXPENDITURES</b>					
<b>Current</b>					
General government	--	--	--	--	--
Public safety	--	--	--	--	--
Public works	--	--	--	--	--
Culture, recreation and education	27,162	219,381	--	--	--
Conservation and development	--	--	--	111,434	9,000
Capital outlay	93,296	--	--	--	--
<b>TOTAL EXPENDITURES</b>	<b>120,458</b>	<b>219,381</b>	<b>--</b>	<b>111,434</b>	<b>9,000</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>177,748</b>	<b>(147,776)</b>	<b>--</b>	<b>2,113</b>	<b>(9,000)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	--	168,838	--	--	--
Transfers out	(168,838)	--	--	--	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(168,838)</b>	<b>168,838</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>8,910</b>	<b>21,062</b>	<b>--</b>	<b>2,113</b>	<b>(9,000)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<b>151,616</b>	<b>124,820</b>	<b>109,423</b>	<b>1,524,947</b>	<b>9,000</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 160,526</b>	<b>\$ 145,882</b>	<b>\$ 109,423</b>	<b>\$ 1,527,060</b>	<b>\$ --</b>

(Continued on page 66)

**CITY OF MARSHFIELD, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**DETAIL OF NONMAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED DECEMBER 31, 2007**

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
\$ --	\$ --	\$ --	\$ --	\$ 22,534	\$ --	\$ --	\$ --	\$ --	370,028
--	--	91,466	--	338,101	--	--	--	--	429,567
--	--	--	--	--	--	--	179,674	--	179,674
--	--	4,054	--	--	--	--	--	63,768	67,822
--	3,760	873	--	34,707	--	12,780	--	133	188,117
--	3,760	96,393	--	395,342	--	12,780	179,674	63,901	1,235,208
--	--	--	--	--	--	--	143,521	--	143,521
--	--	91,466	--	--	--	--	--	--	91,466
--	--	--	--	317,315	--	--	--	--	317,315
--	--	--	--	--	--	--	--	--	246,543
--	13	--	--	--	--	--	--	64,730	185,177
--	--	--	--	80,631	--	--	280	--	174,207
--	13	91,466	--	397,946	--	--	143,801	64,730	1,158,229
--	3,747	4,927	--	(2,604)	--	12,780	35,873	(829)	76,979
--	--	--	172	--	--	--	--	--	169,010
--	--	--	--	--	--	--	--	--	(168,838)
--	--	--	(172)	--	--	--	--	--	172
--	3,747	4,927	172	(2,604)	--	12,780	35,873	(829)	77,151
112,259	256,486	5,342	--	28,743	243,012	119,845	71,448	(10)	2,756,931
\$ 112,259	\$ 260,233	\$ 10,269	\$ 172	\$ 26,139	\$ 243,012	\$ 132,625	\$ 107,321	\$ (839)	\$ 2,834,082

**CITY OF MARSHFIELD, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**DETAIL OF NONMAJOR CAPITAL PROJECT FUNDS**  
**YEAR ENDED DECEMBER 31, 2007**

	STREET CONSTRUCTION FUND	URBAN DEVELOPMENT FUND	STORM SEWER CONSTR	FIRE PROTECTION FUND	AIRPORT OUTLAY	PARKS & REC CAPITAL PROJECTS FUND	WATER MAIN CONSTR OUTLAY
<b>REVENUE</b>							
Taxes	\$ 367,900	\$ --	\$ 221,988	--	\$ --	\$ 105,000	\$ --
Intergovernmental revenues	52,108	--	3,832	--	1,335,406	--	--
Public charges for services	--	--	--	--	--	--	--
Other revenue	620,975	--	--	--	--	337,065	--
<b>TOTAL REVENUES</b>	<b>1,040,983</b>	<b>--</b>	<b>225,820</b>	<b>--</b>	<b>1,335,406</b>	<b>442,065</b>	<b>--</b>
<b>EXPENDITURES</b>							
Current							
Conservation and development	--	--	--	--	--	--	--
Capital outlay	1,974,472	2,511	446,190	133,070	1,350,801	447,103	179,018
Interest and fiscal charges	10,973	--	--	3,301	--	--	--
<b>TOTAL EXPENDITURES</b>	<b>1,985,445</b>	<b>2,511</b>	<b>446,190</b>	<b>136,371</b>	<b>1,350,801</b>	<b>447,103</b>	<b>179,018</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(944,462)</b>	<b>(2,511)</b>	<b>(220,370)</b>	<b>(136,371)</b>	<b>(15,395)</b>	<b>(5,038)</b>	<b>(179,018)</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Issuance of long-term debt	--	--	--	--	--	--	--
Transfers in	932,918	27,140	392,000	392,561	--	540	175,719
Transfers out	--	--	(226,995)	--	--	--	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>932,918</b>	<b>27,140</b>	<b>165,005</b>	<b>392,561</b>	<b>--</b>	<b>540</b>	<b>175,719</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(11,544)</b>	<b>24,629</b>	<b>(55,365)</b>	<b>256,190</b>	<b>(15,395)</b>	<b>(4,498)</b>	<b>(3,299)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<b>439,510</b>	<b>(27,153)</b>	<b>489,323</b>	<b>203</b>	<b>18,327</b>	<b>10,666</b>	<b>(12,265)</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 427,966</b>	<b>\$ (2,524)</b>	<b>\$ 433,958</b>	<b>\$ 256,393</b>	<b>\$ 2,932</b>	<b>\$ 6,168</b>	<b>\$ (15,564)</b>

(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, 2007**

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
\$ 2,245	\$ 101,411	\$ 612,607	\$ --	\$ 156,902	\$ --	\$ --	\$ 90,000	\$ 41,164	\$ 1,699,217
66	45	29,073	3,693	8,900	--	--	--	--	1,433,123
--	--	--	--	--	--	--	--	52,137	52,137
27,595	--	--	--	100	--	--	--	--	985,735
29,906	101,456	641,680	3,693	165,902	--	--	90,000	93,301	4,170,212
156	156	--	156	259	--	--	--	51,693	52,420
--	--	259	--	634	292,470	728	153,672	66,902	5,047,830
--	--	--	--	--	6,648	--	--	--	20,922
156	156	259	156	893	299,118	728	153,672	118,595	5,121,172
29,750	101,300	641,421	3,537	165,009	(299,118)	728	(63,672)	(25,294)	(950,960)
--	--	--	--	--	--	--	--	--	--
--	--	--	--	--	764,276	--	91,000	--	2,776,154
(20,914)	(99,535)	(637,565)	(4,044)	(161,182)	--	--	--	--	(1,150,235)
(20,914)	(99,535)	(637,565)	(4,044)	(161,182)	764,276	--	91,000	--	1,625,919
8,836	1,765	3,856	(507)	3,827	465,158	(728)	27,328	(25,294)	674,959
1,452	74,493	(2,058,612)	(31,498)	(1,594,797)	(1,427)	(23,226)	7,548	39,526	(2,667,930)
\$ 10,288	\$ 76,258	\$ (2,054,756)	\$ (32,005)	\$ (1,590,970)	\$ 463,731	\$ (23,954)	\$ 34,876	\$ 14,232	\$ (1,992,971)

**SPECIAL  
REVENUE  
FUNDS**

**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, 2007**

	<u>BUDGETED AMOUNTS</u>		ACTUAL AMOUNTS	VARIANCE
	<u>ORIGINAL</u>	<u>FINAL</u>		FAVORABLE (UNFAVORABLE)
<b>REVENUE</b>				
Taxes				
Public accomodation taxes	\$ 266,455	\$ 266,455	\$ 298,206	\$ 31,751
<b>TOTAL REVENUES</b>	<u>266,455</u>	<u>266,455</u>	<u>298,206</u>	<u>31,751</u>
<b>EXPENDITURES</b>				
Current				
Culture, recreation and education				
Parks	--	--	27,162	(27,162)
Capital outlay				
Parks	107,000	107,000	93,296	13,704
<b>TOTAL EXPENDITURES</b>	<u>107,000</u>	<u>107,000</u>	<u>120,458</u>	<u>(13,458)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>159,455</u>	<u>159,455</u>	<u>177,748</u>	<u>(18,293)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(151,000)	(151,000)	(168,838)	(17,838)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(151,000)</u>	<u>(151,000)</u>	<u>(168,838)</u>	<u>(17,838)</u>
<b>NET CHANGE IN FUND BALANCES</b>	8,455	8,455	8,910	(455)
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>151,616</u>	<u>151,616</u>	<u>151,616</u>	<u>--</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 160,071</u>	<u>\$ 160,071</u>	<u>\$ 160,526</u>	<u>\$ (455)</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, 2007**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u> <u>AMOUNTS</u>	VARIANCE
	<u>ORIGINAL</u>	<u>FINAL</u>		FAVORABLE (UNFAVORABLE)
<b>REVENUE</b>				
Miscellaneous				
Interest	\$ 73,100	\$ 73,100	\$ 71,605	\$ (1,495)
<b>TOTAL REVENUES</b>	<u>73,100</u>	<u>73,100</u>	<u>71,605</u>	<u>(1,495)</u>
<b>EXPENDITURES</b>				
Current				
Culture, recreation and education				
Culture	235,098	235,098	219,381	15,717
<b>TOTAL EXPENDITURES</b>	<u>235,098</u>	<u>235,098</u>	<u>219,381</u>	<u>15,717</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(161,998)</u>	<u>(161,998)</u>	<u>(147,776)</u>	<u>14,222</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	151,000	151,000	168,838	17,838
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>151,000</u>	<u>151,000</u>	<u>168,838</u>	<u>17,838</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(10,998)</u>	<u>(10,998)</u>	<u>21,062</u>	<u>32,060</u>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>124,820</u>	<u>124,820</u>	<u>124,820</u>	<u>--</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 113,822</u>	<u>\$ 113,822</u>	<u>\$ 145,882</u>	<u>\$ 32,060</u>

**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, 2007**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
<b>REVENUE</b>				
Miscellaneous				
Miscellaneous	\$ --	\$ --	\$ --	\$ --
<b>TOTAL REVENUES</b>	<u>    --</u>	<u>    --</u>	<u>    --</u>	<u>    --</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>    --</u>	<u>    --</u>	<u>    --</u>	<u>    --</u>
<b>EXPENDITURES</b>				
Current				
Conservation and development	--	--	--	--
<b>TOTAL EXPENDITURES</b>	<u>    --</u>	<u>    --</u>	<u>    --</u>	<u>    --</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	--	--	--	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>    --</u>	<u>    --</u>	<u>    --</u>	<u>    --</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>    --</u>	<u>    --</u>	<u>    --</u>	<u>    --</u>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>109,423</u>	<u>109,423</u>	<u>109,423</u>	<u>    --</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 109,423</u>	<u>\$ 109,423</u>	<u>\$ 109,423</u>	<u>    --</u>

