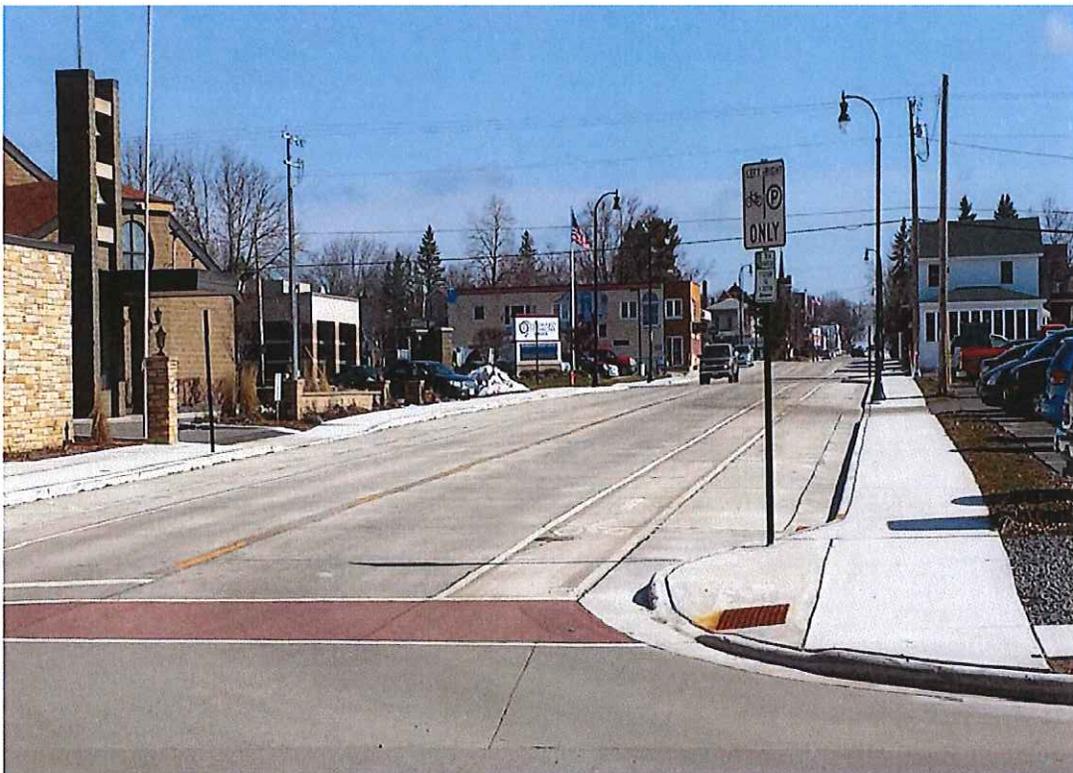


City of Marshfield, Wisconsin

Comprehensive Annual Financial Report



**Including Auditors' Report
for the fiscal year ended
December 31, 2013**

**CITY OF MARSHFIELD, WISCONSIN
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2013**

Prepared by:
Finance Department
Keith R. Strey, CPA
Finance Director
Brenda J. Hanson, CMTW
Assistant Finance Director

ON THE COVER: CHESTNUT AVENUE – 1ST TO 7TH & SIDE STREET RECONSTRUCTION

Reconstruction of Chestnut Avenue – 1st to 7th & Side Streets was completed during 2013 as part of the TID #4 Downtown Improvement Fund project plans. Work included concrete pavement with curb & gutter, underground utilities and sidewalk. These projects also provided the opportunity to extend some of the aesthetic enhancements on Central Avenue down the side streets and onto Chestnut Avenue. Enhancements include pedestrian bump outs, colored crosswalks, on-street striped bike lane and decorative street lighting.

CITY OF MARSHFIELD, WISCONSIN
December 31, 2013

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December 31, 2013

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April 18, 2014

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, 2013, 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 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 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.

Schenck SC, 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, 2013 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, 2013, 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.

With an estimated 2013 population of 19,047, the city has seen a slight decline in population and steady 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. In 2008, Marshfield was ranked 20th best "dreamtown" in the nation by Bizjournals.com. The city was rated as the fifth-best place to live and raise a family in October 2010 according to Forbes Magazine for communities under 100,000 population.

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. Under an organizational plan approved in 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. The City Administrator is responsible for certain departments including Finance, Technology, Public Works, Parks/Recreation, Planning/Economic Development and Cemetery. The city provides a full range of services including police / fire protection; sanitation services; construction / maintenance of highways, streets and other infrastructure; planning / economic development; 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 city employs 191 full-time equivalent employees. The police department has 40 officers and 7 staff employees. The Marshfield Fire and Rescue Department that employs 37 firefighters and one staff employee provide fire protection. Community investments in related infrastructure, facilities, equipment and personnel resulted in the City of Marshfield ISO insurance rating improving from class 4 to class 3 in 2012.

The City Administrator annually prepares and presents an executive budget recommendation to the Mayor and Common Council. All departments of the City of Marshfield are required to submit budget requests for the following fiscal year to the Finance Department by August 1st. 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 end of August. The first full week of September, the City Administrator and Finance Director review all budget requests and hold a meeting with Department heads later in the month to discuss the overall budget in comparison with Common Council goals to identify options for changes to consider. The City Administrator then prepares and presents a recommended budget to the Common Council the first half of October.

A minimum of three special budget work sessions of the Common Council are scheduled 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 area economy is diversified as demonstrated in the list of Principal Employers included in the Statistical Section Schedule 15.

Marshfield Clinic, founded in 1916, is Wisconsin's most comprehensive health care system with more than 750 physician specialists representing almost 90 medical specialties, serving patients in Marshfield and more than 50 locations in 37 communities in Wisconsin. Marshfield Clinic system employs nearly 7,900. There were over 3.7 million patient encounters in 2012.

Ministry 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 a Level II verified Pediatric and Adult trauma center in the region. It provides health care, including all major medical and surgical specialties and subspecialties, to a service area including Wisconsin and Upper Michigan. It joins only three other hospitals in the state with the recognition of a "children's hospital" as designated by the National Association of Children's Hospitals and Related Institutions. The hospital was also certified as a Primary Stroke Center for pediatric, adolescent and adult patients.

Marshfield Clinic Research Foundation (MCRF), is the Research Division of Marshfield clinic that was founded in 1959. It has grown into the largest private medical research foundation in the state and among the largest in the nation with a staff of 190, including 34 PhD and MD scientists. Approximately 400 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 Labs is one of the largest full-service private practice medical laboratory systems in the nation with approximately 25 million test results reported annually. Marshfield Labs has established separate service lines for forensic toxicology, food safety and veterinary medicine with clients across the nation.

Security Health Plan is a medically driven not-for-profit health maintenance organization sponsored by Marshfield Clinic. Founded in 1971 as the Greater Marshfield Community Health Plan, the Plan became Security Health Plan in 1986. With 400 employees, it serves more than 200,000 residents in 36 Wisconsin counties. Security Health Plan is accredited by the National Committee for Quality Assurance and insures employees of large and small businesses, individuals and families and administers self-funded employer health plans.

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. The city has 2 top transportation carriers with employment of over 2,800. Marshfield is also 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.

Marshfield is also home to the University of Wisconsin (UW) Agricultural Research Station's Institute for Environmentally Integrated Dairy Management. This is a significant partnership between USDA Agricultural Research Service/US Dairy Forage Research Center, USDA Natural Resources Conservation Service, UW/Madison College of Agricultural and Life Sciences and National Farm Medicine Center/Marshfield Clinic Research Foundation.

Overall, the Marshfield-Wood County area economy experienced limited improvement over the past twelve months. The Wood County unemployment rate decreased from 7.2% for 2012 to 7.0% for 2013, lower than the nation at 7.4% and higher than the state at 6.7%. Total Wood County employment contracted in 2013 with a decrease in employment by 47 in comparison with 2012.

Marshfield's businesses continued growth in 2013 with the addition of 3 new buildings valued at \$1,570,000. Additionally, 122 businesses remodeled and/or expanded existing facilities valued at \$16,018,179. The city experienced a decreased level of residential housing starts in 2013 of 11 valued at \$2,213,700 compared to 14 in 2012.

The city is positioned to experience increased development as a result of:

- Completion of the four-lane Veteran's Parkway / State Highway 13 through the City in 2003
- Completion of infrastructure construction in Mill Creek Business Park in 2003
- Improvements completed to State Highway 13 on the north end of the city in 2005
- Development of Yellowstone Industrial Park in 2009 and completion of significant infrastructure improvements in 2012
- Reconstruction of Central Avenue in 2009 through the core of downtown
- Construction of a 55MW natural gas fired combustion turbine generator completed in 2011
- Expansion of U.S. Highway 10 to four-lanes from Stevens Point to Marshfield completed in late 2012

Long-term Financial Planning: 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. This plan is updated annually as the first step of the annual budget development process. Annually during the CIP development process, a review of the City's debt status and TIF projections is also completed. The annual budget serves as the foundation for the City of Marshfield's financial planning and control which includes 5-years of historical data and projections.

Retirement Program: 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). Additional details regarding this are presented in Note 9 – Defined Benefit Pension Plans in the Notes to Financial Statements.

Debt Administration: During the year, the city had the following debt issues:

- \$3,105,000 general obligation promissory notes to fund various infrastructure projects and refinance certain existing debt
- \$3,030,000 general obligation community development bonds to finance infrastructure projects within TID #4
- \$688,650 state trust fund loan to finance various economic development projects

The city had continually maintained a "Aa3" rating from Moody's Investors Service on general obligation debt issues and an "A2" rating from Moody's Investors Service on its mortgage revenue bond issues until 2010. As a result of Moody's Investors Service recalibration of U.S. Public Finance Ratings in April 2010, they upgraded the ratings for general obligation debt to Aa2, sewer and water revenue bonds to Aa3 and electric revenue bonds to Aa2. These rating upgrades reflect the city's financial strength in a combined public/private global rating system.

Under Wisconsin statutes, general obligation debt is subject to a legal limitation based on 5% of total equalized value. As of December 31, 2013, the city's net general obligation debt of \$34,612,196 was below the legal limit of \$67,961,765. Net bonded debt per capita equaled \$1,817. The city adheres to an aggressive repayment policy with approximately 82.8% of principal retired in 10 years.

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 city's investment policy places an emphasis on safety, liquidity and 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.

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, 2012. This was the nineteenth 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 departments and all others who assisted or contributed to the preparation of this report. Also, I would like to thank our independent auditors, Schenck SC 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

Keith R. Strey, CPA
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

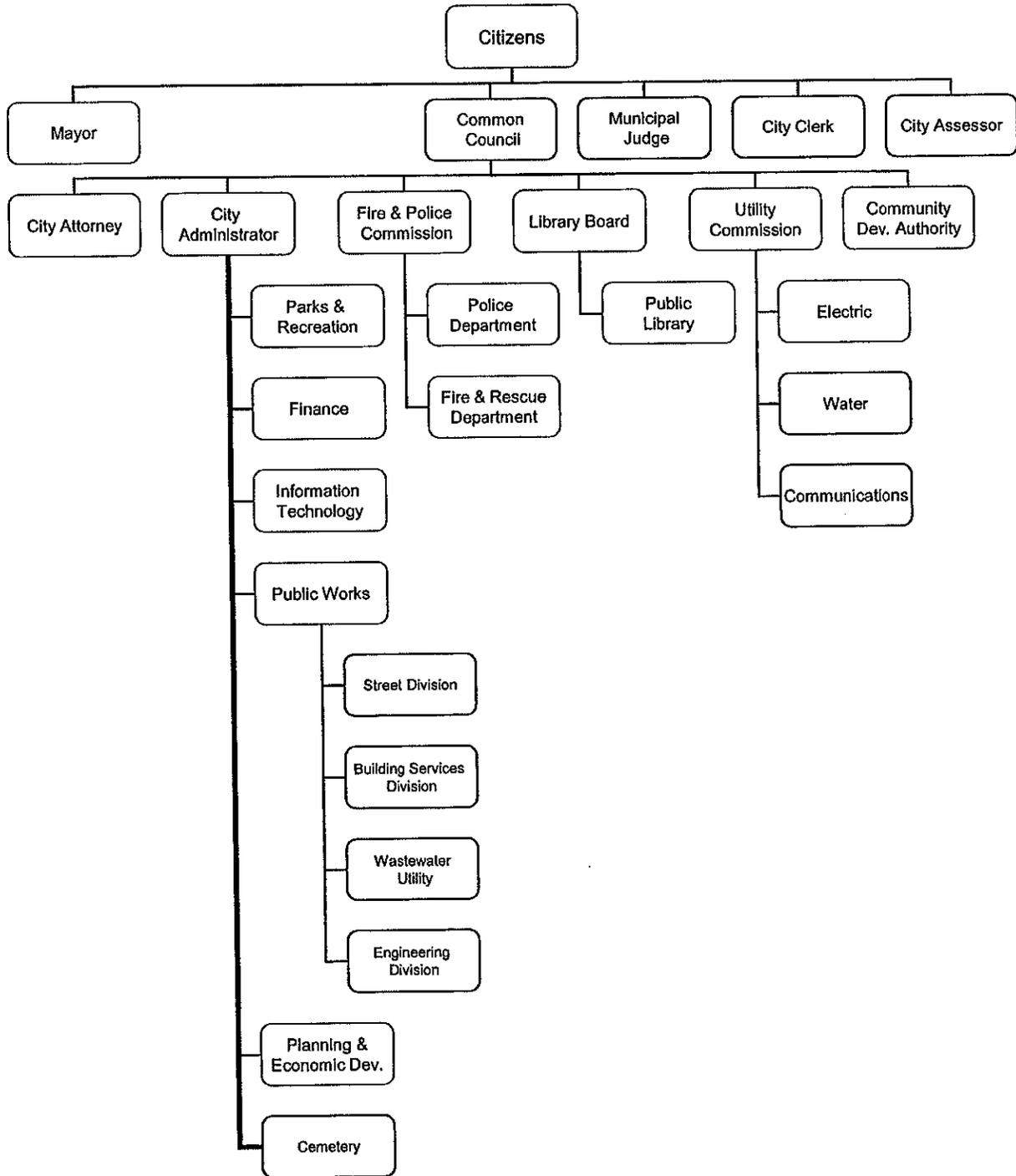
**City of Marshfield
Wisconsin**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO

CITY OF MARSHFIELD ORGANIZATION CHART



CITY OF MARSHFIELD, WISCONSIN
List of Principal Officials – 2013

ELECTED

Mayor.....Chris Meyer
Common Council President.....Michael Feirer
City Clerk.....Deb Hall
City Assessor.....Joan Spencer
Municipal Judge.....John Adam Kruse

District Alderperson:

FirstMichael Feirer
SecondAlanna Feddick-Goodwin
ThirdRobert Workinger
FourthGordon Earll
FifthEd Wagner
SixthRussell Stauber
SeventhGary Cummings
EighthJohn Spiros
NinthTom Buttke
TenthPeter Hendler

APPOINTED

Administrator.....Steve Barg
City Attorney.....Harold Wolfram
Finance Director.....Keith Strey
Assistant Finance Director.....Brenda Hanson
Human Resources Manager.....Lara Baehr
Director of Technology.....Eng Ng
Police Chief.....Gary Jepsen
Fire Chief.....Robert Haight III
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.....Jason Angell

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INDEPENDENT AUDITORS' REPORT

To the City Council
City of Marshfield, Wisconsin

Report on the Financial Statements

We have audited the accompanying 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 ("the City") as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note D.8, the City issued \$4,010,000 General Obligation Notes on April 1, 2014. This issue will provide financing for various capital projects and refinancing of \$630,000 of the 12/1/2006 General Obligation Notes.

The City also approved the dissolution of Tax Incremental Financing District #3 and Tax Incremental Financing District #6 with an effective date of February 25, 2014.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of funding progress and the schedule of employer contributions on pages 13 through 22 and 62 through 63 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The financial information listed in the table of contents as supplementary information, and the other information, such as the introductory and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

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 do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 18, 2014, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Certified Public Accountants
Wausau, Wisconsin
April 18, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

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CITY OF MARSHFIELD, WISCONSIN

Management's Discussion and Analysis

As management of the City of Marshfield, Wisconsin, we offer readers of the City's basic financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2013.

Financial Highlights

- The City's assets exceeded its liabilities and deferred inflows of resources as of December 31, 2013 by \$161,578,574 (net position). Total net position includes all infrastructure of the government unit.
- The City's total net position increased by \$5,330,789 primarily due to Business Type Activities operations increasing their total net position.
- As of December 31, 2013, the City's governmental funds reported combined ending fund balances of \$6,220,424, a decrease of \$377,099 in comparison with the prior year. The decrease was due primarily to planned use of fund balance to complete capital projects.
- As of December 31, 2013, unassigned fund balance for the general fund was \$5,730,142 or approximately 28% of total general fund expenditures. The general fund balance decreased \$429,000 during 2013.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, health and human services, culture and recreation, and conservation and development. The business-type activities of the City include the City's electric, water, communications, and wastewater utilities and the emergency medical services operations.

The government-wide financial statements can be found on pages 23 - 25 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

It is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 24 individual governmental funds. 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 debt service fund, which are considered to be major funds. Data from the other 22 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 adopts an annual appropriated budget for its general, special revenue, debt service and capital project funds. As part of the basic governmental fund financial statements, budgetary comparison statements have been provided for the general fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 26 - 30 of this report.

Proprietary funds. The City maintains different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its electric, water, communications, and wastewater utilities and the emergency medical services operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses an internal service fund to account for its machinery and equipment. Because these services predominantly benefit government 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 the electric, water, communications, and wastewater utility operations which are considered to be major funds of the City and separate information on the emergency medical services operation. The internal service fund is presented in the proprietary fund financial statements as a single column.

The basic proprietary fund financial statements can be found on pages 31 - 34 of this report.

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 statements because the resources of those funds are not available to support the City's own program. The accounting used for the fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on page 35 of this report.

Notes to the basic 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. The notes to the basic financial statements can be found on pages 36 - 61 of this report.

Other information. Detailed budgetary comparison of the City's general fund is reported as supplemental information. Budgetary comparison of other funds adopting a budget follows the combining statements referred to earlier in connection with nonmajor governmental funds presented immediately following required supplementary information.

Government-wide Financial Analysis

Net position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities and deferred inflows of resources by \$161,578,574 at the close of 2013.

| City of Marshfield, Wisconsin's Net Position | | | | | | |
|--|-------------------------|----------------------|--------------------------|----------------------|-----------------------|-----------------------|
| | Governmental Activities | | Business-type Activities | | Totals | |
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| Current and other assets | \$ 22,076,208 | \$ 22,211,131 | \$ 30,661,937 | \$ 28,151,906 | \$ 52,738,145 | \$ 50,363,037 |
| Capital assets | 88,691,159 | 84,606,690 | 121,015,105 | 121,674,968 | 209,706,264 | 206,281,658 |
| Total Assets | 110,767,367 | 106,817,821 | 151,677,042 | 149,826,874 | 262,444,409 | 256,644,695 |
| Long-term liabilities outstanding | 32,187,382 | 29,569,500 | 50,060,032 | 50,010,269 | 82,247,414 | 79,579,769 |
| Other liabilities | 1,342,963 | 1,040,614 | 3,656,437 | 5,515,728 | 4,999,400 | 6,556,342 |
| Total Liabilities | 33,530,345 | 30,610,114 | 53,716,469 | 55,525,997 | 87,246,814 | 86,136,111 |
| Deferred inflows of resources | 13,619,021 | 13,766,536 | - | - | 13,619,021 | 13,766,536 |
| Net Position | | | | | | |
| Net investment in capital assets | 58,108,935 | 55,081,370 | 74,831,228 | 73,537,922 | 132,940,163 | 128,619,292 |
| Restricted | 1,995,950 | 2,252,707 | 3,057,215 | 8,011,411 | 5,053,165 | 10,264,118 |
| Unrestricted | 3,513,116 | 5,107,094 | 20,072,130 | 12,751,544 | 23,585,246 | 17,858,638 |
| Total Net Position | \$ 63,618,001 | \$ 62,441,171 | \$ 97,960,573 | \$ 94,300,877 | \$ 161,578,574 | \$ 156,742,048 |

By far the largest portion of the City's net position reflects its net investment in capital assets (e.g. land, buildings, machinery and equipment, infrastructure, etc.) used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although, the City's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used.