**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, 2007**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>				
Taxes				
General property taxes	\$ 49,288	\$ 49,288	\$ 49,288	--
Miscellaneous				
Interest	61,810	61,810	64,259	2,449
<b>TOTAL REVENUES</b>	<u>111,098</u>	<u>111,098</u>	<u>113,547</u>	<u>2,449</u>
<b>EXPENDITURES</b>				
Current				
Conservation and development				
Economic development	111,098	111,098	111,434	(336)
<b>TOTAL EXPENDITURES</b>	<u>111,098</u>	<u>111,098</u>	<u>111,434</u>	<u>(336)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>--</u>	<u>--</u>	<u>2,113</u>	<u>2,113</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	--	--	--	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>--</u>	<u>--</u>	<u>2,113</u>	<u>2,113</u>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>1,524,947</u>	<u>1,524,947</u>	<u>1,524,947</u>	<u>--</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 1,524,947</u>	<u>\$ 1,524,947</u>	<u>\$ 1,527,060</u>	<u>\$ 2,113</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, 2007**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>				
Licenses and permits	\$ --	\$ --	\$ --	\$ --
<b>TOTAL REVENUES</b>	<u>    --</u>	<u>    --</u>	<u>    --</u>	<u>    --</u>
<b>EXPENDITURES</b>				
Current				
Conservation and development				
Economic development	--	9,000	9,000	--
<b>TOTAL EXPENDITURES</b>	<u>    --</u>	<u>    9,000</u>	<u>    9,000</u>	<u>    --</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>    --</u>	<u>   (9,000)</u>	<u>   (9,000)</u>	<u>    --</u>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>    9,000</u>	<u>    9,000</u>	<u>    9,000</u>	<u>    --</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$    9,000</u>	<u>\$        --</u>	<u>\$        --</u>	<u>    --</u>

**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, 2007**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES				
Miscellaneous				
Interest	\$ --	\$ --	\$ --	\$ --
TOTAL REVENUES	--	--	--	--
EXPENDITURES				
Conservation and development	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--
NET CHANGE IN FUND BALANCES	--	--	--	--
FUND BALANCE AT BEGINNING OF YEAR	112,259	112,259	112,259	--
FUND BALANCE AT END OF YEAR	<u>\$ 112,259</u>	<u>\$ 112,259</u>	<u>\$ 112,259</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, 2007**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	VARIANCE
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>				
Miscellaneous				
Interest	\$ 2,000	\$ 2,000	\$ 3,760	\$ 1,760
<b>TOTAL REVENUES</b>	<u>2,000</u>	<u>2,000</u>	<u>3,760</u>	<u>1,760</u>
<b>EXPENDITURES</b>				
Current				
Conservation and development				
Economic development	275	275	13	262
<b>TOTAL EXPENDITURES</b>	<u>275</u>	<u>275</u>	<u>13</u>	<u>262</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>1,725</u>	<u>1,725</u>	<u>3,747</u>	<u>2,022</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	--	--	--	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,725	1,725	3,747	2,022
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>256,486</u>	<u>256,486</u>	<u>256,486</u>	<u>--</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 258,211</u>	<u>\$ 258,211</u>	<u>\$ 260,233</u>	<u>\$ 2,022</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, 2007**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>				
Taxes	\$ --	\$ --	\$ 91,466	\$ 91,466
Public charges for services	1,341	--	4,054	4,054
Other revenue				
Interest	--	--	873	873
<b>TOTAL REVENUES</b>	<b>\$ 1,341</b>	<b>\$ --</b>	<b>\$ 96,393</b>	<b>\$ 96,393</b>
<b>EXPENDITURES</b>				
Current				
Public safety				
Law enforcement	--	--	91,466	(91,466)
Capital outlay				
Law enforcement	13,124	--	--	--
<b>TOTAL EXPENDITURES</b>	<b>13,124</b>	<b>--</b>	<b>91,466</b>	<b>(91,466)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(11,783)</b>	<b>--</b>	<b>4,927</b>	<b>4,927</b>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<b>5,342</b>	<b>5,342</b>	<b>5,342</b>	<b>--</b>
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ (6,441)</b>	<b>\$ 5,342</b>	<b>\$ 10,269</b>	<b>\$ 4,927</b>

**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, 2007**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>				
Intergovernmental				
Federal grants	\$ --	\$ --	\$ --	\$ --
<b>TOTAL REVENUES</b>	<u>    --</u>	<u>    --</u>	<u>    --</u>	<u>    --</u>
<b>EXPENDITURES</b>				
Capital Outlay				
Public safety				
Fire prevention	--	--	--	--
<b>TOTAL EXPENDITURES</b>	<u>    --</u>	<u>    --</u>	<u>    --</u>	<u>    --</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>    --</u>	<u>    --</u>	<u>    --</u>	<u>    --</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	86	86	172	86
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>    86</u>	<u>    86</u>	<u>   172</u>	<u>    86</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>    86</u>	<u>    86</u>	<u>   172</u>	<u>    86</u>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>    --</u>	<u>    --</u>	<u>    --</u>	<u>    --</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$    86</u>	<u>\$    86</u>	<u>\$   172</u>	<u>    86</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, 2007**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>				
Taxes	\$ 22,534	\$ 22,534	\$ 22,534	--
Intergovernmental				
State grants	342,059	342,059	338,101	(3,958)
Interest	--	--	34,707	34,707
<b>TOTAL REVENUES</b>	<u>364,593</u>	<u>364,593</u>	<u>395,342</u>	<u>30,749</u>
<b>EXPENDITURES</b>				
Current				
Conservation and development				
Economic development	324,593	324,593	317,315	7,278
Capital outlay				
Automotive equipment	25,000	25,000	80,631	(55,631)
<b>TOTAL EXPENDITURES</b>	<u>349,593</u>	<u>349,593</u>	<u>397,946</u>	<u>(48,353)</u>
<b>NET CHANGE IN FUND BALANCES</b>	15,000	15,000	(2,604)	(17,604)
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>28,743</u>	<u>28,743</u>	<u>28,743</u>	--
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 43,743</u>	<u>\$ 43,743</u>	<u>\$ 26,139</u>	<u>(17,604)</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, 2007**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
OTHER FINANCING SOURCES (USES)				
Transfers out	\$ --	\$ --	\$ --	--
TOTAL OTHER FINANCING SOURCES (USES)	--	--	--	--
NET CHANGE IN FUND BALANCES	--	--	--	--
FUND BALANCE AT BEGINNING OF YEAR	243,012	243,012	243,012	--
FUND BALANCE AT END OF YEAR	\$ 243,012	\$ 243,012	\$ 243,012	--

**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, 2007**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
<b>REVENUE</b>				
Other revenue				
Sales of equipment	\$ --	\$ --	\$ 12,780	\$ 12,780
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>--</b>	<b>--</b>	<b>12,780</b>	<b>12,780</b>
<b>EXPENDITURES</b>				
Current	--	--	--	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>--</b>	<b>--</b>	<b>12,780</b>	<b>12,780</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	--	--	--	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>--</b>	<b>--</b>	<b>12,780</b>	<b>12,780</b>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<b>119,845</b>	<b>119,845</b>	<b>119,845</b>	<b>--</b>
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 119,845</b>	<b>\$ 119,845</b>	<b>\$ 132,625</b>	<b>\$ 12,780</b>

**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, 2007**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
<b>REVENUE</b>				
Licenses and permits				
Cable franchise fees	\$ 168,572	\$ 168,572	\$ 179,674	\$ 11,102
<b>TOTAL REVENUES</b>	<u>168,572</u>	<u>168,572</u>	<u>179,674</u>	<u>11,102</u>
<b>EXPENDITURES</b>				
Current				
General government				
Cable television	162,972	142,740	143,521	(781)
Capital outlay				
Cable television	5,200	25,432	280	25,152
<b>TOTAL EXPENDITURES</b>	<u>168,172</u>	<u>168,172</u>	<u>143,801</u>	<u>24,371</u>
<b>NET CHANGE IN FUND BALANCES</b>	400	400	35,873	35,473
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>71,448</u>	<u>71,448</u>	<u>71,448</u>	--
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 71,848</u>	<u>\$ 71,848</u>	<u>\$ 107,321</u>	<u>\$ 35,473</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, 2007**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>				
Public charges for services				
Economic development	\$ 65,000	\$ 65,000	\$ 63,768	\$ (1,232)
Miscellaneous				
Interest	200	200	133	(67)
<b>TOTAL REVENUES</b>	<u>65,200</u>	<u>65,200</u>	<u>63,901</u>	<u>(1,299)</u>
<b>EXPENDITURES</b>				
Current				
Conservation and development				
Economic development	65,000	65,000	64,730	270
<b>TOTAL EXPENDITURES</b>	<u>65,000</u>	<u>65,000</u>	<u>64,730</u>	<u>270</u>
<b>NET CHANGE IN FUND BALANCES</b>	200	200	(829)	(1,029)
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>(10)</u>	<u>(10)</u>	<u>(10)</u>	<u>--</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 190</u>	<u>\$ 190</u>	<u>\$ (839)</u>	<u>\$ (1,029)</u>

**CAPITAL  
PROJECT  
FUNDS**

**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, 2007**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
<b>REVENUE</b>				
Taxes				
General property	\$ 367,900	\$ 367,900	\$ 367,900	\$ --
Intergovernmental				
State grants	--	--	52,108	52,108
Public charges for services				
Highway maintenance and construction fees	10,527	--	--	--
Other Revenue				
Contributions and donations	--	--	620,975	620,975
<b>TOTAL REVENUES</b>	<b>378,427</b>	<b>367,900</b>	<b>1,040,983</b>	<b>673,083</b>
<b>EXPENDITURES</b>				
Capital outlay				
Public works	1,067,900	1,292,900	1,974,472	(681,572)
Debt service				
Interest and fiscal charges	14,918	14,918	10,973	3,945
<b>TOTAL EXPENDITURES</b>	<b>1,082,818</b>	<b>1,307,818</b>	<b>1,985,445</b>	<b>(677,627)</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(704,391)</b>	<b>(939,918)</b>	<b>(944,462)</b>	<b>(4,544)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of long-term debt	707,918	707,918	--	(707,918)
Transfers in	--	225,000	932,918	707,918
Transfers out	(47,000)	--	--	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>660,918</b>	<b>932,918</b>	<b>932,918</b>	<b>--</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(43,473)</b>	<b>(7,000)</b>	<b>(11,544)</b>	<b>(4,544)</b>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<b>439,510</b>	<b>439,510</b>	<b>439,510</b>	<b>--</b>
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 396,037</b>	<b>\$ 432,510</b>	<b>\$ 427,966</b>	<b>\$ (4,544)</b>