Change in net position. Governmental activities increased the City's net position by \$1,176,830 and the business-type activities increased net position by \$4,153,959. A summary of the City's change in net position follows:

| City of Marshfield, Wisconsin's Change in Net Position | | | | | | |
|--|-------------------------|----------------------|--------------------------|----------------------|-----------------------|-----------------------|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | \$ 1,951,981 | \$ 1,694,019 | \$ 42,931,083 | \$ 41,141,725 | \$ 44,883,064 | \$ 42,835,744 |
| Operating grants and contributions | 2,746,492 | 2,503,681 | 50,697 | - | 2,797,189 | 2,503,681 |
| Capital grants and contributions | 278,066 | - | 256,037 | 1,108,913 | 534,103 | 1,108,913 |
| General revenues: | | | | | | |
| Taxes | 13,755,830 | 13,493,543 | - | - | 13,755,830 | 13,493,543 |
| Grants and contributions not restricted to specific programs | 5,260,401 | 5,231,561 | - | - | 5,260,401 | 5,231,561 |
| Other | 424,007 | 1,201,093 | 996,786 | 699,072 | 1,420,793 | 1,900,165 |
| Total revenues | 24,416,777 | 24,123,897 | 44,234,603 | 42,949,710 | 68,651,380 | 67,073,607 |
| Expenses: | | | | | | |
| General government | 3,381,375 | 2,684,149 | - | - | 3,381,375 | 2,684,149 |
| Public safety | 8,475,418 | 8,329,869 | - | - | 8,475,418 | 8,329,869 |
| Public works | 7,472,309 | 6,899,118 | - | - | 7,472,309 | 6,899,118 |
| Health and human services | 319,519 | 493,887 | - | - | 319,519 | 493,887 |
| Culture and recreation | 3,536,597 | 3,767,000 | - | - | 3,536,597 | 3,767,000 |
| Conservation and development | 1,318,383 | 1,209,269 | - | - | 1,318,383 | 1,209,269 |
| Interest on long-term debt | 846,986 | 985,986 | - | - | 846,986 | 985,986 |
| Electric utility | - | - | 30,002,392 | 27,514,913 | 30,002,392 | 27,514,913 |
| Water utility | - | - | 2,925,812 | 2,945,857 | 2,925,812 | 2,945,857 |
| Communications | - | - | 70,902 | 53,733 | 70,902 | 53,733 |
| Wastewater | - | - | 3,745,452 | 3,660,710 | 3,745,452 | 3,660,710 |
| EMS | - | - | 1,225,446 | 1,212,512 | 1,225,446 | 1,212,512 |
| Total Expenses | 25,350,587 | 24,369,278 | 37,970,004 | 35,387,725 | 63,320,591 | 59,757,003 |
| Changes in net position before transfers | (933,810) | (245,381) | 6,264,599 | 7,561,985 | 5,330,789 | 7,316,604 |
| Transfers | 2,110,640 | 2,053,326 | (2,110,640) | (2,053,326) | - | - |
| Change in net position | 1,176,830 | 1,807,945 | 4,153,959 | 5,508,659 | 5,330,789 | 7,316,604 |
| Net position - January 1 | 62,441,171 | 60,633,226 | 94,300,877 | 88,792,218 | 156,742,048 | 149,425,444 |
| Cumulative effect of change in accounting principle | | | | | | |
| | - | - | (494,263) | - | (494,263) | - |
| Net position - December 31 | \$ 63,618,001 | \$ 62,441,171 | \$ 97,960,573 | \$ 94,300,877 | \$ 161,578,574 | \$ 156,742,048 |

A summary of key changes follows:

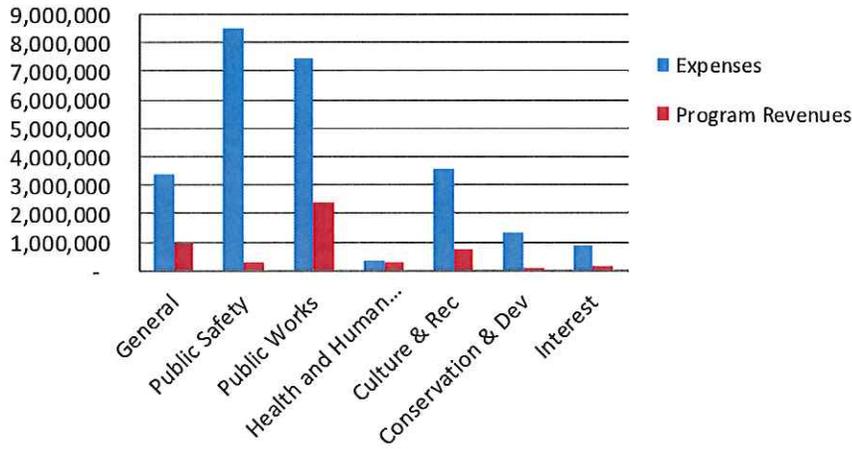
Governmental Activities:

- Change in net position remained relatively similar from 2012 to 2013.

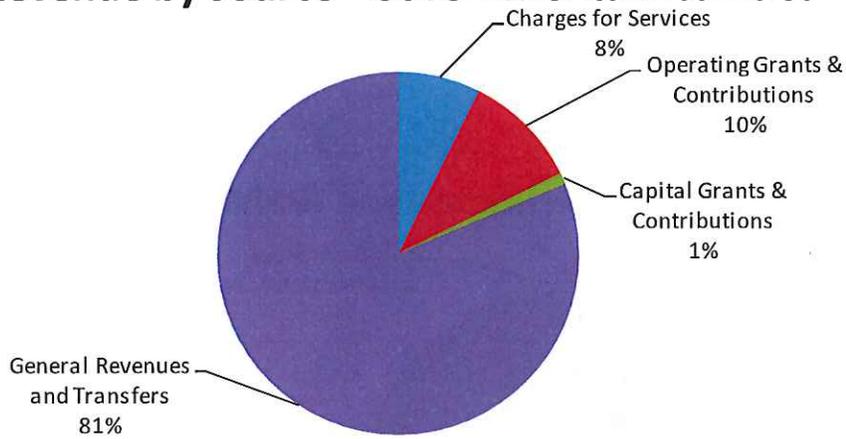
Business-type Activities:

- The increase in net position from 2012 to 2013 was primarily due to net results of normal operations for the year.

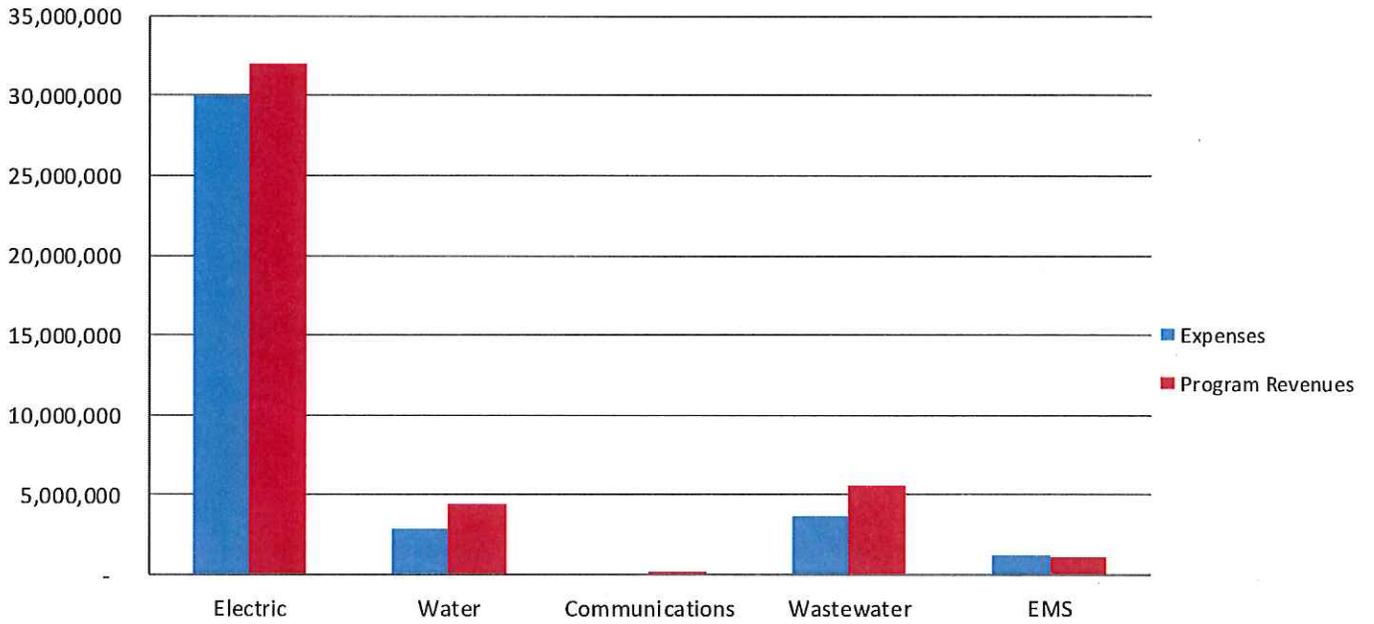
Expenditures and Program Revenues - Governmental Activities



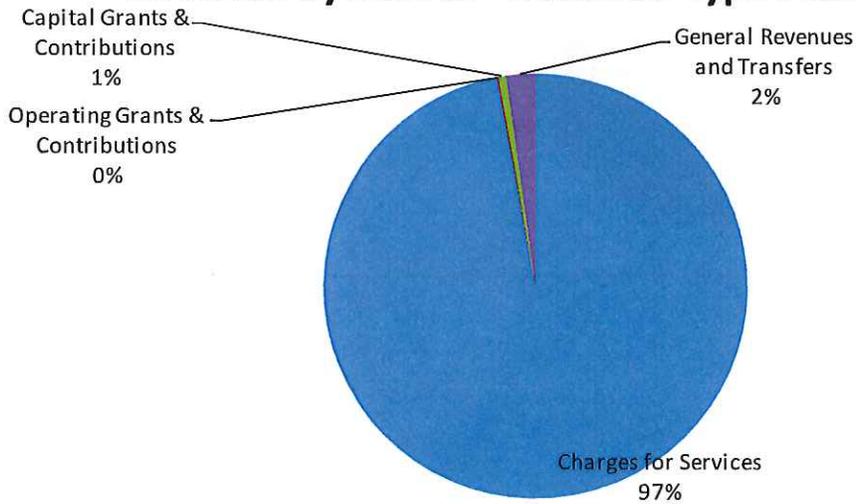
Revenue by Source - Governmental Activities



Expenses and Program Revenues - Business-type Activities



Revenue by Source - Business-type Activities



Financial Analysis of the City's Funds

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

Governmental funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

As of December 31, 2013, the City's governmental funds reported combined ending fund balances of \$6,220,424, a decrease of \$377,099 in comparison with the prior year. The change was due primarily to planned use of fund balance per the City's fund balance policy.

The general fund is the chief operating fund of the City. At the end of the current year, unassigned fund balance of the general fund was \$5,730,142 while total fund balance was \$6,082,122. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 28% of total general fund expenditures, while total fund balance represents 31% of that same amount.

The fund balance of the City's general fund decreased by \$429,000 during the current year while the original budget adopted by the City applied \$1,171,851 of fund balance to balance the budget.

The debt service fund is used to retire long-term debt related to governmental activities and annually levies sufficient taxes to retire all obligations. The ending fund balance was \$392,002, an increase of \$75,867 from the prior year.

Proprietary funds. The City's proprietary funds provide the same type of information found in the City's government-wide financial statements, but in more detail.

Total net position of the City's electric, water, and communications utility (Marshfield Utilities) at the end of the year amounted to \$67,912,264 with \$49,119,083 net investment in capital assets, \$1,793,573 restricted for debt retirement and \$16,999,608 as unrestricted. The fund experienced an increase in net position of \$1,778,201.

Total net position of the City's wastewater utility at the end of the year amounted to \$29,371,517 with \$25,194,932 net investment in capital assets, \$1,263,642 restricted for debt retirement, and \$2,912,943 as unrestricted. The fund experienced a growth in net position of \$1,934,169.

Total net position of the City's Emergency Medical Services fund at the end of the year amounted to \$555,904 with \$517,214 net investment in capital assets and \$38,690 as unrestricted. The fund experienced a decrease in net position of \$63,450.

The City's internal service fund reported net position of \$3,617,252 at the end of the year, an increase of \$234,412 over the prior year.

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

General Fund Budgetary Highlights

During the year, actual revenues were less than budgeted revenues by \$133,009. Actual expenditures were lower than budgeted expenditures by \$756,804.

Capital Asset and Debt Administration

Capital assets. The City's net investment in capital assets for its governmental and business-type activities as of December 31, 2013 amounts to \$209,706,264 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, vehicles, public domain infrastructure (highways and bridges), and construction in progress.

Major capital assets acquired or constructed during the year include:

Governmental Activities

- TID #4 street infrastructure projects totaling \$3,007,691
- 2013 street infrastructure projects totaling \$2,454,102
- Fire Engine/Quint purchase in the amount of \$573,122
- Building construction projects totaling \$383,390
- TID #9 street infrastructure projects totaling \$208,882

Business-Type Activities

- 2013 sewer utility infrastructure projects totaling \$662,992 including sewer lining
- Emergency Medical Services Ambulance purchase in the amount of \$154,050

| City of Marshfield, Wisconsin's Capital Assets | | | | | | |
|--|-------------------------|----------------------|--------------------------|-----------------------|-----------------------|-----------------------|
| | Governmental Activities | | Business-type Activities | | Totals | |
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| Land | \$ 9,325,562 | \$ 9,250,562 | \$ 3,189,404 | \$ 2,978,423 | \$ 12,514,966 | \$ 12,228,985 |
| Construction in progress | 669,265 | 531,635 | 1,153,861 | 1,997,867 | 1,823,126 | 2,529,502 |
| Buildings and improvements | 29,964,956 | 29,524,873 | 29,299,791 | 29,194,554 | 59,264,747 | 58,719,427 |
| Machinery and equipment | 17,773,517 | 17,109,987 | 10,005,496 | 9,698,423 | 27,779,013 | 26,808,410 |
| Infrastructure | 79,604,044 | 73,933,368 | 125,781,424 | 122,118,937 | 205,385,468 | 196,052,305 |
| Less: Accumulated depreciation | (48,646,185) | (45,743,735) | (48,414,871) | (44,313,236) | (97,061,056) | (90,056,971) |
| Total | \$ 88,691,159 | \$ 84,606,690 | \$ 121,015,105 | \$ 121,674,968 | \$ 209,706,264 | \$ 206,281,658 |

Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$78,306,648. Of this amount, \$35,004,198 comprises debt backed by the full faith and credit of the government and \$43,302,450 is backed by the revenues of the electric, water, and wastewater utilities.

| City of Marshfield, Wisconsin's Outstanding Debt | | | | | | |
|--|-------------------------|----------------------|--------------------------|----------------------|----------------------|----------------------|
| General Obligation Debt, Revenue Bonds and Bond Anticipation Notes | | | | | | |
| | Governmental Activities | | Business-type Activities | | Totals | |
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| General Obligation Debt | | | | | | |
| Bonds | \$ 12,228,284 | \$ 9,828,668 | \$ 2,326,716 | \$ 2,476,332 | \$ 14,555,000 | \$ 12,305,000 |
| Notes | 18,405,074 | 18,839,443 | 839,926 | 1,050,557 | 19,245,000 | 19,890,000 |
| State trust fund | 1,184,198 | 532,011 | 20,000 | - | 1,204,198 | 532,011 |
| Total General Obligation Debt | 31,817,556 | 29,200,122 | 3,186,642 | 3,526,889 | 35,004,198 | 32,727,011 |
| Revenue bonds | - | - | 35,970,000 | 37,400,000 | 35,970,000 | 37,400,000 |
| Clean water fund loan program | - | - | 7,332,450 | 8,724,517 | 7,332,450 | 8,724,517 |
| Note anticipation notes | | | | | | |
| Total | \$ 31,817,556 | \$ 29,200,122 | \$ 46,489,092 | \$ 49,651,406 | \$ 78,306,648 | \$ 78,851,528 |

The City's total debt decreased by \$544,880.

State statutes limit the amount of general obligation debt the City may issue to 5% of its total equalized valuation. The current debt limitation for the City is \$67,961,765, which is in excess of the City's \$35,004,198 in outstanding general obligation debt.

Economic Factors and Next Year's Budgets and Rates

- The State of WI first imposed tax levy limits impacting the City in 2006 through present that the State expanded as part of its' 2011-13 biennial budget to a tax levy freeze.
- The City of Marshfield participates in the State of WI Expenditure Restraint Program which has resulted in annual payments from the State in excess of \$400,000. For 2014, the State estimated payment is \$402,586.
- It is intended that the City of Marshfield will maintain a minimum unassigned fund balance of 25 to 30 percent of general fund budgeted expenditures per Common Council policy.
- The City's total WI Department of Revenue Equalized Value for 2013 decreased \$6,057,000 (0.004%) compared to 2012.
- Total Assessed Value for 2013 increased \$11,792,362 (0.009%) compared to 2012.
- For 2014 the City plans to issue \$3.2 million in general obligation debt for budgeted capital projects including street infrastructure.
- The City property tax rate for 2014 increased \$0.02 to \$8.98 per thousand, the first increase since 2005.

All of these factors were considered in preparing the City's budget for 2014.

During 2013, two businesses completed new building projects located in the City's Mill Creek Business Park, which is tax incremental district No. 5 ("TID No. 5"). Top Form, Inc. a countertop manufacturer moved into a new 30,000 square foot facility. PreventionGenetics, a DNA banking and testing company completed construction on a new 50,000 square foot facility. PreventionGenetics currently employs about 100 people, and nearly all employees have Bachelor's or advanced college degrees.

Other industrial businesses showing growth in 2013 were:

- Innovative Machine Specialists added 5,760 square feet to their facility in Norwood Industrial Park
- Nelson-Jameson added 20,280 square feet in the East Industrial park
- Stainless and Repair added 7,500 square feet to their building on 29th Street

Marshfield's newest full service hotel, Hotel Marshfield, celebrated completion of their total renovation in October 2013. This locally owned facility offers additional conference center space and extended stay options to further the opportunities available in this community.

Even with all of the unknowns surrounding the medical industry, our three primary industry representatives have all made sizable investments in their facilities in 2013. Marshfield Clinic is in the midst of a major remodeling project of their primary patient facility. This multi-million dollar project is focused on updating the facility while improving the patient experience. To continue the efforts to meet the needs in the insurance industry, Security Health Plan also invested in their operations with a large remodeling project to help meet their growth demands. Continuing to provide a high level of care has always been the focus of Ministry-St. Joseph's Hospital, which is exactly what their recent remodeling project will allow them to do while still planning for the future.

Additional projects completed during 2013 include:

- Two new bakeries opened their doors, one of them being the winner of MainStreet Marshfield's Baker's Battle: JJ's Bakery and 2 ½ Cupcakery and Bake Shop.
- Hub City Ice Cream Company completed the remodel of a 5,000 square foot building that previously had stood vacant for several years on the City's Southside.
- Wickersham Jewelry transformed a former restaurant building into a new store on Marshfield's Northside
- Circle the Date moved their bridal salon into a larger facility located in the City's downtown. The owners purchased a multi-tenant building in the core of downtown and have remodeled the entire building and restored the exterior as well.
- A new candy store, Kandy Girl finished its space in the City's downtown.
- Nelson-Jameson, an integrated supplier for the food industry since 1947, and headquartered in Marshfield, completed a 20,000 square foot warehouse addition. This expansion brings the company's total warehouse space in Marshfield to approximately 2.2 million cubic feet.

The City continues to offer a façade improvement program for downtown business owners. This 50/50 matching grant program assists business owners in making much needed improvements to restoring the character and historic value in the heart of the City. To date, the City and Main Street Marshfield have partnered to contribute over \$370,000 in matching grant funds to 36 different projects. In return, the City has seen over \$1,200,000 in improvements to downtown properties.

Over the course of the last several years, the City has been working with the “frac sand” industry in an effort to attract this industry to the City. Frac sand is utilized in fracking or hydraulic fracturing, a process that releases oil and natural gas from rock formations. During 2012, three frac sand processing plants were developed and commenced operations within the City’s corporate boundaries.

In addition to the planned in routine street infrastructure projects, the City completed reconstruction of Chestnut Avenue within TID #4. This project replaced existing street infrastructure and added various enhancements as part of the TID project plan.