**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, 2007**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
<b>REVENUE</b>				
Intergovernmental				
Economic development grants	\$ --	\$ --	\$ --	\$ --
<b>TOTAL REVENUES</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>EXPENDITURES</b>				
Current				
Conservation and development	--	--	--	--
Capital outlay				
Urban development	--	--	2,511	(2,511)
<b>TOTAL EXPENDITURES</b>	<u>--</u>	<u>--</u>	<u>2,511</u>	<u>(2,511)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>--</u>	<u>--</u>	<u>(2,511)</u>	<u>(2,511)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	27,140	27,140	27,140	--
Transfers out	(44,611)	--	--	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(17,471)</u>	<u>27,140</u>	<u>27,140</u>	<u>--</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(17,471)</u>	<u>27,140</u>	<u>24,629</u>	<u>(2,511)</u>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>(27,153)</u>	<u>(27,153)</u>	<u>(27,153)</u>	<u>--</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ (44,624)</u>	<u>\$ (13)</u>	<u>\$ (2,524)</u>	<u>\$ (2,511)</u>

**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, 2007**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
<b>REVENUE</b>				
Taxes				
General property	\$ 221,988	\$ 221,988	\$ 221,988	\$ --
Intergovernmental revenues				
State grants	--	--	3,832	3,832
<b>TOTAL REVENUES</b>	<u>221,988</u>	<u>221,988</u>	<u>225,820</u>	<u>3,832</u>
<b>EXPENDITURES</b>				
Capital outlay				
Public works	559,972	517,977	446,190	71,787
<b>TOTAL EXPENDITURES</b>	<u>559,972</u>	<u>517,977</u>	<u>446,190</u>	<u>71,787</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>				
	<u>(337,984)</u>	<u>(295,989)</u>	<u>(220,370)</u>	<u>75,619</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of long-term debt	392,000	392,000	--	(392,000)
Transfers in	47,000	--	392,000	392,000
Transfers out	--	(226,995)	(226,995)	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>439,000</u>	<u>165,005</u>	<u>165,005</u>	<u>--</u>
<b>NET CHANGE IN FUND BALANCES</b>	101,016	(130,984)	(55,365)	75,619
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>489,323</u>	<u>489,323</u>	<u>489,323</u>	<u>--</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 590,339</u>	<u>\$ 358,339</u>	<u>\$ 433,958</u>	<u>\$ 75,619</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, 2007**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL</u> <u>AMOUNTS</u>	VARIANCE
	<u>ORIGINAL</u>	<u>FINAL</u>		FAVORABLE (UNFAVORABLE)
<b>EXPENDITURES</b>				
Capital outlay				
Fire protection	\$ 750,000	\$ 776,160	\$ 133,070	\$ 643,090
Interest	4,481	4,481	3,301	1,180
<b>TOTAL EXPENDITURES</b>	<u>754,481</u>	<u>780,641</u>	<u>136,371</u>	<u>644,270</u>
<b>EXCESS OF REVENUES</b>				
<b>OVER (UNDER) EXPENDITURES</b>	<u>754,481</u>	<u>780,641</u>	<u>136,371</u>	<u>(644,270)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	--	13,080	392,561	379,481
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>--</u>	<u>13,080</u>	<u>392,561</u>	<u>379,481</u>
NET CHANGE IN FUND BALANCES	(754,481)	(767,561)	256,190	(1,023,751)
FUND BALANCE AT BEGINNING OF YEAR	203	203	203	--
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ (754,278)</u>	<u>\$ (767,358)</u>	<u>\$ 256,393</u>	<u>\$ (1,023,751)</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, 2007**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>				
Intergovernmental	\$ --	\$ --	\$ 1,335,406	\$ 1,335,406
<b>TOTAL REVENUES</b>	<b>--</b>	<b>--</b>	<b>1,335,406</b>	<b>1,335,406</b>
<b>EXPENDITURES</b>				
Capital outlay				
Public works	3,750	16,000	1,350,801	(1,334,801)
<b>TOTAL EXPENDITURES</b>	<b>3,750</b>	<b>16,000</b>	<b>1,350,801</b>	<b>(1,334,801)</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(3,750)</b>	<b>(16,000)</b>	<b>(15,395)</b>	<b>(605)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of long-term debt	318,000	--	--	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>318,000</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>314,250</b>	<b>(16,000)</b>	<b>(15,395)</b>	<b>605</b>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<b>18,327</b>	<b>18,327</b>	<b>18,327</b>	<b>--</b>
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 332,577</b>	<b>\$ 2,327</b>	<b>\$ 2,932</b>	<b>\$ 605</b>

**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, 2007**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
<b>REVENUE</b>				
Taxes	\$ 105,000	\$ 105,000	\$ 105,000	\$ --
Other revenue				
Other	15,000	--	337,065	337,065
<b>TOTAL REVENUES</b>	<u>120,000</u>	<u>105,000</u>	<u>442,065</u>	<u>337,065</u>
<b>EXPENDITURES</b>				
Capital outlay				
Parks outlay	130,000	130,540	447,103	(316,563)
<b>TOTAL EXPENDITURES</b>	<u>130,000</u>	<u>130,540</u>	<u>447,103</u>	<u>(316,563)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(10,000)</u>	<u>(25,540)</u>	<u>(5,038)</u>	<u>20,502</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	2,379	540	540	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>2,379</u>	<u>540</u>	<u>540</u>	<u>--</u>
<b>NET CHANGE IN FUND BALANCES</b>	(7,621)	(25,000)	(4,498)	20,502
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>10,666</u>	<u>10,666</u>	<u>10,666</u>	<u>--</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 3,045</u>	<u>\$ (14,334)</u>	<u>\$ 6,168</u>	<u>\$ 20,502</u>

**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, 2007**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
<b>REVENUE</b>				
Taxes	\$ --	\$ --	\$ --	\$ --
Other	--	--	--	--
<b>TOTAL REVENUE</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>EXPENDITURES</b>				
Current				
Conservation and development				
Urban development	160,000	160,000	179,018	(19,018)
<b>TOTAL EXPENDITURES</b>	<u>160,000</u>	<u>160,000</u>	<u>179,018</u>	<u>(19,018)</u>
<b>EXCESS OF REVENUES     OVER (UNDER) EXPENDITURES</b>	<u>(160,000)</u>	<u>(160,000)</u>	<u>(179,018)</u>	<u>(19,018)</u>
<b>OTHER FINANCING SOURCES</b>				
Issuance of long-term debt	160,000	160,000	--	(160,000)
Transfers in	15,719	15,719	175,719	160,000
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>175,719</u>	<u>175,719</u>	<u>175,719</u>	<u>--</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>15,719</u>	<u>15,719</u>	<u>(3,299)</u>	<u>(19,018)</u>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>(12,265)</u>	<u>(12,265)</u>	<u>(12,265)</u>	<u>--</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 3,454</u>	<u>\$ 3,454</u>	<u>\$ (15,564)</u>	<u>\$ (19,018)</u>

**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, 2007**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
<b>REVENUE</b>				
Taxes				
General property	\$ 2,206	\$ 2,206	\$ 2,245	\$ 39
Intergovernmental				
State shared grants	95	95	66	(29)
Other revenue	18,769	18,769	27,595	8,826
<b>TOTAL REVENUES</b>	<u>21,070</u>	<u>21,070</u>	<u>29,906</u>	<u>8,836</u>
<b>EXPENDITURES</b>				
Current				
Conservation and development				
Urban development	156	156	156	--
<b>TOTAL EXPENDITURES</b>	<u>156</u>	<u>156</u>	<u>156</u>	<u>--</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>				
	<u>20,914</u>	<u>20,914</u>	<u>29,750</u>	<u>8,836</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers out	(20,914)	(20,914)	(20,914)	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(20,914)</u>	<u>(20,914)</u>	<u>(20,914)</u>	<u>--</u>
<b>NET CHANGE IN FUND BALANCES</b>				
	--	--	8,836	8,836
<b>FUND BALANCE AT BEGINNING OF YEAR</b>				
	<u>1,452</u>	<u>1,452</u>	<u>1,452</u>	<u>--</u>
<b>FUND BALANCE AT END OF YEAR</b>				
	<u>\$ 1,452</u>	<u>\$ 1,452</u>	<u>\$ 10,288</u>	<u>\$ 8,836</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, 2007**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL</u> <u>AMOUNTS</u>	VARIANCE
	<u>ORIGINAL</u>	<u>FINAL</u>		FAVORABLE (UNFAVORABLE)
<b>REVENUE</b>				
Taxes				
General property	\$ 99,626	\$ 99,626	\$ 101,411	\$ 1,785
Intergovernmental				
Other state shared taxes	65	65	45	(20)
<b>TOTAL REVENUES</b>	<u>99,691</u>	<u>99,691</u>	<u>101,456</u>	<u>1,765</u>
<b>EXPENDITURES</b>				
Current				
Conservation and development				
Urban development	156	156	156	--
<b>TOTAL EXPENDITURES</b>	<u>156</u>	<u>156</u>	<u>156</u>	<u>--</u>
<b>EXCESS OF REVENUES</b>				
<b>OVER (UNDER) EXPENDITURES</b>	<u>99,535</u>	<u>99,535</u>	<u>101,300</u>	<u>1,765</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers out				
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(99,535)</u>	<u>(99,535)</u>	<u>(99,535)</u>	<u>--</u>
<b>NET CHANGE IN FUND BALANCES</b>				
	--	--	1,765	1,765
<b>FUND BALANCE AT BEGINNING OF YEAR</b>				
	<u>74,493</u>	<u>74,493</u>	<u>74,493</u>	<u>--</u>
<b>FUND BALANCE AT END OF YEAR</b>				
	<u>\$ 74,493</u>	<u>\$ 74,493</u>	<u>\$ 76,258</u>	<u>\$ 1,765</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, 2007**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FAVORABLE (UNFAVORABLE)</u>
<b>REVENUE</b>				
Taxes				
General property	\$ 601,824	\$ 601,824	\$ 612,607	\$ 10,783
Intergovernmental				
Other state shared taxes	36,000	36,000	29,073	(6,927)
<b>TOTAL REVENUES</b>	<u>637,824</u>	<u>637,824</u>	<u>641,680</u>	<u>3,856</u>
<b>EXPENDITURES</b>				
Capital outlay				
Conservation and development	259	259	259	--
<b>TOTAL EXPENDITURES</b>	<u>259</u>	<u>259</u>	<u>259</u>	<u>--</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>637,565</u>	<u>637,565</u>	<u>641,421</u>	<u>3,856</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers out	(637,565)	(637,565)	(637,565)	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(637,565)</u>	<u>(637,565)</u>	<u>(637,565)</u>	<u>--</u>
<b>NET CHANGE IN FUND BALANCES</b>	--	--	3,856	3,856
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>(2,058,612)</u>	<u>(2,058,612)</u>	<u>(2,058,612)</u>	<u>--</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ (2,058,612)</u>	<u>\$ (2,058,612)</u>	<u>\$ (2,054,756)</u>	<u>\$ 3,856</u>