Marshfield Utilities began replacing all of its water meters with an automatic meter reading system. In 2014, the Utility will begin replacing all of its electric meters with an automated meter reading system. This is a substantial undertaking as there are approximately 13,200 electric and 8,100 water meters.

Also, in 2014, the water utility will begin constructing a new water tower on the east side of Marshfield. This \$1.75 million project is expected to be completed in 2016.

For 2014, the City plans to close TID #3 & #6 per the TID Strategic Plan. The City also plans to update the TID Strategic Plan as part of its’ TID management efforts.

Contacting the City’s Financial Management

This financial report is designed to provide a general overview of the City’s finances for all those with an interest in the City’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, 630 S. Central Avenue, Marshfield, WI 54449.

BASIC FINANCIAL STATEMENTS

CITY OF MARSHFIELD, WISCONSIN
Statement of Net Position
December 31, 2013

| | Governmental Activities | Business-type Activities | Total |
|---|----------------------------|-----------------------------|-----------------------|
| ASSETS | | | |
| Cash and investments | \$ 6,987,406 | \$ 8,534,266 | \$ 15,521,672 |
| Receivables | | | |
| Taxes | 9,838,210 | 76,487 | 9,914,697 |
| Accounts | 135,483 | 3,483,742 | 3,619,225 |
| Special assessments | 636,012 | 56,810 | 692,822 |
| Loans | 558,953 | - | 558,953 |
| Other | 28,411 | 473,822 | 502,233 |
| Internal balances | 2,069,291 | (2,069,291) | - |
| Due from other governments | 912,938 | 20,209 | 933,147 |
| Inventories and prepaid items | 147,244 | 1,864,590 | 2,011,834 |
| Investment in American Transmission Company | - | 7,953,620 | 7,953,620 |
| Preliminary survey | - | 101,938 | 101,938 |
| Other | - | 25,757 | 25,757 |
| Restricted cash and investments | 762,260 | 10,139,987 | 10,902,247 |
| Capital assets | | | |
| Land and construction in progress | 9,994,827 | 4,343,265 | 14,338,092 |
| Buildings, systems, and equipment | 127,342,517 | 165,086,711 | 292,429,228 |
| Less: Accumulated depreciation | (48,646,185) | (48,414,871) | (97,061,056) |
| TOTAL ASSETS | 110,767,367 | 151,677,042 | 262,444,409 |
| LIABILITIES | | | |
| Accounts payable | 709,132 | 2,529,724 | 3,238,856 |
| Payroll liabilities | - | 47,525 | 47,525 |
| Accrued interest | 354,195 | 211,027 | 565,222 |
| Accrued liabilities | - | 44,784 | 44,784 |
| Due to other governments | 31,085 | 44,246 | 75,331 |
| Customer deposits | - | 779,132 | 779,132 |
| Unearned revenues | 228,020 | - | 228,020 |
| Special deposits | 20,531 | - | 20,531 |
| Long-term obligations | | | |
| Due within one year | 4,103,610 | 3,533,767 | 7,637,377 |
| Due in more than one year | 28,083,772 | 46,526,264 | 74,610,036 |
| TOTAL LIABILITIES | 33,530,345 | 53,716,469 | 87,246,814 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Taxes | 13,619,021 | - | 13,619,021 |
| NET POSITION | | | |
| Net investment in capital assets | 58,108,935 | 74,831,229 | 132,940,164 |
| Restricted for | | | |
| Debt service | 37,807 | 1,793,573 | 1,831,380 |
| Equipment replacement | - | 1,263,642 | 1,263,642 |
| Development loans | 520,112 | - | 520,112 |
| Special revenue future projects | 1,229,584 | - | 1,229,584 |
| Cemetery perpetual care - nonexpendable | 208,447 | - | 208,447 |
| Unrestricted | 3,513,116 | 20,072,129 | 23,585,245 |
| TOTAL NET POSITION | \$ 63,618,001 | \$ 97,960,573 | \$ 161,578,574 |

The notes to the basic financial statements are an integral part of this statement.

CITY OF MARSHFIELD, WISCONSIN
Statement of Activities
For the Year Ended December 31, 2013

| Functions/Programs | Expenses | Program Revenues | | |
|---------------------------------------|----------------------|----------------------|------------------------------------|----------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Governmental Activities | | | | |
| General government | \$ 3,381,375 | \$ 879,395 | \$ 70,190 | \$ - |
| Public safety | 8,475,418 | 205,652 | 107,978 | - |
| Public works | 7,472,309 | 333,649 | 1,803,954 | 261,871 |
| Health and human services | 319,519 | 157,170 | 139,960 | - |
| Culture and recreation and education | 3,536,597 | 305,141 | 442,959 | 16,195 |
| Conservation and development | 1,318,383 | 70,974 | 40,742 | - |
| Interest on debt | 846,986 | - | 140,709 | - |
| Total Governmental Activities | 25,350,587 | 1,951,981 | 2,746,492 | 278,066 |
| Business-type Activities | | | | |
| Electric utility | 30,002,392 | 31,867,176 | - | 93,288 |
| Water utility | 2,925,812 | 4,221,568 | - | 140,286 |
| Communications utility | 70,902 | 186,614 | - | - |
| Wastewater utility | 3,745,452 | 5,543,048 | - | 22,463 |
| Emergency medical services | 1,225,446 | 1,112,677 | 50,697 | - |
| Total Business-type Activities | 37,970,004 | 42,931,083 | 50,697 | 256,037 |
| Total | \$ 63,320,591 | \$ 44,883,064 | \$ 2,797,189 | \$ 534,103 |

General revenues
Taxes
Property taxes
Other taxes
Federal and state grants and other contributions
not restricted to specific functions
Interest and investment earnings
Miscellaneous
Gain on sale of asset
Transfers
Total general revenues and transfers

Change in net position

Net position - January 1

Cumulative effect of change in accounting principal

Adjusted net position - January 1

Net position - December 31

The notes to the basic financial statements are an integral part of this statement.

| Net (Expense) Revenue and Changes in Net Position | | |
|--|-----------------------------|-------|
| Governmental Activities | Business-type Activities | Total |

| | | |
|---------------------|----------|---------------------|
| \$ (2,431,790) | \$ - | \$ (2,431,790) |
| (8,161,788) | - | (8,161,788) |
| (5,072,835) | - | (5,072,835) |
| (22,389) | - | (22,389) |
| (2,772,302) | - | (2,772,302) |
| (1,206,667) | - | (1,206,667) |
| (706,277) | - | (706,277) |
| <u>(20,374,048)</u> | <u>-</u> | <u>(20,374,048)</u> |

| | | |
|---|------------------|------------------|
| - | 1,958,072 | 1,958,072 |
| - | 1,436,042 | 1,436,042 |
| - | 115,712 | 115,712 |
| - | 1,820,059 | 1,820,059 |
| - | (62,072) | (62,072) |
| - | <u>5,267,813</u> | <u>5,267,813</u> |

| | | |
|---------------------|------------------|---------------------|
| <u>(20,374,048)</u> | <u>5,267,813</u> | <u>(15,106,235)</u> |
|---------------------|------------------|---------------------|

| | | |
|-------------------|--------------------|-------------------|
| 13,254,727 | - | 13,254,727 |
| 501,103 | - | 501,103 |
| 5,260,401 | - | 5,260,401 |
| 95,451 | 874,527 | 969,978 |
| 270,417 | 122,259 | 392,676 |
| 58,139 | - | 58,139 |
| 2,110,640 | (2,110,640) | - |
| <u>21,550,878</u> | <u>(1,113,854)</u> | <u>20,437,024</u> |

| | | |
|------------------|------------------|------------------|
| <u>1,176,830</u> | <u>4,153,959</u> | <u>5,330,789</u> |
|------------------|------------------|------------------|

| | | |
|------------|------------|-------------|
| 62,441,171 | 94,300,877 | 156,742,048 |
|------------|------------|-------------|

| | | |
|---|-----------|-----------|
| - | (494,263) | (494,263) |
|---|-----------|-----------|

| | | |
|-------------------|-------------------|--------------------|
| <u>62,441,171</u> | <u>93,806,614</u> | <u>156,247,785</u> |
|-------------------|-------------------|--------------------|

| | | |
|----------------------|----------------------|-----------------------|
| <u>\$ 63,618,001</u> | <u>\$ 97,960,573</u> | <u>\$ 161,578,574</u> |
|----------------------|----------------------|-----------------------|

CITY OF MARSHFIELD, WISCONSIN

Balance Sheet
Governmental Funds
December 31, 2013

| | General | Debt Service | Other Governmental Funds | Total |
|--|----------------------|---------------------|--------------------------------|----------------------|
| ASSETS | | | | |
| Cash and investments | \$ 3,230,127 | \$ 1,172,954 | \$ 1,883,356 | \$ 6,286,437 |
| Restricted cash and Investments | - | - | 762,260 | 762,260 |
| Receivables | | | | |
| Taxes | 6,626,207 | 1,921,934 | 1,290,069 | 9,838,210 |
| Accounts | 85,531 | - | 49,952 | 135,483 |
| Special assessments | 601,767 | - | 34,245 | 636,012 |
| Loans | - | - | 520,112 | 520,112 |
| Other | 28,411 | - | - | 28,411 |
| Due from other funds | 5,757,966 | - | 356,676 | 6,114,642 |
| Due from other governments | 9,728 | - | 900,302 | 910,030 |
| Inventories and prepaid items | 1,650 | - | 516 | 2,166 |
| TOTAL ASSETS | \$ 16,341,387 | \$ 3,094,888 | \$ 5,797,488 | \$ 25,233,763 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | |
| Liabilities | | | | |
| Accounts payable | \$ 498,102 | \$ - | \$ 165,395 | \$ 663,497 |
| Due to other funds | 14,859 | - | 3,913,923 | 3,928,782 |
| Due to other governments | 2,488 | - | 28,597 | 31,085 |
| Unearned revenues | 102,957 | - | 125,063 | 228,020 |
| Special deposits | 20,531 | - | - | 20,531 |
| Total Liabilities | 638,937 | - | 4,232,978 | 4,871,915 |
| Deferred Inflows of Resources | | | | |
| Taxes | 9,130,489 | 2,702,886 | 1,785,646 | 13,619,021 |
| Special assessments | 489,839 | - | 32,564 | 522,403 |
| Total Deferred Inflows of Resources | 9,620,328 | 2,702,886 | 1,818,210 | 14,141,424 |
| Fund Balances | | | | |
| Nonspendable | | | | |
| Inventories and prepaid items | 1,650 | - | 516 | 2,166 |
| Loans receivable | - | - | 520,112 | 520,112 |
| County held special assessments and charges | 111,927 | - | 1,681 | 113,608 |
| Cemetery perpetual care | - | - | 208,447 | 208,447 |
| Restricted | | | | |
| Retirement of long-term debt | - | 392,002 | - | 392,002 |
| Future expenditures | - | - | 1,229,584 | 1,229,584 |
| Committed | 238,403 | - | 614,088 | 852,491 |
| Assigned | - | - | 559,989 | 559,989 |
| Unassigned (deficit) | | | | |
| General fund | 5,730,142 | - | - | 5,730,142 |
| Special revenue funds | - | - | (6,278) | (6,278) |
| Capital projects funds | - | - | (3,381,839) | (3,381,839) |
| Total Fund Balances (Deficit) | 6,082,122 | 392,002 | (253,700) | 6,220,424 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | \$ 16,341,387 | \$ 3,094,888 | \$ 5,797,488 | \$ 25,233,763 |

(Continued)

CITY OF MARSHFIELD, WISCONSIN
Balance Sheet (Continued)
Governmental Funds
December 31, 2013

| <u>Reconciliation to the Statement of Net Position</u> | <u>2013</u> |
|---|----------------------|
| Total Fund Balances as shown on previous page | \$ 6,220,424 |
| Amounts reported for governmental activities in the statement of net position are different because: | |
| Some assets used in governmental activities are not current financial resources and therefore are not reported in the funds. | |
| Capital assets | 85,867,390 |
| Internal service funds are used by management to charge costs of various services to individual funds. Internal service funds are included in the governmental activities on the statement of net position. | |
| | 3,496,364 |
| Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds. | |
| Special assessments | 522,403 |
| Loans receivable | 38,841 |
| Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds. | |
| Bonds and notes payable | (31,817,556) |
| Compensated absences | (355,670) |
| Accrued interest on long-term obligations | (354,195) |
| Net Position of Governmental Activities as Reported on the Statement of Net Position (see page 23) | <u>\$ 63,618,001</u> |

The notes to the basic financial statements are an integral part of this statement.

CITY OF MARSHFIELD, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2013

| | General | Debt Service | Other Governmental Funds | Total |
|---|---------------------|--------------------|--------------------------------|---------------------|
| Revenues | | | | |
| Taxes | \$ 8,804,446 | \$ 2,432,427 | \$ 2,523,476 | \$ 13,760,349 |
| Special assessments | 252,962 | - | 13,201 | 266,163 |
| Intergovernmental | 6,916,259 | - | 948,592 | 7,864,851 |
| Licenses and permits | 245,851 | - | 220,897 | 466,748 |
| Fines and forfeits | 116,607 | - | - | 116,607 |
| Public charges for services | 604,947 | - | 85,282 | 690,229 |
| Intergovernmental charges for services | 128,825 | - | 213,759 | 342,584 |
| Miscellaneous | 562,171 | 159,748 | 137,688 | 859,607 |
| Total Revenues | 17,632,068 | 2,592,175 | 4,142,895 | 24,367,138 |
| Expenditures | | | | |
| Current | | | | |
| General government | 2,993,356 | - | 269,278 | 3,262,634 |
| Public safety | 8,091,030 | - | 12,360 | 8,103,390 |
| Public works | 5,158,222 | - | 477,674 | 5,635,896 |
| Health and human services | 186,317 | - | 139,227 | 325,544 |
| Culture and recreation and education | 3,057,732 | - | 222,709 | 3,280,441 |
| Conservation and development | 424,036 | - | 564,347 | 988,383 |
| Debt service | | | | |
| Principal | - | 4,186,216 | - | 4,186,216 |
| Interest and fiscal charges | - | 902,383 | 102,703 | 1,005,086 |
| Capital outlay | - | - | 7,097,681 | 7,097,681 |
| Total Expenditures | 19,910,693 | 5,088,599 | 8,885,979 | 33,885,271 |
| Excess of Revenues Over (Under) Expenditures | (2,278,625) | (2,496,424) | (4,743,084) | (9,518,133) |
| Other Financing Sources (Uses) | | | | |
| Long-term debt issued | - | 605,000 | 6,198,650 | 6,803,650 |
| Debt premium | - | 129,591 | 57,506 | 187,097 |
| Sale of capital assets | 35,797 | - | 3,850 | 39,647 |
| Transfers in | 1,842,559 | 1,837,700 | 536,226 | 4,216,485 |
| Transfers out | (28,731) | - | (2,077,114) | (2,105,845) |
| Total Other Financing Sources (Uses) | 1,849,625 | 2,572,291 | 4,719,118 | 9,141,034 |
| Net Change in Fund Balances | (429,000) | 75,867 | (23,966) | (377,099) |
| Fund Balances - January 1 | 6,511,122 | 316,135 | (229,734) | 6,597,523 |
| Fund Balances - December 31 | \$ 6,082,122 | \$ 392,002 | \$ (253,700) | \$ 6,220,424 |

(Continued)

CITY OF MARSHFIELD, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Governmental Funds
For the Year Ended December 31, 2013

| | 2013 |
|--|--------------|
| <u>Reconciliation to the Statement of Activities</u> | |
| Net Change in Fund Balances as shown on previous page | \$ (377,099) |
| Amounts reported for governmental activities in the statement of activities are different because: | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. | |
| Capital assets reported as capital outlay in governmental fund statements | 7,313,312 |
| Depreciation expense reported in the statement of activities | (3,651,042) |
| Depreciation expense reported by internal service fund | 368,642 |
| Amount by which capital outlays were greater (less) than depreciation | 4,030,912 |
| In governmental funds the entire proceeds, if any, from the disposal of capital assets is reported as an other financing source. In the statement of activities only the gain (or loss) on the disposal is reported. | |
| Book value of capital assets disposed of | (114,341) |
| Certain employee benefits are reported in the governmental funds when amounts are paid. The statement of activities reports the value of benefits earned during the year. The accrual of these benefits decreased (increased) by: | |
| | 13,701 |
| Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned. | |
| | 46,452 |
| Some capital assets acquired and debt retired during the year were financed with debt. The amount of the debt is reported in the governmental funds as a source of financing. In the statement of net position, however, debt constitutes a long-term liability. The amount of debt reported in the governmental funds statement is: | |
| | (6,803,650) |
| 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 position and does not affect the statement of activities. The amount of long-term debt principal payments in the current year is: | |
| | 4,186,216 |
| Interest payments on outstanding debt are reported in the governmental funds as an expenditure when paid, in the statement of activities interest is reported as it accrues. | |
| | (28,997) |
| The net income of certain activities of internal service funds are reported with governmental activities | |
| | 223,636 |
| Change in Net Position of Governmental Activities as Reported in the Statement of Activities (see pages 24-25) | \$ 1,176,830 |

The notes to the basic financial statements are an integral part of this statement.

CITY OF MARSHFIELD, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance Final Budget - Positive (Negative) |
|---|---------------------|---------------------|---------------------|--|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$ 8,862,230 | \$ 8,797,430 | \$ 8,804,446 | \$ 7,016 |
| Special assessments | 325,000 | 325,000 | 252,962 | (72,038) |
| Intergovernmental | 6,978,271 | 6,995,255 | 6,916,259 | (78,996) |
| Licenses and permits | 175,600 | 175,600 | 245,851 | 70,251 |
| Fines and forfeits | 174,000 | 174,000 | 116,607 | (57,393) |
| Public charges for services | 578,187 | 578,187 | 604,947 | 26,760 |
| Intergovernmental charges for services | 135,085 | 135,085 | 128,825 | (6,260) |
| Miscellaneous | 580,843 | 584,520 | 562,171 | (22,349) |
| Total Revenues | 17,809,216 | 17,765,077 | 17,632,068 | (133,009) |
| Expenditures | | | | |
| Current | | | | |
| General government | 3,378,157 | 3,254,933 | 2,993,356 | 261,577 |
| Public safety | 8,356,665 | 8,373,359 | 8,091,030 | 282,329 |
| Public works | 5,162,588 | 5,169,573 | 5,158,222 | 11,351 |
| Health and human services | 190,455 | 190,455 | 186,317 | 4,138 |
| Culture and recreation and education | 3,130,285 | 3,135,860 | 3,057,732 | 78,128 |
| Conservation and development | 543,317 | 543,317 | 424,036 | 119,281 |
| Total Expenditures | 20,761,467 | 20,667,497 | 19,910,693 | 756,804 |
| Excess of Revenues Over (Under) Expenditures | (2,952,251) | (2,902,420) | (2,278,625) | 623,795 |
| Other Financing Sources | | | | |
| Sale of capital assets | 24,400 | 26,011 | 35,797 | 9,786 |
| Transfers in | 1,756,000 | 1,756,906 | 1,842,559 | 85,653 |
| Transfers out | - | (28,731) | (28,731) | - |
| Total Other Financing Sources | 1,780,400 | 1,754,186 | 1,849,625 | 95,439 |
| Net Change in Fund Balance | (1,171,851) | (1,148,234) | (429,000) | 719,234 |
| Fund Balance - January 1 | 6,511,122 | 6,511,122 | 6,511,122 | - |
| Fund Balance - December 31 | \$ 5,339,271 | \$ 5,362,888 | \$ 6,082,122 | \$ 719,234 |

The notes to the basic financial statements are an integral part of this statement.