**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, 2007**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FAVORABLE (UNFAVORABLE)</u>
<b>REVENUE</b>				
Intergovernmental				
Other state shared taxes	\$ 4,200	\$ 4,200	\$ 3,693	\$ (507)
<b>TOTAL REVENUES</b>	<u>4,200</u>	<u>4,200</u>	<u>3,693</u>	<u>(507)</u>
<b>EXPENDITURES</b>				
Current				
Conservation and development				
Urban development	156	156	156	--
<b>TOTAL EXPENDITURES</b>	<u>156</u>	<u>156</u>	<u>156</u>	<u>--</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>4,044</u>	<u>4,044</u>	<u>3,537</u>	<u>(507)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers out	(4,044)	(4,044)	(4,044)	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(4,044)</u>	<u>(4,044)</u>	<u>(4,044)</u>	<u>--</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>--</u>	<u>--</u>	<u>(507)</u>	<u>(507)</u>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>(31,498)</u>	<u>(31,498)</u>	<u>(31,498)</u>	<u>--</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ (31,498)</u>	<u>\$ (31,498)</u>	<u>\$ (32,005)</u>	<u>\$ (507)</u>

**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, 2007**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
<b>REVENUE</b>				
Taxes				
General property	\$ 154,141	\$ 154,141	\$ 156,902	\$ 2,761
Intergovernmental				
Other state shared revenues	7,300	7,300	8,900	1,600
Miscellaneous				
Miscellaneous	100	100	100	--
<b>TOTAL REVENUES</b>	<u>161,541</u>	<u>161,541</u>	<u>165,902</u>	<u>4,361</u>
<b>EXPENDITURES</b>				
Current				
Conservation and development				
Urban development	259	259	259	--
Capital outlay				
Public works	--	--	634	(634)
<b>TOTAL EXPENDITURES</b>	<u>259</u>	<u>259</u>	<u>893</u>	<u>(634)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>161,282</u>	<u>161,282</u>	<u>165,009</u>	<u>3,727</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers out	(161,182)	(161,182)	(161,182)	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(161,182)</u>	<u>(161,182)</u>	<u>(161,182)</u>	<u>--</u>
<b>NET CHANGE IN FUND BALANCES</b>	100	100	3,827	3,727
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>(1,594,797)</u>	<u>(1,594,797)</u>	<u>(1,594,797)</u>	<u>--</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ (1,594,697)</u>	<u>\$ (1,594,697)</u>	<u>\$ (1,590,970)</u>	<u>\$ 3,727</u>

**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, 2007**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
<b>EXPENDITURES</b>				
Capital outlay				
Conservation and development	\$ 755,259	\$ 755,259	\$ 292,470	\$ 462,789
Interest and fiscal charges	9,017	9,017	6,648	2,369
<b>TOTAL EXPENDITURES</b>	<u>764,276</u>	<u>764,276</u>	<u>299,118</u>	<u>465,158</u>
<b>EXCESS OF REVENUES   OVER (UNDER) EXPENDITURES</b>	<u>(764,276)</u>	<u>(764,276)</u>	<u>(299,118)</u>	<u>465,158</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	--	--	764,276	(764,276)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>--</u>	<u>--</u>	<u>764,276</u>	<u>764,276</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(764,276)</u>	<u>(764,276)</u>	<u>465,158</u>	<u>(1,229,434)</u>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>(1,427)</u>	<u>(1,427)</u>	<u>(1,427)</u>	<u>--</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ (765,703)</u>	<u>\$ (765,703)</u>	<u>\$ 463,731</u>	<u>\$ 1,229,434</u>

**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, 2007**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	VARIANCE
	<u>ORIGINAL</u>	<u>FINAL</u>		FAVORABLE (UNFAVORABLE)
EXPENDITURES				
Capital outlay				
Conservation and development	\$ 484,650	\$ 484,650	\$ 728	\$ 483,922
TOTAL EXPENDITURES	<u>484,650</u>	<u>484,650</u>	<u>728</u>	<u>483,922</u>
NET CHANGE IN FUND BALANCES	(484,650)	(484,650)	(728)	483,922
FUND BALANCE AT BEGINNING OF YEAR	<u>(23,226)</u>	<u>(23,226)</u>	<u>(23,226)</u>	<u>--</u>
FUND BALANCE AT END OF YEAR	<u>\$ (507,876)</u>	<u>\$ (507,876)</u>	<u>\$ (23,954)</u>	<u>\$ 483,922</u>

**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, 2007**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
<b>REVENUE</b>				
Taxes				
General property	\$ 90,000	\$ 90,000	\$ 90,000	\$ --
<b>TOTAL REVENUES</b>	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>	<u>--</u>
<b>EXPENDITURES</b>				
Capital outlay				
General government	95,000	186,000	153,672	32,328
<b>TOTAL EXPENDITURES</b>	<u>95,000</u>	<u>186,000</u>	<u>153,672</u>	<u>32,328</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(5,000)</u>	<u>(96,000)</u>	<u>(63,672)</u>	<u>32,328</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	--	91,000	91,000	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>--</u>	<u>91,000</u>	<u>91,000</u>	<u>--</u>
NET CHANGE IN FUND BALANCES	(5,000)	(5,000)	27,328	32,328
FUND BALANCE AT BEGINNING OF YEAR	7,548	7,548	7,548	--
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 2,548</u>	<u>\$ 2,548</u>	<u>\$ 34,876</u>	<u>\$ 32,328</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, 2007**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL</u> AMOUNTS	VARIANCE
	<u>ORIGINAL</u>	<u>FINAL</u>		FAVORABLE (UNFAVORABLE)
<b>REVENUE</b>				
Taxes				
General property	\$ 41,164	\$ 41,164	\$ 41,164	\$ --
Public charges for services	3,548	3,548	52,137	48,589
<b>TOTAL REVENUES</b>	<u>44,712</u>	<u>44,712</u>	<u>93,301</u>	<u>(48,589)</u>
<b>EXPENDITURES</b>				
Current				
Conservation and development				
UW Wood County campus	69,798	69,798	118,595	(48,797)
<b>TOTAL EXPENDITURES</b>	<u>69,798</u>	<u>69,798</u>	<u>118,595</u>	<u>(48,797)</u>
<b>EXCESS OF REVENUES</b>				
OVER (UNDER) EXPENDITURES	<u>(25,086)</u>	<u>(25,086)</u>	<u>(25,294)</u>	<u>(208)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of long-term debt	--	--	--	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(25,086)</u>	<u>(25,086)</u>	<u>(25,294)</u>	<u>(208)</u>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>39,526</u>	<u>39,526</u>	<u>39,526</u>	<u>--</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 14,440</u>	<u>\$ 14,440</u>	<u>\$ 14,232</u>	<u>\$ (208)</u>

**NONMAJOR  
ENTERPRISE  
FUNDS**

**CITY OF MARSHFIELD, WISCONSIN**  
**COMBINING BALANCE SHEET - NONMAJOR ENTERPRISE FUNDS**  
**DECEMBER 31, 2007**

	<u>EMERGENCY MEDICAL SERVICES</u>
<b>ASSETS</b>	
<b>CURRENT ASSETS</b>	
Cash	\$ 280,234
Accounts receivable	121,178
Prepaid expenses	<u>3,639</u>
<b>TOTAL CURRENT ASSETS</b>	<u>405,051</u>
<b>NONCURRENT ASSETS</b>	
Capital assets, at cost	
Buildings, systems and equipment	732,125
Less accumulated depreciation	<u>(408,214)</u>
Net capital assets	<u>323,911</u>
<b>TOTAL NONCURRENT ASSETS</b>	<u>323,911</u>
<b>TOTAL ASSETS</b>	<u>\$ 728,962</u>
<b>LIABILITIES AND NET ASSETS</b>	
<b>CURRENT LIABILITIES</b>	
Accounts payable	\$ 22,063
Accrued salaries, wages and compensated absences	12,464
Current portion of long-term debt	2,542
Deferred revenues	<u>1,250</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>38,319</u>
<b>NONCURRENT LIABILITIES</b>	
Long-term obligations	<u>87,757</u>
<b>TOTAL NONCURRENT LIABILITIES</b>	<u>87,757</u>
<b>TOTAL LIABILITIES</b>	<u>126,076</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	323,911
Unrestricted	<u>278,975</u>
<b>TOTAL NET ASSETS</b>	<u>602,886</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 728,962</u>

**CITY OF MARSHFIELD, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS**  
**NONMAJOR ENTERPRISE FUNDS**  
**YEAR ENDED DECEMBER 31, 2007**

	<u>EMERGENCY MEDICAL SERVICES</u>
<b>OPERATING REVENUES</b>	
Charges for services	\$ <u>976,570</u>
<b>OPERATING EXPENSES</b>	
Operations	801,815
Depreciation	<u>43,785</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>845,600</u>
<b>OPERATING INCOME</b>	<u>130,970</u>
<b>NONOPERATING REVENUE (EXPENSE)</b>	
Interest income	25
Miscellaneous income	2,995
Interest and fiscal charges	(5,018)
Other miscellaneous income	<u>(7,983)</u>
<b>TOTAL NONOPERATING REVENUE</b>	<u>(9,981)</u>
<b>INCOME BEFORE CONTRIBUTIONS AND TRANSFERS</b>	120,989
<b>CHANGE IN NET ASSETS</b>	120,989
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<u>481,897</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 602,886</u>

**CITY OF MARSHFIELD, WISCONSIN**  
**STATEMENT OF CASH FLOWS**  
**NONMAJOR ENTERPRISE FUNDS**  
**YEAR ENDED DECEMBER 31, 2007**