CITY OF MARSHFIELD, WISCONSIN
Statement of Net Position
Proprietary Funds
December 31, 2013

| | Enterprise Funds | | | | Governmental Activities Internal Service Fund |
|--|-------------------------|-----------------------|--|----------------------|--|
| | Marshfield Utilities | Wastewater Utility | Non-major Funds Emergency Medical Services | Total | |
| ASSETS | | | | | |
| Current Assets | | | | | |
| Cash and investments | \$ 6,957,173 | \$ 1,465,991 | \$ 111,102 | \$ 8,534,266 | \$ 700,969 |
| Restricted cash and investments | 8,364,867 | 1,775,120 | - | 10,139,987 | - |
| Receivables | | | | | |
| Taxes | - | 76,487 | - | 76,487 | - |
| Customer accounts | 3,293,803 | - | 189,939 | 3,483,742 | - |
| Special assessments | - | 56,810 | - | 56,810 | - |
| Other | 395,713 | 76,419 | 1,690 | 473,822 | - |
| Due from other funds | 33,385 | 866,240 | - | 899,625 | 6,199 |
| Due from other governments | - | 20,209 | - | 20,209 | 2,908 |
| Inventories and prepaid items | 1,798,865 | 65,725 | - | 1,864,590 | 145,078 |
| Total Current Assets | 20,843,806 | 4,403,001 | 302,731 | 25,549,538 | 855,154 |
| Noncurrent Assets | | | | | |
| Capital Assets | | | | | |
| Land and construction in progress | 4,213,671 | 29,961 | 99,633 | 4,343,265 | 20,728 |
| Buildings, systems and equipment | 109,585,350 | 53,986,979 | 1,514,382 | 165,086,711 | 7,970,343 |
| Less: Accumulated depreciation | (30,994,938) | (16,866,648) | (553,285) | (48,414,871) | (5,167,302) |
| Total Capital Assets, Net of Accumulated Depreciation | 82,804,083 | 37,150,292 | 1,060,730 | 121,015,105 | 2,823,769 |
| Other Assets | | | | | |
| Investment in ATC LLC | 7,953,620 | - | - | 7,953,620 | - |
| Preliminary survey | 101,938 | - | - | 101,938 | - |
| Other | 25,757 | - | - | 25,757 | - |
| Total Other Assets | 8,081,315 | - | - | 8,081,315 | - |
| TOTAL ASSETS | 111,729,204 | 41,553,293 | 1,363,461 | 154,645,958 | 3,678,923 |
| LIABILITIES | | | | | |
| Current Liabilities | | | | | |
| Accounts payable | 2,289,478 | 71,822 | 168,424 | 2,529,724 | 45,635 |
| Accrued payroll and payroll deductions | 52,970 | (14,398) | 8,953 | 47,525 | - |
| Customer deposit | 586,696 | - | 17,076 | 603,772 | - |
| Accrued liabilities | 44,784 | - | - | 44,784 | - |
| Accrued interest | - | 60,664 | 6,348 | 67,012 | - |
| Due to other funds | 3,057,274 | 32,530 | - | 3,089,804 | 1,880 |
| Due to other governments | 44,083 | 163 | - | 44,246 | - |
| Compensated absences | 233,304 | 18,537 | 26,604 | 278,445 | 14,156 |
| Current portion of general obligation debt | 106,985 | 194,132 | 33,703 | 334,820 | - |
| Current Liabilities Payable from Restricted Assets | | | | | |
| Customer deposits | 175,360 | - | - | 175,360 | - |
| Accrued interest | 144,015 | - | - | 144,015 | - |
| Current portion revenue bonds | 1,355,000 | 1,565,502 | - | 2,920,502 | - |
| Total Current Liabilities | 8,089,949 | 1,928,952 | 261,108 | 10,280,009 | 61,671 |
| Long-term Obligations | | | | | |
| Revenue bonds | 32,330,000 | 8,051,948 | - | 40,381,948 | - |
| General obligation debt | 104,497 | 2,200,876 | 546,449 | 2,851,822 | - |
| Unamortized debt premium | 2,101,838 | - | - | 2,101,838 | - |
| Unamortized debt discount | (658) | - | - | (658) | - |
| Compensated absences | 535,363 | - | - | 535,363 | - |
| Post-retirement benefits | 655,951 | - | - | 655,951 | - |
| Total Noncurrent Liabilities | 35,726,991 | 10,252,824 | 546,449 | 46,526,264 | - |
| TOTAL LIABILITIES | 43,816,940 | 12,181,776 | 807,557 | 56,806,273 | 61,671 |
| NET POSITION | | | | | |
| Net investment in capital assets | 49,119,083 | 25,194,932 | 517,214 | 74,831,229 | 2,823,769 |
| Restricted | 1,793,573 | 1,263,642 | - | 3,057,215 | - |
| Unrestricted | 16,999,608 | 2,912,943 | 38,690 | 19,951,241 | 793,483 |
| TOTAL NET POSITION | \$ 67,912,264 | \$ 29,371,517 | \$ 555,904 | 97,839,685 | \$ 3,617,252 |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds | | | | 120,888 | |
| Net position of business-type activities as reported on the Statement of Net Position (see page 23) | | | | \$ 97,960,573 | |

The notes to the basic financial statements are an integral part of this statement.

CITY OF MARSHFIELD, WISCONSIN
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2013

| | Enterprise Funds | | | | Governmental Activities - Internal Service Fund |
|---|-------------------------|-----------------------|---|---------------------|--|
| | Marshfield Utilities | Wastewater Utility | Non-major Fund Emergency Medical Services | Total | |
| Operating Revenues | | | | | |
| Charges for services | \$ 35,823,278 | \$ 5,543,048 | \$ 1,112,677 | \$ 42,479,003 | \$ - |
| Other | 452,080 | - | 50,697 | 502,777 | 2,172,265 |
| Total Operating Revenues | <u>36,275,358</u> | <u>5,543,048</u> | <u>1,163,374</u> | <u>42,981,780</u> | <u>2,172,265</u> |
| Operating Expenses | | | | | |
| General and administrative | 1,869,215 | - | - | 1,869,215 | - |
| Customer Accounts | 616,604 | - | - | 616,604 | - |
| Operation and maintenance | 24,978,144 | 2,285,134 | 1,115,809 | 28,379,087 | 1,656,971 |
| Taxes | 215,009 | - | - | 215,009 | - |
| Depreciation | 3,675,821 | 1,066,486 | 77,223 | 4,819,530 | 368,642 |
| Total Operating Expenses | <u>31,354,793</u> | <u>3,351,620</u> | <u>1,193,032</u> | <u>35,899,445</u> | <u>2,025,613</u> |
| Operating Income (Loss) | <u>4,920,565</u> | <u>2,191,428</u> | <u>(29,658)</u> | <u>7,082,335</u> | <u>146,652</u> |
| Nonoperating Revenues (Expenses) | | | | | |
| Interest income | 867,343 | 6,861 | 323 | 874,527 | - |
| Interest and fiscal charges | (1,771,587) | (364,975) | (19,179) | (2,155,721) | - |
| Gain (loss) on sale of capital assets | - | (35,843) | (14,030) | (49,873) | 52,392 |
| Miscellaneous revenues | 8,024 | 114,235 | - | 122,259 | 35,368 |
| Amortization of debt premium and discounts | 124,259 | - | - | 124,259 | - |
| Total Nonoperating Revenues (Expenses) | <u>(771,941)</u> | <u>(279,722)</u> | <u>(32,886)</u> | <u>(1,084,549)</u> | <u>87,760</u> |
| Income (Loss) Before Contributions and Transfers | <u>4,148,624</u> | <u>1,911,706</u> | <u>(62,544)</u> | <u>5,997,786</u> | <u>234,412</u> |
| Capital contributions | 233,574 | 22,463 | - | 256,037 | - |
| Transfers out | (2,109,734) | - | (906) | (2,110,640) | - |
| Change in Net Position | <u>2,272,464</u> | <u>1,934,169</u> | <u>(63,450)</u> | <u>4,143,183</u> | <u>234,412</u> |
| Net Position - January 1 | 66,134,063 | 27,437,348 | 619,354 | | 3,382,840 |
| Cumulative Effect of Change in Accounting Principle | <u>(494,263)</u> | <u>-</u> | <u>-</u> | | <u>-</u> |
| Adjusted Net Position - January 1 | <u>65,639,800</u> | <u>27,437,348</u> | <u>619,354</u> | | <u>3,382,840</u> |
| Net Position - December 31 | <u>\$ 67,912,264</u> | <u>\$ 29,371,517</u> | <u>\$ 555,904</u> | | <u>\$ 3,617,252</u> |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds | | | | <u>10,776</u> | |
| Change in net position of business-type activities as reported on the Statement of Activities (see pages 24 - 25) | | | | <u>\$ 4,153,959</u> | |

The notes to the basic financial statements are an integral part of this statement.

CITY OF MARSHFIELD, WISCONSIN
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2013

| | Enterprise Funds | | | | Governmental Activities - Internal Service Fund |
|--|-------------------------|-----------------------|-------------------------------|----------------------|--|
| | Marshfield Utilities | Wastewater Utility | Non-major Fund | Total | |
| | | | Emergency Medical Services | | |
| Cash Flows from Operating Activities | | | | | |
| Cash received from user charges | \$ 36,244,559 | \$ 5,342,641 | \$ 1,200,431 | \$ 42,787,631 | \$ 2,171,667 |
| Cash payments to suppliers | (23,791,317) | (1,341,186) | (12,421) | (25,144,924) | (1,188,233) |
| Cash payments to employees | (2,852,599) | (945,411) | (943,212) | (4,741,222) | (427,814) |
| Net Cash Provided by Operating Activities | 9,600,643 | 3,056,044 | 244,798 | 12,901,485 | 555,620 |
| Cash Flows from Noncapital Financing Activities | | | | | |
| Transfers out | (2,109,734) | - | (906) | (2,110,640) | - |
| Miscellaneous nonoperating income | 8,024 | 114,235 | - | 122,259 | 35,368 |
| Principal payments on long-term debt | (103,669) | (27,989) | (17,959) | (149,617) | - |
| Interest payments on long term debt | (3,712) | (1,002) | (643) | (5,357) | - |
| Net Cash Provided (Used) by Noncapital Financing Activities | (2,209,091) | 85,244 | (19,508) | (2,143,355) | 35,368 |
| Cash Flows from Capital and Related Financing Activities | | | | | |
| Acquisition of capital assets | (2,861,643) | (800,016) | (192,290) | (3,853,949) | (564,116) |
| Capital contributions received | - | 20,043 | - | 20,043 | - |
| Sale of property | - | 1,595 | 7 | 1,602 | 79,962 |
| Proceeds from issuance of long-term debt | - | 20,000 | - | 20,000 | - |
| Principal paid on long-term debt | (1,305,000) | (1,708,100) | (19,599) | (3,032,699) | - |
| Interest paid on long term debt | (1,771,442) | (372,235) | (18,805) | (2,162,482) | - |
| Net Cash Used by Capital and Related Financing Activities | (5,938,085) | (2,838,713) | (230,687) | (9,007,485) | (484,154) |
| Cash Flows from Investing Activities | | | | | |
| Additional investment in American Transmission Company | (227,107) | - | - | (227,107) | - |
| Interest income received | 575,135 | 6,861 | 323 | 582,319 | - |
| Net Cash Provided by Investing Activities | 348,028 | 6,861 | 323 | 355,212 | - |
| Change in Cash and Cash Equivalents | 1,801,495 | 309,436 | (5,074) | 2,105,857 | 106,834 |
| Cash and Cash Equivalents - Beginning of Year | 13,520,545 | 2,931,675 | 116,176 | 16,568,396 | 594,135 |
| Cash and Cash Equivalents - End of Year | \$ 15,322,040 | \$ 3,241,111 | \$ 111,102 | \$ 18,674,253 | \$ 700,969 |

(Continued)

CITY OF MARSHFIELD, WISCONSIN
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended December 31, 2013

| | Enterprise Funds | | | | Governmental Activities - Internal Service Fund |
|---|-------------------------|-----------------------|-------------------------------|----------------------|--|
| | Marshfield Utilities | Wastewater Utility | Non-major Fund | | |
| | | | Emergency Medical Services | Total | |
| Reconciliation of Cash and Cash Equivalents to the Statement of Net Position | | | | | |
| Cash and investments | \$ 6,957,173 | \$ 1,465,991 | \$ 111,102 | \$ 8,534,266 | \$ 700,969 |
| Restricted cash | 8,364,867 | 1,775,120 | - | 10,139,987 | - |
| Total cash and investments | \$ 15,322,040 | \$ 3,241,111 | \$ 111,102 | \$ 18,674,253 | \$ 700,969 |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | | | |
| Operating income (loss) | \$ 4,920,565 | \$ 2,191,428 | \$ (29,658) | \$ 7,082,335 | \$ 146,652 |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities: | | | | | |
| Depreciation | 3,675,821 | 1,066,486 | 77,223 | 4,819,530 | 368,642 |
| Depreciation charged to clearing and other utilities | 207,725 | - | - | 207,725 | - |
| Amortization | 21,561 | - | - | 21,561 | - |
| Changes in assets and liabilities | | | | | |
| Taxes receivable | - | 11,250 | - | 11,250 | - |
| Accounts receivable | (213,510) | - | 37,425 | (176,085) | - |
| Other receivables | 182,711 | - | - | 182,711 | - |
| Inventories and prepaid expenses | (168,461) | (3,480) | - | (171,941) | 15,822 |
| Due from other funds | 123,035 | (146,795) | - | (23,760) | (226) |
| Due from other governments | - | (64,862) | (368) | (65,230) | (372) |
| Other assets | 129,694 | - | - | 129,694 | - |
| Accounts payable | 70,252 | (1,571) | 160,020 | 228,701 | 25,869 |
| Customer deposits | 59,409 | - | 341 | 59,750 | - |
| Accrued liabilities | 3,744 | - | - | 3,744 | - |
| Accrued payroll and payroll deductions | 74,490 | 2,649 | 1,079 | 78,218 | - |
| Due to other governments | 4,323 | (314) | - | 4,009 | - |
| Due to other funds | 358,333 | 544 | - | 358,877 | 230 |
| Compensated absences | - | 709 | (1,264) | (555) | (997) |
| Post-retirement benefits | 150,951 | - | - | 150,951 | - |
| Net Cash Provided by Operating Activities | \$ 9,600,643 | \$ 3,056,044 | \$ 244,798 | \$ 12,901,485 | \$ 555,620 |
| Noncash Investing, Capital and Financing Activities | | | | | |
| Increase in investment in American Transmission Company | \$ 281,119 | \$ - | \$ - | \$ 281,119 | \$ - |

The notes to the basic financial statements are an integral part of this statement.

CITY OF MARSHFIELD, WISCONSIN
Statement of Net Position
Fiduciary Fund - Agency Funds
December 31, 2013

| | Agency Funds |
|----------------------------|-----------------|
| ASSETS | |
| Cash and investments | \$ 6,129,012 |
| Receivables | |
| Taxes | 15,737,809 |
| Other | 10,232 |
| Total Assets | \$ 21,877,053 |
| LIABILITIES | |
| Accounts payable | \$ 5,866 |
| Accrued payroll deductions | 657,798 |
| Special deposits | 15,500 |
| Due to other governments | 21,197,889 |
| Total Liabilities | \$ 21,877,053 |

The notes to the basic financial statements are an integral part of this statement.

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CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Marshfield, Wisconsin, ("the City") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the City are described below:

1. Reporting Entity

The City of Marshfield, Wisconsin was incorporated July 16, 1883, under the provisions of Chapter 280, Laws of Wisconsin, 1883. The City operates under a Council-Mayor form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, sanitation, health and social services, culture, recreation, education, public improvements, planning and zoning, and general administrative services. In accordance with GAAP, the basic financial statements are required to include the City (the primary government) and any separate component units that have a significant operational or financial relationship with the City. The City has not identified any component units that are required to be included in the basic financial statements in accordance with standards established by GASB Statement No. 61.

2. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *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. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Governmental funds include general, special revenue, debt service, capital projects and permanent funds. Proprietary funds include enterprise funds and internal service funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor governmental funds. The City has one nonmajor enterprise fund.

The City reports the following major governmental funds:

GENERAL FUND

This is the City's main operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

DEBT SERVICE FUND

This fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the City's governmental funds.

The City reports the following major enterprise funds:

MARSHFIELD UTILITIES

This fund accounts for the financial activities related to the operation of the City's water, electric, and communications utility.

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

WASTEWATER FUND

This fund accounts for the financial activities related to the operation of the City's wastewater utility.

Additionally, the government reports the following fund types:

Internal service fund accounts for machinery and equipment provided to other departments of the City, or to actual parties, on a cost reimbursement basis.

The City accounts for assets held for other governmental agencies and individuals and property taxes collected on behalf of other governments in *agency funds*.

3. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements 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 revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures and claims and judgments, are recorded only when payment is due.

Revenues susceptible to accrual include intergovernmental grants, intergovernmental charges for services, public charges for services and interest. Other revenues such as licenses and permits, other fines and forfeits and miscellaneous revenues are recognized when received in cash or when measurable and available.

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 and other charges between the City's water, electric, and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, and fees and fines, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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 City's enterprise funds are charges to customers for services. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources, as they are needed.

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance

a. Cash and Investments

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less are considered to be cash equivalents.

b. Accounts Receivable

Accounts receivable are recorded at gross amount with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements.

c. Interfund Receivables and Payables

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" and "due to other funds" in the fund financial statements.

The amount reported on the statement of net position for internal balances represents the residual balance outstanding between the governmental activities and business-type activities.

d. Inventories

Inventories are recorded at cost, which approximates market, using the first-in, first-out method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased.

Inventories of governmental funds in the fund financial statements are offset by nonspendable fund balance to indicate that they do not represent spendable available financial resources.

e. Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items.

Prepaid items of governmental funds in the fund financial statements are offset by nonspendable fund balance to indicate that they do not represent spendable available financial resources.

f. Investment in American Transmission Company (ATC)

Marshfield Utilities is a member of ATC. ATC was formed by approximately 25 utilities to plan, construct, maintain, monitor and own electric transmission facilities in Wisconsin. Marshfield Utilities owns less than 1 percent of ATC.

The investment earns dividends quarterly, some of which are paid in cash and some of which are required to be reinvested. From time to time, Marshfield Utilities has the option to contribute additional funds to maintain its proportionate share of ownership. The investment in American Transmission Company LLC is recorded at cost since it is privately held and has no readily available fair market value. Marshfield Utilities' ownership share is valued at \$7,953,620 as of December 31, 2013, and is reported on the Statement of Net Position as an asset.

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets other than infrastructure with an initial, individual cost of \$1,000 or higher, and City infrastructure assets with a total cost of \$250,000 or higher, and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the City are depreciated using the straight-line method over the following estimated useful lives:

| | Estimated Useful Life | |
|----------------------------|----------------------------|-----------------------------|
| | Governmental Activities | Business-type Activities |
| Assets | | |
| Buildings and improvements | 15-50 | 15-50 |
| Machinery and equipment | 3-40 | 3-40 |
| Infrastructure | 20-70 | 20-77 |

h. Compensated Absences/Other Post-Employment Benefits

It is the City's policy to permit employees to accumulate earned but unused vacation benefits. Vacation time is based on the employee's anniversary date of hire date and unused balances at year-end must be used before the employee's anniversary date. Accumulated vacation balances are paid out upon termination provided the employee gave at least two weeks' notice prior to termination. All vested vacation is accrued when earned in the government-wide and proprietary fund financial statements.

One day of sick leave is accrued per month for benefit eligible employees up to a maximum of 120 days. Unused sick leave balances are forfeited when an employee terminates employment with the City. There is no liability for sick leave recorded in the financial statements for the City. Marshfield Utilities allow for sick leave accumulation up to a maximum of 90 days. After five years of service, Marshfield Utilities' employees are eligible to receive their accumulated balance upon termination of employment. A liability for sick leave for Marshfield Utilities is recorded in the government-wide and proprietary fund financial statements.

The City provides post-employment health insurance benefits to all eligible employees. Nonrepresented employees are required to contribute \$500 per year and the Wastewater Utility employees are required to contribute \$780 per year to the post employment health plan. The City currently only contributes to the post employment health plan for a sick leave payout for grandfathered employees. Effective December 31, 2011, nonrepresented employees had their sick leave balances frozen. The City will deposit the lesser of the employee's current sick leave balance or the frozen amount upon termination if the employee meets the eligibility requirements. To be eligible, the employee must have worked for the City for twenty consecutive years and be eligible and accept an annuity under the Wisconsin Retirement System. The City does not have a liability recorded for this benefit at December 31, 2013. Marshfield Utilities has another post-employment health plan where employees with 15 years or more of service and who elect to retire at 62 years of age are allowed to continue with the health insurance plan until age 65. These retirees contribute 10% of the premiums. Marshfield Utilities has recorded a liability of \$655,951 for other post-employment benefits at December 31, 2013.

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City currently does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has one type of item that qualifies for reporting in this category, property taxes. This amount will be recognized as an inflow of resources in the subsequent year for which it was levied. The City also has an additional type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source, special assessments. This amount is deferred and recognized as an inflow of resources in the period the amount becomes available.

j. Long-term Obligations

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the current period.

In the fund financial statements, governmental funds 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 received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

k. Fund Equity

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance - Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- Restricted fund balance - Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- Committed fund balance - Amounts that are constrained for specific purposes by action of the City Council. These constraints can only be removed or changed by the City Council using the same action that was used to create them.

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Assigned fund balance - Amounts that are constrained for specific purposes by action of City management. The City Council has authorized the Finance Director to assign fund balances through its financial management policy. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.
- Unassigned fund balance - Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

The City has adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. Where applicable, the policy requires restricted funds to be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

GOVERNMENT-WIDE AND PROPRIETARY FUND STATEMENTS

Equity is classified as net position and displayed in three components:

- Net investment in capital assets - Amount of capital assets, net of accumulated depreciation, less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net position - Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- Unrestricted net position - Net position that is neither classified as restricted nor as net investment in capital assets.

I. 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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE B - STEWARDSHIP AND COMPLIANCE

1. Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the basic financial statements and supplementary information:

- a. In August, all City departments submit budget requests to the City Administrator. Prior to October 15, the City Administrator submits to the City Council a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by City Council action.
- b. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. Budget is defined as the originally approved budget plus or minus approved amendments. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.
- c. During the year, formal budgetary integration is employed as a management control device for the general fund, special revenue funds, the debt service fund, and capital projects funds. Management control for capital projects funds with multi-year projects is achieved through utilization of remaining fund balances.
- d. The adopted budget is prepared by fund, function, and sub-function (departments, activities or projects) level. Expenditures may not exceed appropriations at the sub-function level for the City. Department heads may make transfers within a sub-function with their committee's approval. Transfers of appropriations between sub-functions require the approval of the City Council.
- e. Encumbrance accounting is not used by the City to record commitments related to unperformed contracts for goods or services.

The City did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2013.

2. Deficit Fund Equity

The following funds had deficit fund equity as of December 31, 2013:

| Fund | Deficit Fund Equity |
|------------------------------------|------------------------|
| Special Revenue Fund | |
| Public Safety | \$ 5,010 |
| Capital Projects Funds | |
| Public Safety Capital Outlay Fund | 65 |
| TID #4 (Downtown Redevelopment) | 1,995,730 |
| TID #5 (Mill Creek Business Park) | 1,353,395 |
| TID #6 (Figi Project) | 32,649 |

The City anticipates funding the above deficits from future revenues and tax increments of the funds. Tax Incremental districts #5, and #6 were recognized as distressed TID's and Tax Incremental Districts #2 and #4 are now donor TID's. This allows the donor TID's to contribute funds to the distressed TID's until future revenues are being generated.

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE C - DETAILED NOTES ON ALL FUNDS

1. Cash and Investments

The City maintains various cash and investment accounts, including pooled funds that are available for use by all funds. Each fund's portion of these accounts is displayed on the financial statements as "Cash and investments."

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

The carrying amount of the City's cash and investments totaled \$32,552,931 on December 31, 2013 as summarized below:

| | |
|--------------------------------------|---------------|
| Petty cash funds | \$ 11,120 |
| Deposits with financial institutions | 3,356,512 |
| Investments | 29,185,299 |
| | \$ 32,552,931 |

Reconciliation to the basic financial statements

| | |
|---|---------------|
| Government-wide Statement of Net Position | |
| Cash and investments | \$ 15,521,672 |
| Restricted cash and investments | 10,902,247 |
| Fiduciary Funds Statement of Net Position | |
| Agency funds | |
| Cash and investments | 6,129,012 |
| | \$ 32,552,931 |

Deposits and investments of the City are subject to various risks. Presented below is a discussion of the specific risks and the City's policy related to the risk.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The City's credit risk policy requires collateralization of repurchase agreements and certificates of deposit of at least 110% of the market value.

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for all interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available.

As of December 31, 2013, \$2,852,164 of the City's deposits with financial institutions were in excess of federal and state depository insurance limits. \$1,946,507 was collateralized with securities held by the pledging financial institution or its trust department or agent.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The City does not have an additional credit risk policy. Presented below is the actual rating as of year end for each investment type.

| Investment Type | Amount | Exempt From Disclosure | AAA | Aa | Not Rated |
|--|----------------------|------------------------|---------------------|-------------|----------------------|
| Federal National Mortgage Association | \$ 2,000,000 | \$ - | \$ 2,000,000 | \$ - | \$ - |
| Federal home loan bank | 1,000,000 | - | 1,000,000 | - | - |
| Wisconsin local government investment pool | 26,185,299 | - | - | - | 26,185,299 |
| Totals | \$ 29,185,299 | \$ - | \$ 3,000,000 | \$ - | \$ 26,185,299 |

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments are as follows:

| Issuer | Investment Type | Reported Amount | Percent of Total Investments |
|---------------------------------------|---------------------------|-----------------|------------------------------|
| Federal National Mortgage Association | Federal agency securities | \$ 2,000,000 | 6.9% |

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

| Investment Type | Amount | Remaining Maturity (in Months) | | | |
|--|----------------------|--------------------------------|-----------------|---------------------|---------------------|
| | | 12 Months or Less | 13 to 24 Months | 25 to 60 Months | More Than 60 Months |
| Federal National Mortgage Association | \$ 2,000,000 | \$ - | \$ - | \$ 1,000,000 | \$ 1,000,000 |
| Federal home loan bank | 1,000,000 | - | - | - | 1,000,000 |
| Wisconsin local government investment pool | 26,185,299 | 26,185,299 | - | - | - |
| Totals | \$ 29,185,299 | \$ 26,185,299 | \$ - | \$ 1,000,000 | \$ 2,000,000 |

Investment in Wisconsin Local Government Investment Pool

The City has investments in the Wisconsin local government investment pool of \$26,185,299 at year-end. The Wisconsin local government investment pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2013, the fair value of the City's share of the LGIP's assets was substantially equal to the carrying value.

2. Property Taxes

Property taxes consist of taxes on real estate and personal property. They are levied during December of the prior year and become an enforceable lien on property the following January 1. Property taxes are payable in various options depending on the type and amount. Personal property taxes are payable on or before January 31 in full. Real estate taxes are payable in full by January 31 or in two equal installments on or before January 31 and July 31. Real estate taxes not paid by January 31 are purchased by the County as part of the February tax settlement. Delinquent personal property taxes remain the collection responsibility of the City.

The City bills and collects its own property taxes and also levies and collects taxes for the Marshfield School District, Wood County, Marathon County, Mid State Technical College and the State of Wisconsin.

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

3. Restricted Assets

Restricted assets on December 31, 2013 totaled \$10,902,247 and consisted of cash and investments held for the following purposes:

| | Amount |
|--|---------------|
| Economic Development | |
| Future economic development expenditures | \$ 463,813 |
| Cable Television | |
| Public Access television operations | 90,000 |
| Cemetery Perpetual Care | |
| Care of the cemetery | 208,447 |
| Marshfield Utilities | |
| Bond redemption | 1,923,288 |
| Bond reserve | 3,105,220 |
| Operations and maintenance | 3,160,999 |
| Customer deposits | 175,360 |
| Total Marshfield Utilities | 8,364,867 |
| Wastewater Utility | |
| Equipment replacement | 1,263,642 |
| Debt service reserve | 511,478 |
| Total Wastewater Utility | 1,775,120 |
| Total Restricted Assets | \$ 10,902,247 |

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

4. Capital Assets

Capital asset activity for the year ended December 31, 2013 was as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|--|-----------------------|---------------------|---------------------|----------------------|
| Governmental activities: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 9,250,562 | \$ 75,000 | \$ - | \$ 9,325,562 |
| Construction in progress | 531,635 | 172,590 | 34,960 | 669,265 |
| Total capital assets, not being depreciated | <u>9,782,197</u> | <u>247,590</u> | <u>34,960</u> | <u>9,994,827</u> |
| Capital assets, being depreciated: | | | | |
| Buildings and improvements | 29,524,873 | 440,083 | - | 29,964,956 |
| Machinery and equipment | 17,109,987 | 1,554,033 | 890,503 | 17,773,517 |
| Infrastructure | 73,933,368 | 5,670,676 | - | 79,604,044 |
| Subtotals | <u>120,568,228</u> | <u>7,664,792</u> | <u>890,503</u> | <u>127,342,517</u> |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | 10,661,385 | 904,755 | - | 11,566,140 |
| Machinery and equipment | 12,428,613 | 821,610 | 748,592 | 12,501,631 |
| Infrastructure | 22,653,737 | 1,924,677 | - | 24,578,414 |
| Subtotals | <u>45,743,735</u> | <u>3,651,042</u> | <u>748,592</u> | <u>48,646,185</u> |
| Total capital assets, being depreciated, net | <u>74,824,493</u> | <u>4,013,750</u> | <u>141,911</u> | <u>78,696,332</u> |
| Governmental activities capital assets, net | <u>\$ 84,606,690</u> | <u>\$ 4,261,340</u> | <u>\$ 176,871</u> | <u>88,691,159</u> |
| Less related long-term debt outstanding | | | | <u>30,582,224</u> |
| Net investment in capital assets | | | | <u>\$ 58,108,935</u> |
| Business-type activities: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 2,978,423 | \$ 210,981 | \$ - | \$ 3,189,404 |
| Construction in progress | 1,997,867 | 3,310,371 | 4,154,377 | 1,153,861 |
| Total capital assets, not being depreciated | <u>4,976,290</u> | <u>3,521,352</u> | <u>4,154,377</u> | <u>4,343,265</u> |
| Capital assets, being depreciated: | | | | |
| Buildings and improvements | 29,194,554 | 108,285 | 3,048 | 29,299,791 |
| Machinery and equipment | 9,698,423 | 702,113 | 395,040 | 10,005,496 |
| Infrastructure | 122,118,937 | 4,209,422 | 546,935 | 125,781,424 |
| Subtotals | <u>161,011,914</u> | <u>5,019,820</u> | <u>945,023</u> | <u>165,086,711</u> |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | 10,566,241 | 748,046 | 1,987 | 11,312,300 |
| Machinery and equipment | 6,676,617 | 846,384 | 357,298 | 7,165,703 |
| Infrastructure | 27,070,378 | 3,432,825 | 566,335 | 29,936,868 |
| Subtotals | <u>44,313,236</u> | <u>5,027,255</u> | <u>925,620</u> | <u>48,414,871</u> |
| Total capital assets, being depreciated, net | <u>116,698,678</u> | <u>(7,435)</u> | <u>19,403</u> | <u>116,671,840</u> |
| Business-type activities capital assets, net | <u>\$ 121,674,968</u> | <u>\$ 3,513,917</u> | <u>\$ 4,173,780</u> | <u>121,015,105</u> |
| Less related long-term debt outstanding | | | | <u>46,183,876</u> |
| Net investment in capital assets | | | | <u>\$ 74,831,229</u> |

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Depreciation expense was charged to functions of the City as follows:

| | |
|---|---------------------|
| Governmental activities | |
| General government | \$ 266,162 |
| Public safety | 518,908 |
| Public works | 2,138,759 |
| Health and human services | 10,740 |
| Culture and recreation and education | 347,831 |
| Internal service fund | 368,642 |
| Total depreciation expense - governmental activities | <u>\$ 3,651,042</u> |
| Business-type activities | |
| Electric utility | \$ 3,106,899 |
| Water utility | 734,739 |
| Communications utility | 41,908 |
| Wastewater utility | 1,066,486 |
| Emergency medical services | 77,223 |
| Total increase in depreciation | <u>5,027,255</u> |
| Depreciation charged to clearing accounts and other utilities | <u>(207,725)</u> |
| Total depreciation expense - business-type activities | <u>\$ 4,819,530</u> |

5. Interfund Receivable, Payables, and Transfers

Interfund receivables and payables between individual funds of the City, as reported in the fund financial statements, as of December 31, 2013 are detailed below:

| | Interfund Receivables | Interfund Payables |
|---|--------------------------|-----------------------|
| Operating Accounts Between Funds | | |
| General fund | \$ 1,848,746 | \$ 14,859 |
| Special Revenue Fund | | |
| Cable television | - | 261 |
| Capital Projects Funds | | |
| Infrastructure construction | 25,332 | - |
| TID #4 (Downtown Redevelopment) | 331,344 | 4,442 |
| Enterprise Funds | | |
| Marshfield Utilities | 33,385 | 3,057,274 |
| Wastewater utility | 866,240 | 32,530 |
| Internal Service Fund | 6,199 | 1,880 |
| Temporary Cash Advances to Finance Operating | | |
| Cash Deficits of Other Funds | | |
| General fund | 4,192,689 | - |
| Special Revenue Funds | | |
| Health and human services | - | 60,063 |
| Taxi system | - | 96,258 |
| Capital Projects Funds | | |
| Infrastructure construction | - | 12,125 |
| Public safety capital outlay | - | 65 |
| TID #4 (Downtown Redevelopment) | - | 2,455,366 |
| TID #5 (Mill Creek Business Park) | - | 1,353,395 |
| TID #6 (Figi Project) | - | 32,649 |
| TID #9 (Central Avenue & Ives Street Project) | - | 182,768 |
| Totals | <u>\$ 7,303,935</u> | <u>\$ 7,303,935</u> |

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Interfund transfers for the year ended December 31, 2013 were as follows:

| | Transfers In | Transfers Out |
|--------------------------------------|---------------------|---------------------|
| Operating Accounts Between Funds | | |
| General fund | \$ 1,842,559 | \$ 28,731 |
| Special Revenue Funds | | |
| Room tax | - | 218,681 |
| Convention & Visitors Bureau | 178,681 | - |
| Economic development | 268,814 | 20,000 |
| Debt Service Fund | 1,837,700 | - |
| Capital Projects Funds | | |
| Infrastructure construction | 10,000 | - |
| Public facilities capital outlay | 18,731 | - |
| Parks and Rec Capital Projects | 40,000 | 46,131 |
| TID #2 (Purdy Project) | - | 106,230 |
| TID #3 (Tower Hall) | - | 20,530 |
| TID #4 (Downtown Redevelopment) | 20,000 | 743,725 |
| TID #5 (Mill Creek Business Park) | - | 324,588 |
| TID #7 (Yellowstone Industrial Park) | - | 596,496 |
| Cemetery Perpetual Care Fund | - | 733 |
| Enterprise Funds | | |
| Marshfield Utilities | - | 2,109,734 |
| Emergency Medical Services | - | 906 |
| Totals | <u>\$ 4,216,485</u> | <u>\$ 4,216,485</u> |

Transfers are used to move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them, or to move receipts restricted to debt service from the funds collecting the receipts to the debt service fund or to move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. The transfer from Marshfield Utilities is for the property tax equivalent.

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

6. Long-term Obligations

The following is a summary of changes in long-term obligations of the City for the year ended December 31, 2013:

| | Outstanding 01/01/13 | Adjustment | Issued | Retired | Outstanding 12/31/13 | Due Within One Year |
|---|-------------------------|-------------------|---------------------|---------------------|-------------------------|------------------------|
| Governmental activities: | | | | | | |
| General Obligation Debt | | | | | | |
| Bonds | \$ 9,828,668 | \$ - | \$ 3,030,000 | \$ 630,384 | \$ 12,228,284 | \$ 755,597 |
| Notes | 18,839,443 | - | 3,105,000 | 3,539,369 | 18,405,074 | 2,924,583 |
| State trust fund | 532,011 | - | 668,650 | 16,463 | 1,184,198 | 53,604 |
| Total General Obligation Debt | 29,200,122 | - | 6,803,650 | 4,186,216 | 31,817,556 | 3,733,784 |
| Compensated absences | 384,531 | - | 369,826 | 384,531 | 369,826 | 369,826 |
| Governmental activities Long-term obligations | <u>\$ 29,584,653</u> | <u>\$ -</u> | <u>\$ 7,173,476</u> | <u>\$ 4,570,747</u> | <u>\$ 32,187,382</u> | <u>\$ 4,103,610</u> |
| Business-type activities: | | | | | | |
| General Obligation Debt | | | | | | |
| Bonds | \$ 2,476,332 | \$ - | \$ - | \$ 149,616 | \$ 2,326,716 | \$ 154,403 |
| Notes | 1,050,557 | - | - | 210,631 | 839,926 | 180,417 |
| State trust fund | - | - | 20,000 | - | 20,000 | - |
| Total General Obligation Debt | 3,526,889 | - | 20,000 | 360,247 | 3,186,642 | 334,820 |
| Revenue Bonds | 37,400,000 | - | - | 1,430,000 | 35,970,000 | 1,490,000 |
| Clean water fund program loan | 8,724,517 | - | - | 1,392,067 | 7,332,450 | 1,430,502 |
| Debt premium | 1,857,646 | 368,584 | - | 124,392 | 2,101,838 | - |
| Debt discount | (126,470) | 125,679 | - | (133) | (658) | - |
| Other post-employment benefits | 505,000 | - | 150,951 | - | 655,951 | - |
| Compensated absences | 797,126 | - | 370,094 | 353,412 | 813,808 | 278,445 |
| Business-type activities Long-term obligations | <u>\$ 52,684,708</u> | <u>\$ 494,263</u> | <u>\$ 541,045</u> | <u>\$ 3,659,985</u> | <u>\$ 50,060,031</u> | <u>\$ 3,533,767</u> |

The City implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities* for the year ended December 31, 2013. This standard requires debt issuance costs be expensed rather than deferred and amortized over the life of the debt. The above adjustment is to write off the bond issuance costs previously deferred and amortized by the City. The adjustment is shown as a cumulative effect of change in accounting principle on the financial statements.

Interest paid during the year on long-term debt totaled \$2,979,554.

For governmental activities, the other long-term liabilities are generally funded by the general fund.