	<u>EMERGENCY MEDICAL SERVICES</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers and users	\$ 973,816
Payments to suppliers and vendors	(134,781)
Payments to employees	(661,378)
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<u>177,657</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfer to governmental funds	-
<b>TOTAL CASH FLOWS USED IN NONCAPITAL FINANCING ACTIVITIES</b>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Acquisition and construction of capital assets	(179,507)
Interest paid	(5,018)
Principal payments of GO refunding bonds	(2,242)
Contributions	2,995
<b>NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<u>(183,772)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest received	25
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<u>25</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(6,090)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>286,324</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u><b>\$ 280,234</b></u>
<b>RECONCILIATION OF OPERATING INCOME TO CASH PROVIDED BY (USED IN) ACTIVITIES</b>	
Operating income (loss)	\$ 130,970
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation charged to depreciation expense	43,785
Changes in assets and liabilities	
(Increase) decrease in assets	
Accounts receivable	(2,754)
Prepaid expenses	(3,565)
Increase (decrease) in current liabilities	
Accounts payable	5,297
Other accrued expenses	3,924
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<u><b>\$ 177,657</b></u>

**FIDUCIARY  
FUNDS**

**CITY OF MARSHFIELD, WISCONSIN**  
**COMBINING STATEMENT OF FIDUCIARY NET ASSETS**  
**DECEMBER 31, 2007**

	AGENCY FUNDS				TOTAL
	PAYROLL DEDUCTIONS	PERFORMANCE BONDS	PROPERTY TAX	SALES TAX	
<b>ASSETS</b>					
Cash and equivalents	\$ 285,646	\$ 1,470	\$ 4,303,632	\$ 784	\$ 4,591,532
Investments	--	13,800	--	--	13,800
Taxes receivable	--	--	12,143,298	--	12,143,298
Other receivables	3,845	--	--	--	3,845
<b>TOTAL ASSETS</b>	<b>\$ 289,491</b>	<b>\$ 15,270</b>	<b>\$ 16,446,930</b>	<b>\$ 784</b>	<b>\$ 16,752,475</b>
<b>LIABILITIES AND NET ASSETS</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ --	\$ 15,270	\$ 7,788	\$ --	\$ 23,058
Other accrued expenses	289,491	--	--	--	289,491
Due to other funds	--	--	--	--	--
Due to other governments	--	--	16,439,142	784	16,439,926
<b>TOTAL LIABILITIES</b>	<b>289,491</b>	<b>15,270</b>	<b>16,446,930</b>	<b>784</b>	<b>16,752,475</b>
<b>NET ASSETS</b>					
Restricted	--	--	--	--	--
<b>TOTAL NET ASSETS</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 289,491</b>	<b>\$ 15,270</b>	<b>\$ 16,446,930</b>	<b>\$ 784</b>	<b>\$ 16,752,475</b>

**CITY OF MARSHFIELD, WISCONSIN**  
**COMBINING STATEMENT OF CHANGES IN ASSETS**  
**AND LIABILITIES - ALL AGENCY FUNDS**  
**YEAR ENDED DECEMBER 31, 2007**

	BALANCE 1/1/07	ADDITIONS	DEDUCTIONS	BALANCE 12/31/07
<b><u>Payroll Deductions</u></b>				
ASSETS				
Cash	\$ 290,664	\$ 2,196,751	\$ 2,201,769	\$ 285,646
Receivables-Other	4,709	36,930	37,794	3,845
<b>TOTAL ASSETS</b>	<b>\$ 295,373</b>	<b>\$ 2,233,681</b>	<b>\$ 2,239,563</b>	<b>\$ 289,491</b>
LIABILITIES				
Payroll Deductions	\$ 295,373	\$ 2,168,835	\$ 2,174,717	\$ 289,491
<b><u>Performance Bonds</u></b>				
ASSETS				
Cash and Investments	\$ 14,870	\$ 800	\$ 400	\$ 15,270
LIABILITIES				
Accounts Payable	\$ 14,870	\$ 400	\$ -	\$ 15,270
<b><u>Property Tax</u></b>				
ASSETS				
Cash	\$ 7,281,424	\$ 25,562,720	\$ 25,280,001	\$ 7,564,143
Taxes Receivable	21,537,602	30,435,446	30,613,085	21,359,963
<b>TOTAL ASSETS</b>	<b>\$ 28,819,026</b>	<b>\$ 55,998,166</b>	<b>\$ 55,893,086</b>	<b>\$ 28,924,106</b>
LIABILITIES				
Accounts Payable	\$ 5,468	\$ 15,597	\$ 13,277	\$ 7,788
Due to Other Governments	28,813,558	28,940,905	28,838,145	28,916,318
<b>TOTAL LIABILITIES</b>	<b>\$ 28,819,026</b>	<b>\$ 28,956,502</b>	<b>\$ 28,851,422</b>	<b>\$ 28,924,106</b>
<b><u>State of Wisconsin</u></b>				
ASSETS				
Cash	\$ 766	\$ 11,281	\$ 11,262	\$ 785
LIABILITIES				
Due to Other Governments	\$ 766	\$ 11,281	\$ 11,262	\$ 785
<b><u>TOTAL - ALL AGENCY FUNDS</u></b>				
ASSETS				
Cash and Investments	\$ 7,587,724	\$ 27,771,552	\$ 27,493,432	\$ 7,865,844
Taxes Receivable	21,537,602	30,435,446	30,613,085	21,359,963
Receivables-Other	4,709	36,930	37,794	3,845
<b>TOTAL ASSETS</b>	<b>\$ 29,130,035</b>	<b>\$ 58,243,928</b>	<b>\$ 58,144,311</b>	<b>\$ 29,229,652</b>
LIABILITIES				
Accounts Payable	\$ 20,338	\$ 15,997	\$ 13,277	\$ 23,058
Payroll Deductions	295,373	2,168,835	2,174,717	289,491
Due to Other Governments	28,814,324	28,952,186	28,849,407	28,917,103
<b>TOTAL LIABILITIES</b>	<b>\$ 29,130,035</b>	<b>\$ 31,137,018</b>	<b>\$ 31,037,401</b>	<b>\$ 29,229,652</b>

# **OTHER REPORTS**



Hawkins, Ash, Baptie

& COMPANY, LLP  
Certified Public Accountants | Business Advisors

Real Solutions. Real Service.

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**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, 2007, and have issued our report thereon dated July 15, 2008. 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  
July 15, 2008

# **STATISTICAL SECTION**

**CITY OF MARSHFIELD, WISCONSIN**  
**NET ASSETS BY COMPONENT**  
 Last Five Fiscal Years

	Fiscal Year				
	2003	2004	2005	2006	2007
<b>Governmental activities</b>					
Invested in capital assets, net of related debt	\$ 30,828,790	\$ 35,956,355	\$ 38,526,738	\$ 38,517,647	\$ 40,985,589
Restricted	4,753,191	4,660,825	4,775,179	5,276,019	8,674,245
Unrestricted	5,894,861	1,214,633	774,524	3,675,874	2,868,674
<b>Total governmental activities net assets</b>	<b>\$ 41,476,842</b>	<b>\$ 41,831,813</b>	<b>\$ 44,076,441</b>	<b>\$ 47,469,540</b>	<b>\$ 52,528,508</b>
<b>Business-type activities</b>					
Invested in capital assets, net of related debt	\$ 54,806,859	\$ 58,589,971	\$ 58,351,590	\$ 56,130,553	\$ 62,317,775
Restricted	3,710,295	3,274,438	3,584,769	8,759,289	5,814,338
Unrestricted	2,735,264	2,954,795	5,344,061	7,740,297	7,144,509
<b>Total business-type activities net assets</b>	<b>\$ 61,252,418</b>	<b>\$ 64,819,204</b>	<b>\$ 67,280,420</b>	<b>\$ 72,630,139</b>	<b>\$ 75,276,622</b>
<b>Primary government</b>					
Invested in capital assets, net of related debt	\$ 85,635,649	\$ 94,546,326	\$ 96,878,328	\$ 94,648,200	\$ 103,303,364
Restricted	8,463,486	7,935,263	8,359,948	14,035,308	14,488,583
Unrestricted	8,630,125	4,169,428	6,118,585	11,416,171	10,013,183
<b>Total primary government net assets</b>	<b>\$ 102,729,260</b>	<b>\$ 106,651,017</b>	<b>\$ 111,356,861</b>	<b>\$ 120,099,679</b>	<b>\$ 127,805,130</b>

**Note:** The city began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

**CITY OF MARSHFIELD, WISCONSIN**  
**CHANGES IN NET ASSETS**  
 Last Five Fiscal Years  
*(accrual basis of accounting)*

	Fiscal Year				
	2003	2004	2005	2006	2007
<b>EXPENSES</b>					
Governmental activities:					
General government	\$ 2,640,966	\$ 2,595,656	\$ 2,636,409	\$ 2,837,959	\$ 3,003,721
Public safety	7,123,740	7,322,236	7,173,069	7,049,167	7,139,830
Public works	5,896,876	5,947,439	6,352,456	6,562,636	7,140,078
Health and human services	147,601	141,037	142,194	145,191	150,081
Conservation and development	1,992,523	760,017	1,073,530	806,118	3,400,317
Culture, recreation, and education	3,374,193	3,036,630	3,226,601	3,153,481	742,530
Interest on long-term debt	1,296,748	1,148,804	1,053,371	1,057,498	945,708
Total governmental activities expenses	<u>22,472,647</u>	<u>20,951,819</u>	<u>21,657,630</u>	<u>21,612,050</u>	<u>22,522,265</u>
Business-type activities:					
Electric	17,255,263	18,547,915	23,715,632	23,155,498	28,000,226
Water	2,266,670	2,087,770	2,198,361	2,243,908	2,526,510
Wastewater	3,169,566	3,199,915	3,405,692	3,524,068	3,618,360
EMS	680,833	717,343	763,000	774,251	858,601
Storm Water	92,433	560,026	4,888	-	-
Communications	-	-	21,241	30,818	24,702
Total business-type activities expenses	<u>23,464,765</u>	<u>25,112,969</u>	<u>30,108,814</u>	<u>29,728,543</u>	<u>35,028,399</u>
Total primary government expenses	<u>45,937,412</u>	<u>46,064,788</u>	<u>51,766,444</u>	<u>51,340,593</u>	<u>57,550,664</u>
<b>PROGRAM REVENUES</b>					
Governmental activities:					
Charges for services:					
General government	686,549	695,416	695,106	752,306	778,777
Public safety	280,599	211,929	231,776	241,567	315,359
Public works	199,818	172,209	208,158	148,087	249,416
Health and human services	103,013	110,797	133,911	113,364	137,203
Conservation and development	38,743	49,355	50,985	68,206	304,686
Culture, recreation and education	247,905	255,956	272,042	286,341	66,176
Operating grants and contributions	2,964,693	3,080,642	2,747,816	3,415,892	5,375,169
Total governmental activities program revenues	<u>4,521,320</u>	<u>4,576,304</u>	<u>4,339,794</u>	<u>5,025,763</u>	<u>7,226,786</u>
Business-type activities:					
Charges for services:					
Electric	18,071,987	19,708,028	24,339,873	24,326,967	28,623,244
Water	2,874,818	2,866,482	2,911,403	2,940,572	3,026,993
Wastewater	4,064,932	4,389,102	4,262,748	4,605,808	4,482,341
EMS	741,667	738,995	812,343	840,421	924,049
Storm Water	-	824	-	-	-
Communications	-	-	52,053	56,570	56,570
Operating grants and contributions	596,884	1,212,103	790,859	2,687,493	729,069
Total business-type activities program revenues	<u>26,350,288</u>	<u>28,915,534</u>	<u>33,169,279</u>	<u>35,457,831</u>	<u>37,842,266</u>
Total primary government program revenues	<u>\$ 30,871,608</u>	<u>\$ 33,491,838</u>	<u>\$ 37,509,073</u>	<u>\$ 40,483,594</u>	<u>\$ 45,069,052</u>