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

Bonds

| | |
|--|--------------|
| \$5,000,000 issued 11/15/2009; \$290,000 to \$410,000 due annually 2016 to 2027; interest 3.9% to 5.85% | \$ 5,000,000 |
| \$3,150,000 issued 4/15/2010; \$185,000 to \$280,000 due annually 2016 to 2029; interest 3.4% to 5.8% | 3,150,000 |
| \$3,030,000 issued 4/15/2013; \$100,000 to \$270,000 due annually 2016 through 2014; interest 2.0% to 2.75% | 3,030,000 |
| \$730,000 issued 5/1/2004; \$65,000 due annually through 2015; interest 5.4% to 5.5% | 130,000 |
| \$2,880,000 issued 11/15/2010; \$630,000 to \$645,000 due annually through 2015; interest 1.3% to 1.7% | 1,275,000 |
| \$1,570,000 issued 11/15/2011; \$340,000 to \$44,000 due annually 2019 through 2022; interest 2.0% to 2.4% | 1,570,000 |
| \$475,000 issued 4/12/2012; \$200,000 due annually through 2015; interest .65% to 1.0% | 400,000 |

Notes

| | |
|--|-----------|
| \$2,470,000 issued 12/1/2006; \$295,000 to \$320,000 due annually through 2016; interest 3.65% to 3.70% | 925,000 |
| \$1,855,000 issued 12/15/2007; \$215,000 to \$240,000 due annually through 2017; interest 3.5% | 905,000 |
| \$6,450,000 issued 5/1/2009; \$265,000 to \$985,000 due annually through 2019; interest 3.0% to 3.5% | 3,735,000 |
| \$605,000 issued 11/15/11; \$125,000 to \$130,000 due annually through 2016; interest 0.9% to 1.6% | 380,000 |
| \$5,400,000 issued 4/12/12; \$310,000 to \$1,015,000 due annually through 2022; interest 1.0% to 2.1% | 4,605,000 |
| \$3,105,000 issued 4/15/2013; \$250,000 to \$470,000 due annually through 2023; interest 2.00% | 3,105,000 |
| \$6,575,000 issued 6/1/2011; \$635,000 to \$780,000 due annually through 2021; interest 1.00% to 2.7% | 5,590,000 |

State Trust Fund

| | |
|--|----------------|
| \$178,200 issued 1/12/2009; \$17,204 to \$21,439 due annually through 2019; interest 4.5% | 115,548 |
| \$400,000 issued 11/7/2012; \$36,399 to \$49,885 due annually through 2022; interest 2.75% | 400,000 |
| \$688,650 issued 12/20/2013; \$19,003 to \$52,714 due annually 2015 through 2033; interest 4.5% | <u>688,650</u> |

| | |
|---|-----------------------------|
| Total Outstanding General Obligation Debt | <u><u>\$ 35,004,198</u></u> |
|---|-----------------------------|

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Annual principal and interest maturities of the outstanding general obligation debt of \$35,004,198 on December 31, 2013 are detailed below:

| Year Ended December 31 | Governmental Activities | | Business-type Activities | | Total | |
|---------------------------|-------------------------|---------------------|--------------------------|-------------------|----------------------|---------------------|
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2014 | \$ 3,733,784 | \$ 955,375 | \$ 334,820 | \$ 72,501 | \$ 4,068,604 | \$ 1,027,876 |
| 2015 | 3,657,301 | 847,092 | 300,938 | 86,615 | 3,958,239 | 933,707 |
| 2016 | 3,288,742 | 778,402 | 197,273 | 63,552 | 3,486,015 | 841,954 |
| 2017 | 3,015,713 | 694,001 | 148,548 | 59,012 | 3,164,261 | 753,013 |
| 2018 | 2,776,992 | 612,588 | 155,524 | 54,181 | 2,932,516 | 666,769 |
| 2019-2023 | 9,425,867 | 1,942,425 | 1,817,906 | 223,556 | 11,243,773 | 2,165,981 |
| 2024-2028 | 4,474,097 | 888,989 | 184,879 | 27,626 | 4,658,976 | 916,615 |
| 2029-2033 | 1,445,060 | 67,896 | 46,754 | 1,751 | 1,491,814 | 69,647 |
| | <u>\$ 31,817,556</u> | <u>\$ 6,786,768</u> | <u>\$ 3,186,642</u> | <u>\$ 588,794</u> | <u>\$ 35,004,198</u> | <u>\$ 7,375,562</u> |

Legal Margin for New Debt

The City's legal margin for creation of additional general obligation debt on December 31, 2013 was \$33,349,569 as follows:

| | |
|--|------------------|
| Equalized valuation of the City | \$ 1,359,235,300 |
| Statutory limitation percentage | (x) 5% |
| General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes | 67,961,765 |
| Total outstanding general obligation debt applicable to debt limitation | \$ 35,004,198 |
| Less: Amounts available for financing general obligation debt | |
| Debt service fund | 392,002 |
| Net outstanding general obligation debt applicable to debt limitation | 34,612,196 |
| Legal Margin for New Debt | \$ 33,349,569 |

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Revenue Bonds

Revenue bond debt service requirements are financed from operations of the enterprise fund. Debt outstanding on December 31, 2013 totaled \$43,302,450 and was composed of the following issues:

Electric System Revenue Bonds

| | |
|--|--------------------------|
| \$3,880,000 issued 7/15/2008; \$425,000 to \$655,000 due annually through 2018; interest 6.125% | \$ 2,780,000 |
| \$28,090,000 issued 11/30/2010; \$695,000 to \$2,560,000 due annually through 2030; interest 3.0% to 5.5% | <u>26,830,000</u> |
| Total Electric System Revenue Bonds | <u>29,610,000</u> |

Water System Revenue Bonds

| | |
|---|-------------------------|
| \$1,590,000 issued 10/1/2006; \$70,000 to \$120,000 due annually through 2026; interest 3.9% to 4.5% | 1,195,000 |
| \$3,150,000 issued 6/1/2009; \$140,000 to \$265,000 due annually through 2026; interest 3.0% to 4.6% | <u>2,880,000</u> |
| Total Water System Revenue Bonds | <u>4,075,000</u> |

Wastewater Utility Revenue Bonds

| | |
|---|-------------------------|
| \$1,530,000 issued 12/1/2006; \$105,000 to \$140,000 due annually through 2021; interest at 3.75% to 4.00% | 980,000 |
| \$1,350,000 issued 5/1/2009; \$30,000 to \$455,000 due annually through 2022; interest at 3.5% to 4.5% | <u>1,305,000</u> |
| Total Wastewater System Revenue Bonds | <u>2,285,000</u> |

Clean Water Fund Program Loan - Sewer Utility

| | |
|--|-------------------------|
| \$3,293,243 issued 3/25/1998 with the State of Wisconsin Clean Water Fund Program; \$202,741 to \$220,002 due through 2017 including interest at 2.761% | 845,172 |
| \$19,703,149 issued 9/09/1998 through the State of Wisconsin Clean Water Fund Program; \$1,227,761 to \$1,369,075 due annually through 2018; interest at 2.761% | <u>6,487,278</u> |
| Total Clean Water Fund Program Loan - Sewer Utility | <u>7,332,450</u> |

Total Revenue Bonds \$ 43,302,450

Annual principal and interest maturities of the outstanding revenue bonds of \$43,302,450 on December 31, 2013 are detailed below:

| Year Ended December 31 | Business-type Activities | | |
|---------------------------|--------------------------|----------------------|----------------------|
| | Principal | Interest | Total |
| 2014 | \$ 2,920,502 | \$ 2,002,664 | \$ 4,923,166 |
| 2015 | 3,024,998 | 1,902,805 | 4,927,803 |
| 2016 | 3,135,584 | 1,795,836 | 4,931,420 |
| 2017 | 3,262,292 | 1,676,301 | 4,938,593 |
| 2018 | 3,209,074 | 1,553,128 | 4,762,202 |
| 2019-2023 | 10,850,000 | 6,201,259 | 17,051,259 |
| 2024-2028 | 11,910,000 | 3,343,398 | 15,253,398 |
| 2029-2030 | 4,990,000 | 415,250 | 5,405,250 |
| | <u>\$ 43,302,450</u> | <u>\$ 18,890,641</u> | <u>\$ 62,193,091</u> |

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

The City has pledged future customer revenues, net of specified operating expenses, to repay the electric, water, and wastewater system revenue bonds. Proceeds from the bonds provided financing for the construction or acquisition of capital assets used by the utilities. The bonds are payable solely from customer net revenues and are payable as detailed above. The total principal and interest remaining to be paid on the electric bonds is \$45,947,457, the total principal and interest to be paid on the water bonds is \$5,580,600, and the total principal and interest to be paid on the wastewater bonds is \$10,665,034. Principal and interest paid for the current year and total customer net revenues for the electric utility were \$2,703,213 and \$7,239,239, respectively. Principal and interest paid for the current year and total customer net revenues for the water utility were \$373,010 and \$2,066,681, respectively. Principal and interest paid for the current year and total customer net revenues for the wastewater utility were \$1,835,294 and \$3,264,775, respectively.

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 payments received 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, 2013, there was one series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of \$2,500,000.

7. Other Post Employment Benefits

Plan Description – Marshfield Utilities provides health care insurance coverage for employees as follows:

- Retirees with 15 or more years of service and who elect to retire at 62 years of age can continue with the health insurance plan until the age of 65. The employee will continue to pay the 10% portion of the premiums as do the regular full-time employees. There are 42 active and 1 retired employees in the plan.

Annual OPEB Cost and Net OPEB Obligation - Marshfield Utilities' annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC), and the amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of Marshfield Utilities' annual OPEB cost for the year, the amount actually contributed to the plan, and changes in Marshfield Utilities' net OPEB obligation.

| Component | Amount |
|--|-------------------|
| Annual required contribution | \$ 159,978 |
| Interest on net OPEB | 2,030 |
| Adjustment to annual required contribution | <u>(11,057)</u> |
| Annual OPEB cost (expense) | 150,951 |
| Contributions made | <u>-</u> |
| Change in net OPEB obligation | 150,951 |
| OPEB obligation - beginning of year | <u>505,000</u> |
| OPEB obligation - end of year | <u>\$ 655,951</u> |

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

The annual required contribution for the current year was determined as part of the December 31, 2012 actuarial valuation using the projected unit credit method. The actuarial assumptions included (a) 0.4% discount rate, and (b) projected salary increases at 3.0%.

The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with a long-term perspective of the calculations. The unfunded actuarial accrued liability is being amortized as an open level percentage amount of projected payroll. The remaining amortization period of December 31, 2013 is 30 years, and remaining amount is \$1,354,650.

Trend Information – Marshfield Utilities annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation is as follows:

| Fiscal Year Ended | Annual OPEB Cost | Percentage Of Annual OPEB Cost Contributed | Net OPEB Obligation |
|-------------------------|------------------------|---|------------------------|
| 12/31/2011 | \$ 117,199 | 0.00% | \$ 356,046 |
| 12/31/2012 | \$ 148,954 | 0.00% | \$ 505,000 |
| 12/31/2013 | \$ 150,951 | 0.00% | \$ 655,951 |

Funded Status and Funding Progress - As of December 31, 2012, the most recent actuarial valuation date, Marshfield Utilities' unfunded actuarial accrued liability (UAAL) was \$1,354,650. The annual payroll for active employees covered by the plan for the 2012 fiscal year (year of study) was \$2,859,473 for a ratio of the UAAL to covered payroll of 47.4%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future, such as assumptions about future terminations, mortality, and healthcare cost trends. Actuarially determined amounts are subject to continual revision as actuarial results are compared with past experience and new estimates are made about the future.

Actuarial Methods and Assumptions - Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2012 actuarial valuation, the entry age method was used. The actuarial assumptions included a rate of 0.4% to discount expected liabilities to the valuation date. The initial healthcare trend rate was 8% for medical, reduced by decrements to an ultimate rate of 4.7% for medical after ten years. The UAAL is being amortized as a level percentage of projected payrolls on an open basis. The remaining amortization period at December 31, 2013 was 30 years.

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

8. Fund Equity

In the fund financial statements, portions of governmental fund balances are not available for appropriation or legally restricted for use for a specific purpose. At December 31, 2013, fund balance was restricted as follows:

| | |
|--------------------------------|---------------------|
| Special Revenue Funds | |
| Room Tax | \$ 237,139 |
| Convention and Visitors Bureau | 312,019 |
| Residential Rehabilitation | 71,176 |
| Economic Development | 496,913 |
| Taxi System | 15,277 |
| Cable Television | 97,060 |
| | <u>\$ 1,229,584</u> |
| Debt Service | <u>\$ 392,002</u> |

In the fund financial statements, portions of governmental fund balances are committed by City Council action. At December 31, 2013, fund balance was committed as follows:

| | |
|---|-------------------|
| General Fund | |
| Nuisance property abatement | \$ 27,285 |
| Sidewalk Repair | 10,000 |
| Part-time temporary staffing | 10,000 |
| Replacement office furniture | 5,000 |
| Enterprise business system software upgrade | 80,720 |
| Electronic document management system | 45,443 |
| MRAP tactical vehicle | 16,000 |
| Library operations and maintenance | 30,965 |
| Special recreation programs | 4,272 |
| Adult athletics | 2,718 |
| Park restroom automated locks | 3,000 |
| Animal automatic watering device | 3,000 |
| Total General Fund | <u>\$ 238,403</u> |
| Capital Project Funds | |
| Infrastructure Construction | \$ 29,384 |
| Facilities Capital Outlay | 102,090 |
| Airport Outlay | 24,772 |
| Parks and Rec Capital Projects | 80,099 |
| Tax Incremental District #3 projects | 12,967 |
| Tax Incremental District #2 projects | 84,273 |
| Tax Incremental District #7 projects | 80,416 |
| Tax Incremental District #9 projects | 200,087 |
| | <u>\$ 614,088</u> |

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Also in the fund financial statements, portions of governmental fund balances have been assigned to represent tentative management plans that are subject to change. At December 31, 2013, fund balance was assigned as follows:

| | |
|-----------------------|------------|
| Special Revenue Funds | |
| Economic Development | \$ 559,989 |

9. Minimum Fund Balance Policy

The City Council has adopted a policy that unassigned fund balance in the amount of 25%-30% of the annual General Fund budgeted expenditures be maintained for cash flow and working capital purposes. The minimum fund balance amount is calculated below as follows:

| | | |
|---|----|----------------------------|
| 2013 General Fund Budgeted Expenditures | \$ | 20,667,497 |
| Minimum Fund Balance % | | (x) 25% - 30% |
| Minimum Fund Balance Amount | | \$5,166,874 to \$6,200,249 |

The City's general fund unassigned fund balance of \$5,730,141 is within the range of the above minimum fund balance amount

NOTE D - OTHER INFORMATION

1. Retirement Commitments

All eligible City employees participate in the Wisconsin Retirement System (WRS), a cost-sharing, multiple-employer, defined benefit, public employee retirement system. All employees, initially employed by a participating WRS employer prior to July 1, 2011, expected to work at least 600 hours a year (440 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. Employees hired to work nine or ten months per year, (e.g. teachers contracts), but expected to return year after year are considered to have met the one-year requirement.

Effective the first day of the first pay period on or after June 29, 2011 the employee required contribution was changed to one-half of the actuarially determined contribution rate for General category employees, including Teachers, and Executives and Elected Officials. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement. Contribution rates are as follows:

| | 2013 | |
|------------------------------------|----------|----------|
| | Employee | Employer |
| General (including Teachers) | 6.65% | 6.65% |
| Executives & Elected Officials | 7.0% | 7.0% |
| Protective with Social Security | 6.65% | 9.75% |
| Protective without Social Security | 6.65% | 12.35% |

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE D - OTHER INFORMATION (Continued)

The payroll for City employees covered by the WRS for the year ended December 31, 2013 was \$13,432,937; the employer's total payroll was \$13,621,535. The total required contribution for the year ended December 31, 2013 was \$2,308,362, which consisted of \$1,414,557 or 10.53% of covered payroll from the employer, and \$893,805, or 6.65% of covered payroll from employees. Total contributions for the years ended December 31, 2012 and 2011 were \$2,081,515 and \$1,907,197, respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 (62 for elected officials and 54 for protective occupation employees with less than 25 years of service, 53 for protective occupation employees with more than 25 years of service) 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. A final average earnings is the average of the employee's three highest year's earnings. Employees terminating covered employment and submitting application 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 and prior to July 1, 2011 are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011 must have five years of creditable service to be vested.

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 Basic Financial Statements
December 31, 2013

NOTE D - OTHER INFORMATION (Continued)

2. Tax Incremental Financing Districts

The City has established separate capital projects funds for seven Tax Incremental Financing Districts (TIF) created by the City in accordance with Section 66.1105 of the Wisconsin Statutes. At the time the TIF's were created, the property tax base within each TIF was "frozen" and increment taxes resulting from increases to the property tax base are used to finance TIF improvements, including principal and interest on long-term debt issued by the City to finance such improvements. The Statutes allow eligible project costs to be incurred up to five years prior to the maximum termination date.

Since creation of the above TIF's, the City has provided various financing sources to each TIF and has also recorded eligible TIF project costs in other funds of the City. Project summaries of the activity and status of the seven active TIFs is as follows:

| | TIF #2 | TIF #3 | TIF #4 | TIF #5 | TIF #6 | TIF #7 | TIF #9 |
|---|------------------|--------------------|---------------------|---------------------|------------------|---------------------|-------------------|
| Project revenues | | | | | | | |
| Tax Increment | \$ 1,571,914 | \$ 287,522 | \$ 5,729,685 | \$ 1,927,966 | \$ 51,448 | \$ 469,828 | \$ - |
| Special assessments | - | - | 13,200 | - | - | - | - |
| Intergovernmental Revenue | 356 | 430 | 896,512 | 474,467 | - | - | - |
| Miscellaneous | 47,423 | 152,844 | 209,925 | 618,172 | 71,593 | 385,359 | 10,000 |
| Transfers from other funds | - | - | 491,997 | 389,609 | - | 12,050 | - |
| Proceeds from long-term debt | 750,000 | 264,000 | 8,613,902 | 5,544,135 | 516,259 | 4,265,437 | 408,650 |
| Total project revenues as of December 31, 2013 | 2,369,693 | 704,796 | 15,955,221 | 8,954,349 | 639,300 | 5,132,674 | 418,650 |
| Project expenditures | | | | | | | |
| Conservation and development | 809,399 | 253,875 | 359,756 | 555,000 | 13,857 | 255,258 | 9,679 |
| Miscellaneous | - | - | 1,696,906 | 257,109 | - | 50,156 | - |
| Capital expenditures | - | - | 9,729,723 | 5,597,496 | 309,349 | 3,926,341 | 208,884 |
| Debt issuance cost | - | - | 103,987 | 64,576 | - | 35,220 | - |
| Transfer to other funds | 1,476,021 | 437,954 | 6,060,579 | 3,833,563 | 348,743 | 785,283 | - |
| Total project expenditures as of December 31, 2013 | 2,285,420 | 691,829 | 17,950,951 | 10,307,744 | 671,949 | 5,052,258 | 218,563 |
| Fund balance (deficit) as of December 31, 2013 | 84,273 | 12,967 | (1,995,730) | (1,353,395) | (32,649) | 80,416 | 200,087 |
| Future requirements | | | | | | | |
| Debt service | 137,118 | - | 7,534,086 | 1,201,366 | - | 3,434,289 | 621,079 |
| Balance to be collected on TIF District | \$ 52,845 | \$ (12,967) | \$ 9,529,816 | \$ 2,554,761 | \$ 32,649 | \$ 3,353,873 | \$ 420,992 |
| Termination Date | 3/9/2030 | 2/25/2014 | 9/24/2033 | 3/25/2030 | 2/25/2014 | 5/22/2030 | 8/27/2040 |

CITY OF MARSHFIELD, WISCONSIN
Notes to Basic Financial Statements
December 31, 2013

NOTE D - OTHER INFORMATION (Continued)

3. Wholesale Power Supply Contacts

On January 25, 2000, the Utilities entered into a contract for the establishment and operation of Great Lakes Utilities (GLU), a municipal electric company formed pursuant to Section 66.073 of the Wisconsin Statutes. It is a separate electric company of seventeen Wisconsin municipal electric utilities to purchase and sell power and energy from and to its members and others.

4. Property Tax Levy Limit

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2013 and 2014 budget years, the increase in the maximum allowable tax levy is limited to the percentage change in the City's January 1 equalized value as a result of net new construction. The actual limit for the City's for the 2013 budget was 0.80%. The actual limit for the City's for the 2014 budget was 0.68%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

5. Contingencies

- a. The City participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial.
- b. From time to time, the City is party to other various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and the City Attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position or results of operations.

6. Joint Ventures

a. 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 Basic Financial Statements
December 31, 2013

NOTE D - OTHER INFORMATION (Continued)

b. 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.

7. Subsequent Events

The City approved the dissolution of Tax Incremental Financing District #3 and Tax Incremental Financing District #6 with effective date of February 25, 2014.

The City issued \$4,010,000 General Obligation Notes on April 1, 2014. This issue will provide financing for various capital projects and refinancing of \$630,000 of the 12/1/2006 General Obligation Notes.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MARSHFIELD, WISCONSIN
Schedule of Funding Progress
Other Post-employment Benefit Plan
December 31, 2013

| Actuarial Valuation Date December 31, | (1) Actuarial Value of Assets | (2) Actuarial Accrued Liability (AAL) Entry Age Normal | (3) Funded Ratio (1) / (2) | (4) Unfunded Actuarial Accrued Liability (UAAL) (2) - (1) | (5) Covered Payroll | UAAL as a Percentage of Covered Payroll (4) / (5) |
|---------------------------------------|----------------------------------|---|-------------------------------|--|------------------------|---|
| 2009 | \$ - | \$ 1,206,683 | 0.00% | \$ 1,206,683 | \$ 2,558,995 | 47.15% |
| 2012 | \$ - | \$ 1,354,650 | 0.00% | 1,354,650 | \$ 2,859,473 | 47.37% |

Marshfield Utilities implemented GASB Statement No. 45 for the fiscal year ended December 31, 2009. Information for prior years is not available.

CITY OF MARSHFIELD, WISCONSIN
 Schedule of Employer Contributions
 Other Post-employment Benefit Plan
 For the Year Ended December 31, 2013

| Year Ended December 31, | Employer Contributions | Annual Required Contribution (ARC) | Percentage Contributed |
|----------------------------|---------------------------|---------------------------------------|---------------------------|
| 2011 | \$ - | \$ 117,199 | 0.00% |
| 2012 | \$ - | \$ 155,318 | 0.00% |
| 2013 | \$ - | \$ 159,978 | 0.00% |

Marshfield Utilities implemented GASB Statement No. 45 for the fiscal year ended December 31, 2009. Information for prior years is not available.

SUPPLEMENTARY INFORMATION

CITY OF MARSHFIELD, WISCONSIN

General Fund

Detailed Comparison of Budgeted and Actual Revenues and Other Financing Sources
For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|-----------------------------------|------------------|------------------|------------------|---|
| | Original | Final | | |
| Taxes | | | | |
| General property | \$ 8,672,960 | \$ 8,608,160 | \$ 8,606,235 | \$ (1,925) |
| General sales | 120 | 120 | 120 | - |
| Mobile home fees | 51,000 | 51,000 | 62,869 | 11,869 |
| Payment in lieu of taxes | | | | |
| Other tax exempt entities | 136,750 | 136,750 | 130,703 | (6,047) |
| Interest on taxes | 1,400 | 1,400 | 4,519 | 3,119 |
| Total Taxes | 8,862,230 | 8,797,430 | 8,804,446 | 7,016 |
| Special Assessments | | | | |
| Water mains | 55,000 | 55,000 | 42,513 | (12,487) |
| Sidewalks | 10,000 | 10,000 | - | (10,000) |
| Streets | 260,000 | 260,000 | 210,449 | (49,551) |
| Total Special Assessments | 325,000 | 325,000 | 252,962 | (72,038) |
| Intergovernmental | | | | |
| Other public safety | 2,500 | 2,500 | 6,078 | 3,578 |
| Shared revenues | 4,830,434 | 4,830,434 | 4,778,486 | (51,948) |
| Fire insurance tax | 51,000 | 51,000 | 51,221 | 221 |
| Exempt computer aid | 278,166 | 278,166 | 225,089 | (53,077) |
| Municipal services | 92,500 | 92,500 | 64,859 | (27,641) |
| Transportation aids | 1,072,943 | 1,072,943 | 1,136,707 | 63,764 |
| Other state grants | 62,000 | 78,984 | 78,958 | (26) |
| Other highway aid | 195,000 | 195,000 | 195,330 | 330 |
| Police training | 35,928 | 35,928 | 26,879 | (9,049) |
| Grants from local governments | 357,800 | 357,800 | 352,652 | (5,148) |
| Total Intergovernmental | 6,978,271 | 6,995,255 | 6,916,259 | (78,996) |
| Licenses and Permits | | | | |
| Licenses | | | | |
| Liquor and malt beverages | 33,400 | 33,400 | 35,877 | 2,477 |
| Other business and occupational | 25,000 | 25,000 | 16,371 | (8,629) |
| Sundry | 100 | 100 | 170 | 70 |
| Dog | 8,000 | 8,000 | 9,538 | 1,538 |
| Permits | | | | |
| Building | 105,000 | 105,000 | 175,547 | 70,547 |
| Zoning and conditional use | 4,100 | 4,100 | 8,348 | 4,248 |
| Total Licenses and Permits | 175,600 | 175,600 | 245,851 | 70,251 |
| Fines and Forfeits | | | | |
| Court penalties and fines | 139,000 | 139,000 | 81,608 | (57,392) |
| Parking violations | 35,000 | 35,000 | 34,925 | (75) |
| Other | - | - | 74 | 74 |
| Total Fines and Forfeits | 174,000 | 174,000 | 116,607 | (57,393) |

(Continued)

CITY OF MARSHFIELD, WISCONSIN

General Fund

Detailed Comparison of Budgeted and Actual Revenues and Other Financing Sources (Continued)
For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|----------------------|----------------------|----------------------|---|
| | Original | Final | | |
| Public Charges for Services | | | | |
| Other general government | 7,425 | 7,425 | 6,616 | (809) |
| Vending machine commissions | 500 | 500 | 335 | (165) |
| Public safety | 30,950 | 30,950 | 24,876 | (6,074) |
| Public works | 54,800 | 54,800 | 99,101 | 44,301 |
| Weed and nuisance control | 11,000 | 11,000 | 12,609 | 1,609 |
| Health | 122,200 | 122,200 | 151,888 | 29,688 |
| Human services | 1,773 | 1,773 | 1,114 | (659) |
| Culture, recreation and education | 348,539 | 348,539 | 305,141 | (43,398) |
| Conservation and development | 1,000 | 1,000 | 3,267 | 2,267 |
| Total Public Charges for Services | 578,187 | 578,187 | 604,947 | 26,760 |
| Intergovernmental Charges for Services | | | | |
| Local departments | 92,935 | 92,935 | 93,126 | 191 |
| Federal | 3,500 | 3,500 | 8,447 | 4,947 |
| State | 5,100 | 5,100 | 7,431 | 2,331 |
| Other local governments | 33,550 | 33,550 | 19,821 | (13,729) |
| Total Intergovernmental Charges for Services | 135,085 | 135,085 | 128,825 | (6,260) |
| Miscellaneous | | | | |
| Interest on investments | 100,000 | 100,000 | 46,496 | (53,504) |
| Interest on special assessments | 40,000 | 40,000 | 34,013 | (5,987) |
| Rent of city buildings | 391,378 | 391,378 | 388,426 | (2,952) |
| Donations from individuals/organizations | 9,465 | 13,142 | 1,378 | (11,764) |
| Miscellaneous revenue | 40,000 | 40,000 | 91,858 | 51,858 |
| Total Miscellaneous | 580,843 | 584,520 | 562,171 | (22,349) |
| Total Revenues | 17,809,216 | 17,765,077 | 17,632,068 | (133,009) |
| Other Financing Sources | | | | |
| Sale of capital assets | 24,400 | 26,011 | 35,797 | 9,786 |
| Transfer from other funds | 1,000 | 1,906 | 1,639 | (267) |
| Transfer from Municipal Utility PILOT | 1,755,000 | 1,755,000 | 1,840,920 | 85,920 |
| Total Other Financing Sources | 1,780,400 | 1,782,917 | 1,878,356 | 95,439 |
| Total Revenue and Other Financing Sources | \$ 19,589,616 | \$ 19,547,994 | \$ 19,510,424 | \$ (37,570) |

CITY OF MARSHFIELD, WISCONSIN

General Fund

Detailed Comparison of Budgeted and Actual Expenditures and Other Financing Uses
For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------|------------------|------------------|------------------|---|
| | Original | Final | | |
| General Government | | | | |
| Legislative | \$ 81,980 | \$ 81,980 | \$ 66,145 | \$ 15,835 |
| Mayor | 60,652 | 60,652 | 55,912 | 4,740 |
| Municipal court | 68,838 | 68,838 | 62,787 | 6,051 |
| Legal | 119,750 | 119,750 | 110,551 | 9,199 |
| City administrator | 384,287 | 384,287 | 337,293 | 46,994 |
| Clerk | 165,524 | 165,524 | 157,706 | 7,818 |
| Elections | 26,625 | 28,525 | 27,977 | 548 |
| Information technology | 894,832 | 894,832 | 851,297 | 43,535 |
| Finance | 513,433 | 513,433 | 502,445 | 10,988 |
| Property assessment | 317,657 | 317,657 | 298,718 | 18,939 |
| Purchasing | 7,570 | 7,570 | 3,414 | 4,156 |
| City buildings | 342,379 | 318,848 | 316,230 | 2,618 |
| Uncollectible taxes and refunds | 14,000 | 14,000 | 10,577 | 3,423 |
| Other general government | 380,630 | 279,037 | 192,304 | 86,733 |
| Total General Government | 3,378,157 | 3,254,933 | 2,993,356 | 261,577 |
| Public Safety | | | | |
| Law enforcement | 5,100,045 | 5,098,233 | 4,993,914 | 104,319 |
| Fire protection | 2,901,606 | 2,916,488 | 2,804,332 | 112,156 |
| Inspections | 340,547 | 340,547 | 284,212 | 56,335 |
| Emergency government | 14,467 | 18,091 | 8,572 | 9,519 |
| Total Public Safety | 8,356,665 | 8,373,359 | 8,091,030 | 282,329 |
| Public Works | | | | |
| DPW administration | 536,642 | 553,626 | 503,314 | 50,312 |
| Street maintenance | 1,512,195 | 1,412,195 | 1,306,662 | 105,533 |
| Snow and ice removal | 844,899 | 1,094,899 | 1,278,273 | (183,374) |
| Traffic control | 152,676 | 152,676 | 174,980 | (22,304) |
| Street lighting | 205,000 | 205,000 | 210,318 | (5,318) |
| Sidewalks and crosswalks | 121,920 | 121,920 | 86,430 | 35,490 |
| Storm sewers | 663,096 | 478,097 | 445,333 | 32,764 |
| Parking lots | 88,094 | 113,094 | 122,192 | (9,098) |
| Airport | 158,070 | 158,070 | 159,209 | (1,139) |
| Refuse and recycling | 879,996 | 879,996 | 871,511 | 8,485 |
| Total Public Works | 5,162,588 | 5,169,573 | 5,158,222 | 11,351 |

(Continued)

CITY OF MARSHFIELD, WISCONSIN

General Fund

Detailed Comparison of Budgeted and Actual Expenditures and Other Financing Uses (Continued)
For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|----------------------|----------------------|----------------------|---|
| | Original | Final | | |
| Health and Human Services | | | | |
| Aging | 20,220 | 20,220 | 17,640 | 2,580 |
| Cemetery | 170,235 | 170,235 | 168,677 | 1,558 |
| Total Health and Human Services | <u>190,455</u> | <u>190,455</u> | <u>186,317</u> | <u>4,138</u> |
| Culture, Recreation and Education | | | | |
| Culture | 1,519,375 | 1,519,375 | 1,507,833 | 11,542 |
| Parks | 731,752 | 732,652 | 719,681 | 12,971 |
| Recreation programs and events | 418,139 | 418,239 | 357,041 | 61,198 |
| Recreation facilities | 183,481 | 183,556 | 195,073 | (11,517) |
| Zoo | 231,195 | 235,695 | 231,773 | 3,922 |
| Education | 46,343 | 46,343 | 46,331 | 12 |
| Total Culture and Recreation | <u>3,130,285</u> | <u>3,135,860</u> | <u>3,057,732</u> | <u>78,128</u> |
| Conservation and Development | | | | |
| Tourism and economic development | 355,399 | 355,399 | 332,397 | 23,002 |
| Other conservation and development | 187,918 | 187,918 | 91,639 | 96,279 |
| Total Conservation and Development | <u>543,317</u> | <u>543,317</u> | <u>424,036</u> | <u>119,281</u> |
| Total Expenditures | <u>20,761,467</u> | <u>20,667,497</u> | <u>19,910,693</u> | <u>756,804</u> |
| Other Financing Uses | | | | |
| Transfer to other funds | - | 28,731 | 28,731 | - |
| Total Expenditures and Other Financing Uses | <u>\$ 20,761,467</u> | <u>\$ 20,696,228</u> | <u>\$ 19,939,424</u> | <u>\$ 756,804</u> |

CITY OF MARSHFIELD, WISCONSIN

Debt Service

Schedule of Revenues, Expenditures and Changes in Fund Balance -

Budget and Actual

For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|--------------------|--------------------|--------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$ 2,432,427 | \$ 2,432,427 | \$ 2,432,427 | \$ - |
| Miscellaneous | 273,495 | 273,495 | 159,748 | (113,747) |
| Total Revenues | <u>2,705,922</u> | <u>2,705,922</u> | <u>2,592,175</u> | <u>(113,747)</u> |
| Expenditures | | | | |
| Debt service | | | | |
| Principal | 3,639,726 | 3,639,726 | 4,186,216 | (546,490) |
| Interest and fiscal charges | 903,483 | 903,483 | 902,383 | 1,100 |
| Total Expenditures | <u>4,543,209</u> | <u>4,543,209</u> | <u>5,088,599</u> | <u>(545,390)</u> |
| Excess of Revenues Under Expenditures | <u>(1,837,287)</u> | <u>(1,837,287)</u> | <u>(2,496,424)</u> | <u>(659,137)</u> |
| Other Financing Sources (Uses) | | | | |
| Long-term debt issued | - | - | 605,000 | 605,000 |
| Premium on long term debt | - | - | 129,591 | 129,591 |
| Transfers in | 1,837,287 | 1,837,287 | 1,837,700 | 413 |
| Total Other Financing Sources (Uses) | <u>1,837,287</u> | <u>1,837,287</u> | <u>2,572,291</u> | <u>735,004</u> |
| Net Change in Fund Balance | - | - | 75,867 | 75,867 |
| Fund Balance - January 1 | <u>316,135</u> | <u>316,135</u> | <u>316,135</u> | <u>-</u> |
| Fund Balance - December 31 | <u>\$ 316,135</u> | <u>\$ 316,135</u> | <u>\$ 392,002</u> | <u>\$ 75,867</u> |

CITY OF MARSHFIELD, WISCONSIN
 Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2013

| | Special Revenue Funds | | | | | | | | | | Total Special Revenue Funds | |
|---|-----------------------|------------------------------|----------------------------|----------------------|------------------|---------------------------|-------------------------------|-------------------|-------------------|---------------------|-----------------------------|--|
| | Room Tax | Convention & Visitors Bureau | Residential Rehabilitation | Economic Development | Public Safety | Health and Human Services | Business Improvement District | Taxi System | Cable Television | | | |
| ASSETS | | | | | | | | | | | | |
| Cash and investments | \$ 237,297 | \$ 311,182 | \$ 71,176 | \$ 564,258 | \$ 25,522 | \$ - | \$ - | \$ - | \$ 12,146 | \$ - | \$ 1,221,581 | |
| Restricted cash and investments | - | - | - | 463,813 | - | - | - | - | 90,000 | - | 553,813 | |
| Receivables | - | - | - | - | - | - | - | - | - | - | - | |
| Taxes | - | - | - | - | - | - | - | - | - | - | - | |
| Accounts | - | - | - | 39,952 | - | - | - | 7,111 | - | - | 73,111 | |
| Special assessments | - | - | - | - | - | - | - | - | - | - | 39,952 | |
| Loans | - | - | 369,004 | 151,108 | - | - | - | - | - | 1,681 | 1,681 | |
| Due from other funds | - | - | - | - | - | - | - | - | - | - | 520,112 | |
| Due from other governments | - | 1,032 | - | 11,950 | - | 72,423 | - | 119,777 | - | - | 205,182 | |
| Inventories and prepaid items | - | - | - | 500 | - | - | - | - | 16 | - | 516 | |
| TOTAL ASSETS | \$ 237,297 | \$ 312,214 | \$ 440,180 | \$ 1,231,581 | \$ 25,522 | \$ 72,423 | \$ 67,681 | \$ 126,888 | \$ 102,162 | \$ 2,615,948 | | |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | | | | | | | | |
| Liabilities | | | | | | | | | | | | |
| Accounts payable | \$ 158 | \$ 195 | \$ - | \$ 22,319 | \$ - | \$ 12,360 | \$ - | \$ 8,242 | \$ 4,825 | \$ - | \$ 48,099 | |
| Due to other funds | - | - | - | - | - | 60,063 | - | 93,369 | 261 | - | 153,693 | |
| Due to other governments | - | - | - | 752 | - | - | 1,268 | - | - | - | 2,020 | |
| Unearned revenues | - | - | - | - | 30,532 | - | - | - | - | - | 30,532 | |
| Total Liabilities | 158 | 195 | - | 23,071 | 30,532 | 72,423 | 1,268 | 101,611 | 5,086 | - | 234,344 | |
| Deferred Inflows of Resources | | | | | | | | | | | | |
| Taxes | - | - | - | - | - | - | 66,000 | 10,000 | - | - | 76,000 | |
| Special assessments | - | - | - | - | - | - | - | - | - | - | - | |
| Total Deferred Inflows of Resources | - | - | - | - | - | - | 66,000 | 10,000 | - | - | 76,000 | |
| Fund Balances (Deficits) | | | | | | | | | | | | |
| Nonspendable | - | - | - | 500 | - | - | - | - | 16 | - | 516 | |
| Inventories and prepaid items | - | - | 369,004 | 151,108 | - | - | - | - | - | - | 520,112 | |
| Loans receivable | - | - | - | - | - | - | - | - | - | - | - | |
| County held special assessments and charges | - | - | - | - | - | - | 1,681 | - | - | - | 1,681 | |
| Cemetery perpetual care | - | - | - | - | - | - | - | - | - | - | - | |
| Restricted for | | | | | | | | | | | | |
| Future expenditures | 237,139 | 312,019 | 71,176 | 496,913 | - | - | - | 15,277 | 97,060 | - | 1,229,584 | |
| Committed | - | - | - | - | - | - | - | - | - | - | - | |
| Assigned | - | - | - | 559,989 | - | - | - | - | - | - | 559,989 | |
| Unassigned (deficit) | - | - | - | - | (5,010) | - | (1,268) | - | - | - | (6,278) | |
| Total Fund Balances (Deficits) | 237,139 | 312,019 | 440,180 | 1,208,510 | (5,010) | - | 413 | 15,277 | 97,076 | - | 2,305,604 | |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | \$ 237,297 | \$ 312,214 | \$ 440,180 | \$ 1,231,581 | \$ 25,522 | \$ 72,423 | \$ 67,681 | \$ 126,888 | \$ 102,162 | \$ 2,615,948 | | |

(Continued)

CITY OF MARSHFIELD, WISCONSIN
 Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2013

| | Capital Project Funds | | | | | | TID #4 (Downtown Redevelopment) |
|---|--------------------------------|-------------------------------------|---------------------------------|------------------|-----------------------------------|------------------------|---------------------------------------|
| | Infrastructure Construction | Public Facilities Capital Outlay | Public Safety Capital Outlay | Airport Outlay | Parks and Rec Capital Projects | TID #3 (Tower Hall) | TID #2 (Purdy Project) |
| ASSETS | | | | | | | |
| Cash and investments | \$ 54,535 | \$ 236,287 | \$ - | \$ 24,772 | \$ 87,322 | \$ 15,752 | \$ 114,134 |
| Restricted cash and investments | - | - | - | - | - | - | - |
| Receivables | 149,566 | 61,606 | - | - | 17,777 | 6,855 | 73,489 |
| Taxes | - | - | - | - | - | - | - |
| Accounts | - | - | - | - | - | - | - |
| Special assessments | - | - | - | - | - | - | - |
| Loans | - | - | - | - | - | - | - |
| Due from other funds | 25,332 | - | - | - | - | - | 331,344 |
| Due from other governments | 25,000 | 26,470 | - | - | - | - | 185,000 |
| Inventories and prepaid items | - | - | - | - | - | - | - |
| TOTAL ASSETS | \$ 254,433 | \$ 324,363 | \$ - | \$ 24,772 | \$ 105,099 | \$ 22,607 | \$ 187,623 |
| | | | | | | | \$ 1,015,774 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | | | |
| Liabilities | | | | | | | |
| Accounts payable | \$ 14,709 | \$ 14,962 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due to other funds | - | - | 65 | - | - | - | - |
| Due to other governments | - | 26,141 | - | - | - | - | - |
| Unearned revenues | - | 94,531 | - | - | - | - | - |
| Total Liabilities | 14,709 | 135,634 | 65 | - | - | - | - |
| | | | | | | | 2,338,238 |
| Deferred Inflows of Resources | | | | | | | |
| Taxes | 210,340 | 86,639 | - | - | 25,000 | 9,640 | 103,350 |
| Special assessments | - | - | - | - | - | - | - |
| Total Deferred Inflows of Resources | 210,340 | 86,639 | - | - | 25,000 | 9,640 | 103,350 |
| | | | | | | | 640,702 |
| | | | | | | | 32,564 |
| | | | | | | | 673,266 |
| Fund Balances (Deficits) | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - |
| Inventories and prepaid items | - | - | - | - | - | - | - |
| Loans receivable | - | - | - | - | - | - | - |
| County held special assessments and charges | - | - | - | - | - | - | - |
| Cemetery perpetual care | - | - | - | - | - | - | - |
| Restricted for | - | - | - | - | - | - | - |
| Future expenditures | - | - | - | 24,772 | 80,099 | 12,967 | 84,273 |
| Committed | 29,384 | 102,090 | - | - | - | - | - |
| Assigned | - | - | (65) | - | - | - | - |
| Unassigned (deficit) | - | - | (65) | - | - | - | - |
| Total Fund Balances (Deficits) | 29,384 | 102,090 | (65) | 24,772 | 80,099 | 12,967 | 84,273 |
| | | | | | | | (1,995,730) |
| | | | | | | | (1,995,730) |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | \$ 254,433 | \$ 324,363 | \$ - | \$ 24,772 | \$ 105,099 | \$ 22,607 | \$ 187,623 |
| | | | | | | | \$ 1,015,774 |

(Continued)