	Fiscal Year				
	2003	2004	2005	2006	2007
<b>NET (EXPENSE)/REVENUE</b>					
Governmental activities	\$ (17,951,327)	\$ (16,375,515)	\$ (17,317,836)	\$ (16,586,287)	\$ (15,295,479)
Business-type activities:	2,885,523	3,802,565	3,060,465	5,729,288	2,813,867
Total primary government net expense	<u>\$ (15,065,804)</u>	<u>\$ (12,572,950)</u>	<u>\$ (14,257,371)</u>	<u>\$ (10,856,999)</u>	<u>\$ (12,481,612)</u>
<b>GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS</b>					
Governmental activities:					
Taxes					
Property taxes	\$ 9,232,674	\$ 8,830,158	\$ 11,281,224	\$ 11,853,933	\$ 11,983,483
Public accomodation taxes	-	239,137	266,823	268,552	298,206
Other taxes	1,507,516	530,723	120,524	120,326	121,963
State shared revenues	5,645,489	5,253,370	5,451,033	5,677,253	5,796,398
Interest and investment income	452,431	383,312	424,609	563,694	654,187
Miscellaneous	141,198	205,033	237,137	109,476	170,885
Transfers	1,003,634	1,288,753	1,274,792	1,386,151	1,329,331
Total governmental activities	<u>17,982,942</u>	<u>16,730,486</u>	<u>19,056,142</u>	<u>19,979,385</u>	<u>20,354,453</u>
Business-type activities:					
Investment earnings	390,072	467,150	675,541	1,006,583	1,161,950
Property Taxes	-	667,478	-	-	-
Gain on sale of capital assets	-	15,998	-	-	-
Transfers	(1,003,634)	(1,288,753)	(1,274,792)	(1,386,151)	(1,329,331)
Total business-type activities	<u>(613,562)</u>	<u>(138,127)</u>	<u>(599,251)</u>	<u>(379,568)</u>	<u>(167,381)</u>
Total primary government	<u>\$ 17,369,380</u>	<u>\$ 16,592,359</u>	<u>\$ 18,456,891</u>	<u>\$ 19,599,817</u>	<u>\$ 20,187,072</u>
<b>CHANGE IN NET ASSETS</b>					
Governmental activities	\$ 31,615	\$ 354,971	\$ 1,738,306	\$ 3,393,098	\$ 5,058,974
Business-type activities	2,271,961	3,664,438	2,461,214	5,349,720	2,646,486
Total primary government	<u>\$ 2,303,576</u>	<u>\$ 4,019,409</u>	<u>\$ 4,199,520</u>	<u>\$ 8,742,818</u>	<u>\$ 7,705,460</u>

**Note:** The city began to report accrual information when it implemented GASB Statement 34 in fiscal year 2004.

**CITY OF MARSHFIELD, WISCONSIN**  
**FUND BALANCES, GOVERNMENTAL FUNDS**  
 Last Ten Fiscal Years  
*(modified accrual basis of accounting)*

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 118,412
Unreserved, designated	208,961	4,407	90,597	14,152	62,047	743,835	611,885	534,326	545,491	416,491
Unreserved, undesignated	6,280,420	6,521,015	6,725,669	6,775,134	7,103,998	6,262,681	5,894,481	5,488,251	6,278,496	6,569,455
Total general fund	<u>\$ 6,489,381</u>	<u>\$ 6,525,422</u>	<u>\$ 6,816,266</u>	<u>\$ 6,789,286</u>	<u>\$ 7,166,045</u>	<u>\$ 7,006,516</u>	<u>\$ 6,506,366</u>	<u>\$ 6,022,577</u>	<u>\$ 6,823,987</u>	<u>\$ 7,104,358</u>
All Other Governmental Funds										
Reserved	\$ 914,861	\$ 1,032,660	\$ 1,238,886	\$ 1,449,406	\$ 2,745,609	\$ 5,303,977	\$ 3,470,220	\$ 3,628,440	\$ 5,276,720	\$ 4,650,695
Unreserved, designated, reported in:										
Special revenue	282,540	1,464,131	1,930,752	2,237,568	2,234,959	1,395,127	1,253,986	860,535	710,040	782,896
Capital projects funds	(196,776)	856,357	(123,826)	786,889	(520,433)	82,040	138,469	155,148	536,598	739,459
Unreserved, undesignated, reported in:										
Special revenue	-	-	-	-	-	-	-	(1,341)	(10)	(839)
Capital projects funds	(121,425)	(149,395)	-	-	-	(3,312,584)	(3,851,838)	(3,716,620)	(3,748,977)	(3,256,495)
Total all other governmental funds	<u>\$ 879,200</u>	<u>\$ 3,203,753</u>	<u>\$ 3,045,812</u>	<u>\$ 4,473,863</u>	<u>\$ 4,460,135</u>	<u>\$ 3,468,560</u>	<u>\$ 1,010,837</u>	<u>\$ 926,162</u>	<u>\$ 2,774,371</u>	<u>\$ 2,915,716</u>

**CITY OF MARSHFIELD, WISCONSIN**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
 Last Ten Fiscal Years  
*(modified accrual basis of accounting)*

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>REVENUES</b>										
Taxes	\$ 8,333,514	\$ 9,069,137	\$ 9,425,134	\$ 10,243,472	\$ 10,403,778	\$ 10,741,755	\$ 9,600,828	\$ 11,669,225	\$ 12,244,384	\$ 12,404,111
Intergovernmental	6,901,616	8,199,297	8,588,342	7,874,637	7,647,193	8,141,905	8,007,428	7,829,179	8,178,745	9,778,939
Licenses and permits	138,660	213,877	202,666	236,640	310,263	358,391	349,784	361,741	359,464	386,347
Fines and forfeitures	172,568	153,243	161,443	145,582	146,385	144,742	115,939	115,089	111,511	134,092
Charges for services	944,714	1,613,821	1,122,502	1,193,945	482,938	803,893	767,002	841,483	827,243	1,008,067
Intergovernmental charges for services	279,625	320,208	509,444	313,384	148,892	-	-	-	-	-
Special assessments	489,763	312,445	706,767	642,856	897,754	415,819	430,340	183,661	451,081	416,277
Other revenues	1,470,553	1,628,523	1,283,501	1,102,686	1,099,489	902,342	861,698	1,271,942	1,009,631	2,220,057
<b>Total revenues</b>	<b>18,731,013</b>	<b>21,510,551</b>	<b>21,999,799</b>	<b>21,753,202</b>	<b>21,136,692</b>	<b>21,508,847</b>	<b>20,133,019</b>	<b>22,272,320</b>	<b>23,182,059</b>	<b>26,347,890</b>
<b>EXPENDITURES</b>										
General government	1,898,479	2,031,998	2,180,011	2,187,983	2,222,403	2,422,536	2,433,613	2,698,149	2,656,891	2,886,509
Public safety	5,802,898	6,290,099	6,471,443	7,071,984	6,622,689	6,943,438	7,143,411	7,224,417	6,842,836	6,891,604
Health and human services	116,975	105,276	114,313	122,510	123,881	129,354	132,291	136,268	140,662	149,944
Conservation and development	230,987	287,667	492,403	427,283	934,550	533,726	581,582	986,771	806,118	721,646
Other public works	4,095,912	4,274,182	4,648,745	4,554,929	4,236,289	4,753,033	4,897,077	5,275,205	5,063,692	5,733,327
Culture and recreation	2,388,173	2,244,801	2,356,817	2,512,465	2,546,139	2,669,165	2,742,275	2,934,345	2,884,804	3,057,845
Capital outlay	7,164,626	6,000,533	6,936,785	4,486,704	6,262,207	5,101,971	3,571,624	4,079,773	4,149,499	5,533,825
Debt service										
Interest	817,114	734,732	856,154	982,748	1,024,139	1,249,186	1,140,562	993,236	1,039,318	932,975
Principal	1,627,424	1,274,700	1,532,591	2,084,571	2,104,869	5,735,630	4,311,821	2,824,211	5,955,762	3,202,824
<b>Total expenditures</b>	<b>24,142,588</b>	<b>23,243,988</b>	<b>25,589,262</b>	<b>24,431,177</b>	<b>26,077,166</b>	<b>29,538,039</b>	<b>26,954,256</b>	<b>27,152,375</b>	<b>29,539,582</b>	<b>29,110,499</b>
Excess of revenues over (under) expenditures	(5,411,575)	(1,733,437)	(3,589,463)	(2,677,975)	(4,940,474)	(8,029,192)	(6,821,237)	(4,880,055)	(6,357,523)	(2,762,609)

**CITY OF MARSHFIELD, WISCONSIN**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
 Last Ten Fiscal Years  
*(modified accrual basis of accounting)*

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>OTHER FINANCING SOURCES (USES)</b>										
Long-term debt issued	\$ 2,079,908	\$ 3,712,811	\$ 3,206,725	\$ 3,684,678	\$ 4,294,055	\$ 5,640,000	\$ 2,574,610	\$ 3,036,799	\$ 4,685,000	\$ 1,855,000
Refunding bonds issued	-	-	-	-	-	2,050,000	1,320,000	-	2,935,989	-
Payment to refunding bond escrow agent	-	-	-	-	-	(1,955,000)	(1,320,000)	-	-	-
Sales of general fixed assets	-	-	-	-	-	-	-	-	-	-
Transfers in	1,177,974	241,398	743,025	1,137,043	2,000,109	1,896,037	1,588,433	1,142,862	1,063,913	3,878,900
Transfers in (out) - proprietary fund	-	(10,500)	507,644	388,731	1,006,143	1,003,634	1,288,753	1,274,792	1,386,151	1,329,331
Transfers in-nonexpendable trust fund	32,881	6,557	7,997	5,637	3,306	2,445	2,910	-	-	-
Transfers out	(1,169,798)	(241,398)	(743,025)	(1,137,043)	(2,000,109)	(1,898,482)	(1,591,343)	(1,142,862)	(1,063,913)	(3,878,900)
Total other financing sources (uses)	<u>2,120,965</u>	<u>3,708,868</u>	<u>3,722,366</u>	<u>4,079,046</u>	<u>5,303,504</u>	<u>6,738,634</u>	<u>3,863,363</u>	<u>4,311,591</u>	<u>9,007,140</u>	<u>3,184,331</u>
 Net change in fund balances	 <u>\$ (3,290,610)</u>	 <u>\$ 1,975,431</u>	 <u>\$ 132,903</u>	 <u>\$ 1,401,071</u>	 <u>\$ 363,030</u>	 <u>\$ (1,290,558)</u>	 <u>\$ (2,957,874)</u>	 <u>\$ (568,464)</u>	 <u>\$ 2,649,617</u>	 <u>\$ 421,722</u>
 Capital outlay, reported above	 \$ 7,164,626	 \$ 6,000,533	 \$ 6,936,785	 \$ 4,486,704	 \$ 6,262,207	 \$ 5,101,971	 \$ 3,571,624	 \$ 4,079,773	 \$ 4,149,499	 \$ 5,533,825
Less items not capitalized	-	-	-	-	-	(1,958,459)	(241,915)	142,425	(177,574)	(160,943)
Acquisition and construction of capital assets	<u>\$ 7,164,626</u>	<u>\$ 6,000,533</u>	<u>\$ 6,936,785</u>	<u>\$ 4,486,704</u>	<u>\$ 6,262,207</u>	<u>\$ 3,143,512</u>	<u>\$ 3,329,709</u>	<u>\$ 4,222,198</u>	<u>\$ 3,971,925</u>	<u>\$ 5,372,882</u>
 Debt service as a percentage of noncapital expenditures	 14.4%	 11.7%	 12.8%	 15.4%	 15.8%	 26.5%	 23.1%	 16.6%	 27.4%	 17.4%

**CITY OF MARSHFIELD, WISCONSIN**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
 Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Manufacturing Property</b>	<b>Agriculture / Forest / Swamp Property</b>	<b>Personal Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>	<b>Taxable Assessed Value as a Percentage of Actual Taxable Value</b>
1998	\$ 443,511,400	\$ 185,495,800	\$ 34,692,300	\$ 853,900	\$ 42,012,770	\$ 706,566,170	\$ 10.72	\$ 694,367,600	101.757%
1999	462,445,500	182,035,100	35,315,700	1,067,300	33,125,430	713,989,030	10.98	708,487,600	100.777%
2000	471,016,400	209,470,300	38,089,100	921,900	40,087,320	759,585,020	11.29	775,348,700	97.967%
2001	480,887,400	220,589,900	37,036,900	842,500	45,873,120	785,229,820	11.15	848,073,700	92.590%
2002	489,852,300	229,220,200	38,895,500	808,700	48,477,470	807,254,170	11.13	904,114,500	89.287%
2003	612,233,000	280,551,000	48,784,000	1,631,700	53,460,110	996,659,810	9.25	949,867,000	104.926%
2004	628,093,200	378,241,400	46,835,100	1,671,700	72,037,230	1,126,878,630	9.73	1,133,407,900	99.424%
2005	638,215,400	389,356,100	47,212,200	1,572,800	64,347,180	1,140,703,680	9.91	1,179,819,200	96.685%
2006	656,364,000	388,587,000	43,050,900	1,581,700	64,059,890	1,153,643,490	9.91	1,240,171,500	93.023%
2007	662,646,600	395,293,800	41,810,400	1,634,800	67,965,810	1,169,351,410	9.87	1,282,755,200	91.159%

Source: City of Marshfield Assessor's Office and Finance Department.

Notes: Taxable property within the City is reassessed once every four years on average. The City is required under section 70.05(5)(d) Wis. stats. to maintain assessed values within 10% of equalized (full) value. Estimated actual taxable (full) value is calculated by dividing taxable assessed value by those percentages. Tax rates are per \$1,000 of assessed value.

**CITY OF MARSHFIELD, WISCONSIN**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
 Last Ten Fiscal Years  
*(rate per \$1,000 of assessed value)*

Fiscal Year	City Direct Tax Rate	Overlapping Rates							
		Wood County	Marshfield School District - Wood	Mid-State Technical College - Wood	State of Wisconsin - Wood	Marathon County	Marshfield School District - Marathon	Mid-State Technical College - Marathon	State of Wisconsin - Marathon
1998	\$ 10.72	\$ 5.57	\$ 8.89	\$ 1.60	\$ 0.20	\$ 5.30	\$ 8.53	\$ 1.54	\$ 0.19
1999	10.98	5.65	8.38	1.59	0.20	5.57	8.33	1.58	0.20
2000	11.29	5.82	8.20	1.67	0.21	5.28	7.46	1.52	0.19
2001	11.15	6.13	8.47	1.77	0.22	6.32	8.95	1.87	0.23
2002	11.13	6.45	8.94	1.85	0.23	5.62	7.98	1.65	0.20
2003	9.25	4.61	7.81	1.56	0.19	5.10	7.71	1.54	0.19
2004	9.73	4.85	7.20	1.59	0.20	5.41	7.29	1.61	0.20
2005	9.91	5.12	7.21	1.60	0.19	5.39	7.16	1.59	0.19
2006	9.91	5.18	7.78	1.62	0.19	5.25	7.54	1.57	0.18
2007	9.87	5.26	7.46	1.62	0.19	5.31	7.28	1.58	0.18

Source: City of Marshfield Assessor's Office and Finance Department.

Notes: Overlapping rates presented are those applied to taxable property within the City of Marshfield based on the County the property is located in. The majority of the City is located in Wood County.



**CITY OF MARSHFIELD, WISCONSIN**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
 Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1998	\$ 7,654,578	\$ 7,640,490	99.8%	\$ 15,434	\$ 7,655,924	100.0%
1999	7,922,079	7,879,061	99.5%	44,813	7,923,874	100.0%
2000	8,684,452	8,658,138	99.7%	31,416	8,689,554	100.1%
2001	8,875,473	8,835,859	99.6%	34,266	8,870,125	99.9%
2002	9,166,634	9,108,186	99.4%	33,476	9,141,662	99.7%
2003	9,432,927	9,379,880	99.4%	64,321	9,444,201	100.1%
2004	11,201,144	11,143,098	99.5%	52,966	11,196,064	100.0%
2005	11,766,379	11,746,602	99.8%	38,783	11,785,385	100.2%
2006	11,946,878	11,926,714	99.8%	19,369	11,946,083	100.0%
2007	12,069,068	12,036,907	99.7%	24,904	12,061,811	99.9%

Source: City of Marshfield Finance Department.

Schedule 9  
City of Marshfield, Wisconsin  
Ratios of Net Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Governmental Activities			Net General Obligation Debt	Business-type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
			General Obligation Bonds	State Trust Fund Loans	Less Debt Service Fund		Mortgage Revenue Bonds	Capital Leases			
1998	19,984	\$ 1,829,708	\$ 12,708,678	\$ 1,822,623	\$ (104,363)	\$ 14,635,664	\$ 13,951,098	\$ -	\$ 28,586,762	1.56%	\$ 1,430
1999	19,969	1,953,285	15,134,296	2,066,232	(111,564)	17,312,092	22,910,394	-	40,222,486	2.06%	2,014
2000	19,900	1,994,589	17,167,787	1,894,163	207,949	18,854,001	27,706,498	-	46,560,499	2.33%	2,340
2001	18,887	2,087,594	18,786,134	2,061,342	42,338	20,805,138	26,288,824	-	47,093,962	2.26%	2,493
2002	18,908	2,129,890	20,959,323	2,244,491	1,408,179	21,795,635	26,256,098	-	48,051,733	2.26%	2,541
2003	18,861	2,221,528	23,347,345	2,812,889	1,406,548	24,753,686	26,295,117	169,402	51,218,205	2.31%	2,716
2004	19,012	2,324,893	24,280,183	-	3,411	24,276,772	24,650,673	127,051	49,054,496	2.11%	2,580
2005	19,258	2,402,993	24,352,815	-	5,490	24,347,325	24,686,147	84,700	49,118,172	2.04%	2,551
2006	19,420	2,480,487	25,710,226	155,000	39,505	25,825,721	25,965,713	42,350	51,833,784	2.09%	2,669
2007	19,346	2,516,572	24,180,000	155,000	1,887,738	22,447,262	27,928,514	-	50,375,776	2.00%	2,604

**Notes:** Details regarding the city's outstanding debt can be found in the notes to the financial statements.

**Sources:** Personal Income information from Department of Commerce Bureau of Economic Analysis for Marshfield-WI Rapids, WI Micropolitan SA, web-site address:  
<http://www.bea.gov/regional/reis/drill.cfm>  
These ratios are calculated using personal income and population for the prior calendar year.

Schedule 10  
City of Marshfield, Wisconsin  
Ratios of Net General Obligation Bonded Debt Outstanding  
Last Ten Fiscal Years

Fiscal Year	Population	Assessed Value	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
			General Obligation Bonds	Less Debt Service Fund	Net General Bonded Debt		
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
2006	19,420	1,153,643,490	25,865,226	39,505	25,825,721	2.24%	1,330
2007	19,346	1,169,351,410	24,335,000	1,887,738	22,447,262	1.92%	1,160

**Notes:** Details regarding the city's outstanding debt can be found in the notes to the financial statements.

Schedule 11  
 City of Marshfield, Wisconsin  
 Direct and Overlapping Governmental Activities Debt  
 December 31, 2007

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
<b>Debt repaid with property taxes</b>			
Wood County	\$ 5,527,697	25.50%	\$ 1,409,563
Marathon County	4,568,285	1.10%	50,251
School District of Marshfield	24,060,648	66.20%	15,928,149
Mid-State Technical College	19,675,000	10.30%	<u>2,026,525</u>
Subtotal, overlapping debt			19,414,488
<b>City direct debt</b>			<u>22,447,262</u>
<b>Total direct and overlapping debt</b>			<u><u>\$ 41,861,750</u></u>

Schedule 12  
City of Marshfield, Wisconsin  
Legal Debt Margin Information,  
Last Ten Fiscal Years

Equalized value	\$1,282,755,200
Debt limit (5% of equalized value)	64,137,760
Debt applicable to limitation:	
General obligation debt	24,335,000
Less: Amount set aside for repayment of general obligation debt	<u>(1,887,738)</u>
Total net debt applicable to limit	<u>22,447,262</u>
Legal debt margin	<u>\$ 41,690,498</u>

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Debt limit	\$34,718,380	\$35,424,380	\$38,767,435	\$39,190,375	\$45,205,725	\$47,493,350	\$56,670,395	\$ 58,990,960	\$ 62,008,575	\$ 64,137,760
Total net debt margin	<u>14,635,666</u>	<u>17,312,092</u>	<u>18,854,001</u>	<u>20,636,957</u>	<u>21,795,635</u>	<u>24,753,686</u>	<u>24,276,772</u>	<u>24,347,325</u>	<u>25,825,721</u>	<u>22,447,262</u>
Legal debt margin	<u>\$20,082,714</u>	<u>\$18,112,288</u>	<u>\$19,913,434</u>	<u>\$18,553,418</u>	<u>\$23,410,090</u>	<u>\$22,739,664</u>	<u>\$32,393,623</u>	<u>\$ 34,643,635</u>	<u>\$ 36,182,854</u>	<u>\$ 41,690,498</u>
Total net debt applicable to the limit as a percentage of debt limit	42.16%	48.87%	48.63%	52.66%	48.21%	52.12%	42.84%	41.27%	41.65%	35.00%

Note:

Schedule 13  
City of Marshfield, Wisconsin  
Pledged-Revenue Coverage,  
Last Ten Fiscal Years

Fiscal Year	<b>Utility Revenue Bonds</b>						Coverage
	Utility Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	<b>Debt Service</b>			
				Principal	Interest		
1998	\$ 19,737,560	\$ 14,530,518	\$ 5,207,042	\$ 3,770,000	\$ 627,051	1.18	
1999	20,189,216	15,323,918	4,865,298	1,053,556	464,759	3.20	
2000	22,106,025	16,681,698	5,424,327	575,530	645,327	4.44	
2001	23,562,489	17,098,854	6,463,635	1,221,805	904,176	3.04	
2002	23,535,764	16,901,842	6,633,922	1,442,490	841,355	2.90	
2003	25,401,785	18,879,185	6,522,600	1,467,434	845,664	2.82	
2004	27,179,689	20,081,297	7,098,392	1,644,445	814,549	2.89	
2005	32,171,818	25,441,179	6,730,639	1,704,524	798,304	2.69	
2006	32,675,589	24,819,872	7,855,717	1,840,434	783,260	2.99	
2007	37,348,078	29,812,581	7,535,497	1,947,198	852,830	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.

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

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

Schedule 14  
 City of Marshfield, Wisconsin  
 Demographic and Economic Statistics,  
 Last Ten Calendar Years

Calendar Year	Population	Personal Income	Per Capita Personal Income	School Enrollment	Unemployment Rate
1998	19,984	\$ 1,829,708	24,252	4,253	3.8%
1999	19,969	1,953,285	25,833	4,142	3.1%
2000	19,900	1,994,589	26,401	4,084	3.3%
2001	18,887	2,087,594	27,621	4,110	3.6%
2002	18,908	2,129,890	28,210	4,038	4.3%
2003	18,861	2,221,528	29,483	4,060	5.3%
2004	19,012	2,324,893	30,908	3,955	5.0%
2005	19,258	2,402,993	31,961	4,086	5.0%
2006	19,420	2,480,487	33,051	4,061	4.8%
2007	19,346	2,516,572	33,950	4,053	4.9%

**Sources:** Personal Income & Per Capita Personal Income from Department of Commerce Bureau of Economic Analysis for Marshfield - WI Rapids, WI Micropolitan SA, web-site address: <http://www.bea.gov/regional/reis/drill.cfm>.

**CITY OF MARSHFIELD, WISCONSIN**  
**PRINCIPAL EMPLOYERS**  
 Current Year and Nine Years Ago

	2008			1999		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
<b>Employer</b>						
Marshfield Clinic	3,609	1	20.27%	2,575	1	22.31%
Saint Joseph's Hospital	2,173	2	12.21%	1,904	2	16.50%
Roehl Transport, Inc.	2,062	3	11.58%	1,284	3	11.12%
Marshfield Door Systems	710	4	3.99%	744	4	6.45%
Wick Building Systems	450	5	2.53%	705	5	6.11%
<b>Total</b>	<b>9,004</b>		<b>50.58%</b>	<b>7,212</b>		<b>62.48%</b>

**Source:** Marshfield Area Chamber of Commerce and Industry

**CITY OF MARSHFIELD, WISCONSIN**  
**FULL TIME-EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION / PROGRAM**  
 Last Ten Fiscal Years

Function / Program	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>General Government</b>										
Mayor	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
Administrator	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Assessor	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Clerk	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Finance / Treasurer	7.80	7.80	7.80	7.60	6.60	6.60	6.30	5.30	5.30	5.30
Information Systems	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Municipal Court	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
<b>Public Safety</b>										
Police	52.00	52.00	52.00	53.00	53.00	53.00	53.00	53.00	53.00	45.00
Fire and Rescue	34.00	34.00	34.00	34.00	28.00	27.30	27.30	27.30	27.30	27.30
Emergency Medical Services	0.00	0.00	0.00	0.00	7.00	7.70	7.70	7.70	7.70	7.70
Building Services and Inspection	6.00	6.00	6.00	7.00	7.00	6.00	6.00	6.00	6.00	6.00
<b>Public Works</b>										
Public Works Administration	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Engineering	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Street Services	35.00	35.00	35.00	35.00	35.00	35.00	35.00	34.00	34.00	34.00
Wastewater Utility	12.50	12.50	12.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50
<b>Health and Human Services</b>										
Cemetery	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
<b>Culture, Recreation and Education</b>										
Library	16.49	16.49	16.49	19.00	20.33	19.30	19.23	19.48	19.48	19.48
Parks and Recreation	11.00	11.00	11.00	11.00	11.00	12.00	11.00	11.00	11.00	11.00
<b>Conservation and Development</b>										
Planning and Economic Development	0.00	1.00	1.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00
<b>Total</b>	<b>198.74</b>	<b>199.74</b>	<b>199.74</b>	<b>203.05</b>	<b>204.38</b>	<b>204.35</b>	<b>202.98</b>	<b>201.23</b>	<b>201.23</b>	<b>193.23</b>

Source: City Administrator's Office.

**CITY OF MARSHFIELD, WISCONSIN**  
**OPERATING INDICATORS BY FUNCTION / PROGRAM**  
 Last Ten Fiscal Years

<u>Function / Program</u>	<u>Fiscal Year</u>									
	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General Government										
Building Services and Inspection										
Permits issued	1,051	1,098	1,039	1,138	1,284	1,259	1,193	1,077	1,119	1,004
Finance										
Pet licences issued	1,638	1,718	1,611	1,769	1,607	1,758	1,769	1,744	1,598	1,618
W-2 employees	554	544	565	546	544	541	554	537	483	446
Public Safety										
Police										
Number of Arrests / Citations / Warnings	3,614	3,610	3,746	3,546	3,548	9,394	8,195	7,619	8,749	7,436
Fire and Rescue										
Number of call responses	409	606	629	336	311	289	212	254	199	214
Number of inspections conducted	2,067	2,005	2,139	2,106	2,156	2,183	2,186	2,331	2,355	2,536
Emergency Medical Services										
Number of trips	1,890	1,842	1,997	1,951	2,071	2,003	2,045	2,202	2,282	2,454
Public Works										
Wastewater Utility										
Monthly Average Service Connections	7,313	7,313	7,400	7,400	7,631	7,631	7,631	7,781	8,015	8,112
Daily Average Treatment in Gallons	3,290,000	3,290,000	2,600,000	2,600,000	3,600,000	3,300,000	3,300,000	2,700,000	2,570,000	2,966,000
Water Utility										
Service Connections	7,184	7,184	7,184	7,392	7,429	7,433	7,433	7,599	7,662	7,695
Daily Average Consumption in Gallons	2,232,000	2,232,000	2,232,000	1,937,315	1,918,443	1,918,443	1,865,923	1,904,019	1,867,000	1,847,000

**CITY OF MARSHFIELD, WISCONSIN**  
**CAPITAL ASSET STATISTICS BY FUNCTION / PROGRAM**  
 Last Ten Fiscal Years

Function / Program	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Public Safety</b>										
Police										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Number of enforcement units	15	15	15	16	16	16	16	16	16	16
Fire and Rescue										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Emergency Medical Services										
Number of Ambulances	4	4	4	4	4	4	4	4	4	4
<b>Public Works</b>										
Street Services										
Miles of Streets	120	120	120	133	133	135	135	138	138	138
Number of Street Lights	1,294	1,294	1,294	1,266	1,282	1,340	1,408	1,874	1,985	1,989
Miles of Storms Sewers	58	58	60	60	65	69	69	74	75	75
Wastewater Utility										
Miles of Sanitary Sewer	125	125	130	130	130	130	130	133	133	133
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Maximum daily capacity of treatment plant in gallons	11,000,000	11,000,000	28,000,000	28,000,000	28,000,000	28,000,000	28,000,000	28,000,000	28,000,000	28,000,000
Water Utility										
Miles of Water Mains	129	129	129	133	133	133	133	136	141	141
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Number of fire hydrants	723	723	723	797	806	823	842	844	892	892
Maximum daily capacity of plant in gallons	4,800,000	4,800,000	4,800,000	4,800,000	4,800,000	4,800,000	4,800,000	4,800,000	4,800,000	4,800,000
<b>Culture, Recreation and Education</b>										
Parks and Recreation										
Community Centers	1	1	1	1	1	1	1	2	2	2
Parks	18	18	18	18	18	19	19	17	18	18
Park acreage	323	323	323	323	350	380	380	256	288	288
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Tennis/raquetball courts										
outdoor lighted	10	10	10	18	18	18	18	18	18	18
indoor tennis	1	1	1	1	1	1	1	1	1	1
racquetball	1	1	1	1	1	1	1	1	1	1
Zoos	1	1	1	1	1	1	1	1	1	1