CITY OF MARSHFIELD, WISCONSIN
 Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2013

| | Capital Project Funds (Continued) | | | | Permanent Fund | | Total Nonmajor Governmental Funds |
|---|-----------------------------------|-----------------------------------|--------------------------------------|---|------------------------------|-------------------------|-----------------------------------|
| | TID #6 (Figi Project) | TID #5 (Mill Creek Business Park) | TID #7 (Yellowstone Industrial Park) | TID #9 (Central Avenue and Ives Street) | Total Capital Projects Funds | Cemetery Perpetual Care | |
| ASSETS | | | | | | | |
| Cash and investments | \$ - | \$ - | \$ 128,973 | \$ - | \$ 661,775 | \$ - | \$ 1,883,356 |
| Restricted cash and investments | - | - | - | - | - | 208,447 | 762,260 |
| Receivables | - | - | - | - | - | - | - |
| Taxes | - | 208,249 | 242,550 | - | 1,216,958 | - | 1,290,069 |
| Accounts | - | - | - | - | 10,000 | - | 49,952 |
| Special assessments | - | - | - | - | 32,564 | - | 34,245 |
| Loans | - | - | - | - | - | - | 520,112 |
| Due from other funds | - | - | - | - | 356,676 | - | 356,676 |
| Due from other governments | - | - | 50,000 | 408,650 | 695,120 | - | 900,302 |
| Inventories and prepaid items | - | - | - | - | - | - | 516 |
| TOTAL ASSETS | \$ - | \$ 208,249 | \$ 421,523 | \$ 408,650 | \$ 2,973,093 | \$ 208,447 | \$ 5,797,488 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | | | |
| Liabilities | | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ 25,795 | \$ 117,296 | \$ - | \$ 165,395 |
| Due to other funds | 32,649 | 1,268,776 | - | 182,768 | 3,760,230 | - | 3,913,923 |
| Due to other governments | - | - | - | - | 26,577 | - | 28,597 |
| Unearned revenues | - | - | - | - | 94,531 | - | 125,063 |
| Total Liabilities | 32,649 | 1,268,776 | - | 208,563 | 3,998,634 | - | 4,232,978 |
| Deferred Inflows of Resources | | | | | | | |
| Taxes | - | 292,868 | 341,107 | - | 1,709,646 | - | 1,785,646 |
| Special assessments | - | - | - | - | 32,564 | - | 32,564 |
| Total Deferred Inflows of Resources | - | 292,868 | 341,107 | - | 1,742,210 | - | 1,818,210 |
| Fund Balances (Deficits) | | | | | | | |
| Nonspendable | - | - | - | - | - | - | 516 |
| Inventories and prepaid items | - | - | - | - | - | - | 520,112 |
| Loans receivable | - | - | - | - | - | - | - |
| County held special assessments and charges | - | - | - | - | - | 208,447 | 1,681 |
| Cemetery perpetual care | - | - | - | - | - | - | 208,447 |
| Restricted for | | | | | | | |
| Future expenditures | - | - | - | - | - | - | 1,229,584 |
| Committed | - | - | 80,416 | 200,087 | 614,088 | - | 614,088 |
| Assigned | - | - | - | - | - | - | 559,989 |
| Unassigned (deficit) | (32,649) | (1,353,395) | - | - | (3,381,839) | - | (3,388,117) |
| Total Fund Balances (Deficits) | (32,649) | (1,353,395) | 80,416 | 200,087 | (2,767,751) | 208,447 | (253,700) |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | \$ - | \$ 208,249 | \$ 421,523 | \$ 408,650 | \$ 2,973,093 | \$ 208,447 | \$ 5,797,488 |

CITY OF MARSHFIELD, WISCONSIN
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended December 31, 2013

| | Special Revenue Funds | | | | | | | | | | Total Special Revenue Funds |
|--|-----------------------|------------------------------|----------------------------|----------------------|---------------|---------------------------|-------------------------------|-------------|------------------|------|-----------------------------|
| | Room Tax | Convention & Visitors Bureau | Residential Rehabilitation | Economic Development | Public Safety | Health and Human Services | Business Improvement District | Taxi System | Cable Television | | |
| Revenues | \$ 307,411 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 5,550 | \$ - | \$ - | \$ 312,961 |
| Taxes | - | - | - | - | - | - | - | - | - | - | - |
| Special assessments | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental | - | - | - | 40,742 | 3,398 | 139,227 | - | 388,459 | - | - | 571,826 |
| Licenses and permits | - | - | - | - | - | - | - | - | 220,897 | - | 220,897 |
| Public charges for services | - | - | - | - | 5,229 | - | - | - | 784 | - | 73,720 |
| Intergovernmental charges for services | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous | - | 70,622 | 334 | 11,104 | 179 | - | 401 | 7,020 | - | - | 89,660 |
| Total Revenues | 307,411 | 70,622 | 334 | 51,846 | 8,806 | 139,227 | 68,108 | 401,029 | 221,681 | - | 1,269,064 |
| Expenditures | | | | | | | | | | | |
| Current | | | | | | | | | | | |
| General government | - | - | - | - | - | - | - | - | 269,278 | - | 269,278 |
| Public safety | - | - | - | - | 12,360 | - | - | - | - | - | 12,360 |
| Public works | - | - | - | - | - | - | - | 374,986 | - | - | 374,986 |
| Health and human services | - | - | - | - | - | 139,227 | - | - | - | - | 139,227 |
| Culture and recreation | 13,399 | 209,310 | - | - | - | - | - | - | - | - | 222,709 |
| Conservation and development | - | - | - | 187,022 | - | - | - | - | - | - | 255,262 |
| Debt service | - | - | - | - | - | - | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - | - | - | - | - | - |
| Total Expenditures | 13,399 | 209,310 | - | 187,022 | 12,360 | 139,227 | 68,240 | 374,986 | 269,278 | - | 1,273,822 |
| Excess of Revenues Over (Under) Expenditures | 294,012 | (138,688) | 334 | (135,176) | (3,554) | - | (132) | 26,043 | (47,597) | - | (4,758) |
| Other Financing Sources (Uses) | | | | | | | | | | | |
| Long-term debt issued | - | - | - | - | - | - | - | - | - | - | - |
| Debt premium | - | - | - | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | - | - | - | - |
| Transfers in | - | 178,681 | - | 268,814 | - | - | - | - | - | - | 447,495 |
| Transfers out | (218,681) | - | - | (20,000) | - | - | - | - | - | - | (238,681) |
| Total Other Financing Sources (Uses) | (218,681) | 178,681 | - | 248,814 | - | - | - | - | - | - | 208,814 |
| Net Change in Fund Balances | 75,331 | 39,993 | 334 | 113,638 | (3,554) | - | (132) | 26,043 | (47,597) | - | 204,056 |
| Fund Balances (Deficits) - January 1 | 161,808 | 272,026 | 439,846 | 1,094,872 | (1,456) | - | 545 | (10,766) | 144,673 | - | 2,101,548 |
| Fund Balances (Deficits) - December 31 | \$ 237,139 | \$ 312,019 | \$ 440,180 | \$ 1,208,510 | \$ (5,010) | \$ - | \$ 413 | \$ 15,277 | \$ 97,076 | \$ - | \$ 2,305,604 |

(Continued)

CITY OF MARSHFIELD, WISCONSIN
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended December 31, 2013

| | Capital Project Funds | | | | | | | TID #4 (Downtown Redevelopment) |
|---|--------------------------------|-------------------------------------|---------------------------------|----------------|-----------------------------------|------------------------|---------------------------|---------------------------------------|
| | Infrastructure Construction | Public Facilities Capital Outlay | Public Safety Capital Outlay | Airport Outlay | Parks and Rec Capital projects | TID #3 (Tower Hall) | TID #2 (Purdy Project) | |
| Revenues | | | | | | | | |
| Taxes | \$ 304,539 | \$ 129,800 | \$ 344,364 | \$ 20,000 | \$ 26,700 | \$ 10,030 | \$ 108,073 | \$ 723,444 |
| Special assessments | - | - | - | - | - | - | - | 13,201 |
| Intergovernmental | - | 5,331 | - | - | 114,609 | 23 | 38 | 27,305 |
| Licenses and permits | - | - | - | - | - | - | - | - |
| Public charges for services | - | - | - | - | - | - | - | 7,394 |
| Intergovernmental charges for services | 213,759 | - | - | - | - | - | - | - |
| Miscellaneous | - | 1,630 | - | - | 25,000 | 10,565 | - | - |
| Total Revenues | 518,298 | 136,761 | 344,364 | 20,000 | 166,309 | 20,618 | 108,111 | 771,344 |
| Expenditures | | | | | | | | |
| Current | | | | | | | | |
| General government | - | - | - | - | - | - | - | - |
| Public safety | - | - | - | - | - | - | - | - |
| Public works | 102,688 | - | - | - | - | - | - | - |
| Health and human services | - | - | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - | - | - |
| Conservation and development | - | 140,445 | - | - | - | 363 | 364 | 156,856 |
| Debt service | - | - | - | - | - | - | - | - |
| Interest and fiscal charges | 20,144 | 1,246 | 2,377 | - | - | - | - | 78,936 |
| Capital outlay | 2,457,955 | 454,793 | 573,402 | - | 74,063 | - | - | 2,999,307 |
| Total Expenditures | 2,580,787 | 596,484 | 575,779 | - | 74,063 | 363 | 364 | 3,235,099 |
| Excess of Revenues Over (Under) Expenditures | (2,062,489) | (459,723) | (231,415) | 20,000 | 92,246 | 20,255 | 107,747 | (2,463,755) |
| Other Financing Sources (Uses) | | | | | | | | |
| Long-term debt issued | 2,144,000 | 131,000 | 250,000 | - | - | - | - | 3,215,000 |
| Debt premium | 20,144 | 1,245 | 2,377 | - | - | - | - | 33,740 |
| Sale of capital assets | - | - | 3,850 | - | - | - | - | - |
| Transfers in | 10,000 | 18,731 | - | - | 40,000 | - | - | 20,000 |
| Transfers out | - | - | - | - | (46,131) | (20,530) | (106,230) | (743,725) |
| Total Other Financing Sources (Uses) | 2,174,144 | 150,976 | 256,227 | - | (6,131) | (20,530) | (106,230) | 2,525,015 |
| Net Change in Fund Balances | 111,655 | (308,747) | 24,812 | 20,000 | 86,115 | (275) | 1,517 | 61,260 |
| Fund Balances (Deficits) - January 1 | (82,271) | 410,837 | (24,877) | 4,772 | (6,016) | 13,242 | 82,756 | (2,056,990) |
| Fund Balances (Deficits) - December 31 | \$ 29,384 | \$ 102,090 | \$ (65) | \$ 24,772 | \$ 80,099 | \$ 12,967 | \$ 84,273 | \$ (1,995,730) |

(Continued)

CITY OF MARSHFIELD, WISCONSIN
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Normajor Governmental Funds
 For the Year Ended December 31, 2013

| | Capital Project Funds (Continued) | | | | | Total Nonmajor Governmental Funds |
|--|-----------------------------------|-----------------------------------|--------------------------------------|---|-----------------------------|-----------------------------------|
| | TID #6 (Figi Project) | TID #5 (Mill Creek Business Park) | TID #7 (Yellowstone Industrial Park) | TID #9 (Central Avenue and Ives Street) | Total Capital Project Funds | |
| Revenues | | | | | | |
| Taxes | \$ - | \$ 279,235 | \$ 264,330 | \$ - | \$ 2,210,515 | \$ - |
| Special assessments | - | - | - | - | 13,201 | - |
| Intergovernmental | 3,224 | 225,658 | 578 | - | 376,766 | - |
| Licenses and permits | - | - | - | - | - | - |
| Public charges for services | - | - | - | - | 7,394 | 4,168 |
| Intergovernmental charges for services | - | - | - | - | 213,759 | - |
| Miscellaneous | - | 100 | - | 10,000 | 47,295 | 733 |
| Total Revenues | 3,224 | 504,993 | 264,908 | 10,000 | 2,868,930 | 4,901 |
| Expenditures | | | | | | |
| Current | | | | | | |
| General government | - | - | - | - | - | - |
| Public safety | - | - | - | - | - | - |
| Public works | - | - | - | - | 102,688 | - |
| Health and human services | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - |
| Conservation and development | - | - | - | 9,679 | 309,085 | - |
| Debt service | 364 | 507 | 507 | - | - | - |
| Interest and fiscal charges | - | - | - | - | 102,703 | - |
| Capital outlay | - | 330,000 | (723) | 208,884 | 7,097,681 | - |
| Total Expenditures | 364 | 330,507 | (216) | 218,563 | 7,612,157 | - |
| Excess of Revenues Over (Under) | 2,860 | 174,486 | 265,124 | (208,563) | (4,743,227) | 4,901 |
| Expenditures | | | | | | |
| Other Financing Sources (Uses) | | | | | | |
| Long-term debt issued | - | - | 50,000 | 408,650 | 6,198,650 | - |
| Debt premium | - | - | - | - | 57,506 | - |
| Sale of capital assets | - | - | - | - | 3,850 | - |
| Transfers in | - | - | - | - | 88,731 | - |
| Transfers out | - | (324,588) | (596,496) | - | (1,837,700) | (733) |
| Total Other Financing Sources (Uses) | - | (324,588) | (546,496) | 408,650 | 4,511,037 | (733) |
| Net Change in Fund Balances | 2,860 | (150,102) | (281,372) | 200,087 | (232,190) | 4,168 |
| Fund Balances (Deficits) - January 1 | (35,509) | (1,203,293) | 361,788 | - | (2,535,561) | 204,279 |
| Fund Balances (Deficits) - December 31 | \$ (32,649) | \$ (1,353,395) | \$ 80,416 | \$ 200,087 | \$ (2,767,751) | \$ 208,447 |

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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific resources (other than trust or major capital projects) that are legally restricted to expenditures for specified purposes. The City uses special revenue funds for the following activities:

Room Tax Fund - To account for the collection of room taxes remitted to the City by hotel/motel owners and expenditures made for upkeep of City parks.

Convention & Visitors Bureau Fund - to account for room taxes received by the Bureau and expenditures made for promotion of the City

Residential Rehabilitation Fund - to account for Community Development Block Grants received to provide residential rehabilitation assistance

Economic Development Fund - to account for funds utilized for economic development loans/grants and expenditures made to promote economic development

Public Safety Fund - to account eligible grants for law enforcement and fire and rescue service operations

Health and Human Services Fund - to account for eligible grants for health and human services operations

Business Improvement District - to account for collecting and remitting assessments to the Main Street Program

Taxi System Fund - to account for grant subsidies received for operation of the local taxi system and expenditures made for the taxi system

Cable Television Fund - to account for Cable Television franchise fees received and utilized for operation of local cable access programming

CAPITAL PROJECTS FUNDS

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

Infrastructure Construction Fund - to account for the financing and construction of street and related infrastructure projects within the City

Public Facilities Capital Outlay Fund - to account for construction, improvement, and remodeling costs for public buildings not utilized for public safety services

Public Safety Capital Outlay Fund - to account for construction, improvement, and remodeling costs for public safety service buildings

Airport Outlay Fund - to account for the costs of capital improvements at the airport

Parks and Rec Capital Projects Fund - to account for funds designated for specific Parks and Recreation projects

TID #3 - to account for the City's share of the costs pertinent to the redevelopment of the "old" city hall building into a commercial and residential housing facility

TID #2 - to account for the City's share of the costs pertinent to the redevelopment of the Purdy School building into an independent living senior housing facility

TID #4 - to account for the City's share of the costs pertinent to the revitalization of the downtown area

TID #6 - to account for the City's share of infrastructure costs pertinent to the expansion of Figli's Inc., a local distributor of mail order gifts

TID #5 - to account for the improvements to Mill Creek Business Park

TID #7 - to account for improvements to Yellowstone Industrial Park

TID #9 - to account for improvements to Central Avenue & Ives Street

NONMAJOR GOVERNMENTAL FUNDS

PERMANENT FUND

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

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

Financial information is presented as follows:

Combining Balance Sheet

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

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, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|------------------|------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$ 255,867 | \$ 255,867 | \$ 307,411 | \$ 51,544 |
| Expenditures | | | | |
| Current | | | | |
| Culture and recreation | 110,000 | 70,000 | 13,399 | 56,601 |
| Excess of Revenues Over (Under) Expenditures | 145,867 | 185,867 | 294,012 | 108,145 |
| Other Financing Uses | | | | |
| Transfers out | (145,000) | (185,000) | (218,681) | (33,681) |
| Net Change in Fund Balance | 867 | 867 | 75,331 | 74,464 |
| Fund Balance - January 1 | 161,808 | 161,808 | 161,808 | - |
| Fund Balance - December 31 | \$ 162,675 | \$ 162,675 | \$ 237,139 | \$ 74,464 |

CITY OF MARSHFIELD, WISCONSIN
Convention & Visitors Bureau Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|------------------|------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Miscellaneous | \$ 46,382 | \$ 46,382 | \$ 70,622 | \$ 24,240 |
| Expenditures | | | | |
| Current | | | | |
| Culture and recreation | 191,382 | 191,382 | 209,310 | (17,928) |
| Excess of Revenues Over (Under) Expenditures | (145,000) | (145,000) | (138,688) | 6,312 |
| Other Financing Sources | | | | |
| Transfers in | 145,000 | 145,000 | 178,681 | 33,681 |
| Net Change in Fund Balance | - | - | 39,993 | 39,993 |
| Fund Balance - January 1 | 272,026 | 272,026 | 272,026 | - |
| Fund Balance - December 31 | \$ 272,026 | \$ 272,026 | \$ 312,019 | \$ 39,993 |

CITY OF MARSHFIELD, WISCONSIN
 Residential Rehabilitation Special Revenue Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual
 For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|------------------------------|------------------|------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Miscellaneous | \$ 100 | \$ 100 | \$ 334 | \$ 234 |
| Expenditures | | | | |
| Current | | | | |
| Conservation and development | 2,500 | 2,500 | - | 2,500 |
| Net Change in Fund Balance | (2,400) | (2,400) | 334 | 2,734 |
| Fund Balance - January 1 | 439,846 | 439,846 | 439,846 | - |
| Fund Balance - December 31 | \$ 437,446 | \$ 437,446 | \$ 440,180 | \$ 2,734 |

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, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$ - | \$ - | \$ 40,742 | \$ 40,742 |
| Miscellaneous | 8,133 | 10,633 | 11,104 | 471 |
| Total Revenues | 8,133 | 10,633 | 51,846 | 41,213 |
| Expenditures | | | | |
| Current | | | | |
| Conservation and development | 188,667 | 267,667 | 187,022 | 80,645 |
| Excess of Revenues Over (Under) Expenditures | (180,534) | (257,034) | (135,176) | 121,858 |
| Other Financing Sources (Uses) | | | | |
| Transfers in | 250,000 | 250,000 | 268,814 | 18,814 |
| Transfers out | - | (20,000) | (20,000) | - |
| Total Other Financing Sources (Uses) | 250,000 | 230,000 | 248,814 | 18,814 |
| Net Change in Fund Balance | 69,466 | (27,034) | 113,638 | 140,672 |
| Fund Balance - January 1 | 1,094,872 | 1,094,872 | 1,094,872 | - |
| Fund Balance - December 31 | \$ 1,164,338 | \$ 1,067,838 | \$ 1,208,510 | \$ 140,672 |

CITY OF MARSHFIELD, WISCONSIN
Public Safety Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--------------------------------------|------------------|------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$ - | \$ - | \$ 3,398 | \$ 3,398 |
| Public charges for services | - | 12,802 | 5,229 | (7,573) |
| Miscellaneous | - | - | 179 | 179 |
| Total Revenues | - | 12,802 | 8,806 | (3,996) |
| Expenditures | | | | |
| Current | | | | |
| Public safety | - | 12,802 | 12,360 | 442 |
| Net Change in Fund Balance | - | - | (3,554) | (3,554) |
| Fund Balance (Deficit) - January 1 | (1,456) | (1,456) | (1,456) | - |
| Fund Balance (Deficit) - December 31 | \$ (1,456) | \$ (1,456) | \$ (5,010) | \$ (3,554) |

CITY OF MARSHFIELD, WISCONSIN
 Health and Human Services Special Revenue Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual
 For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|----------------------------|------------------|-------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$ - | \$ - | \$ 139,227 | \$ 139,227 |
| Expenditures | | | | |
| Current | | | | |
| Health and human services | - | - | 139,227 | (139,227) |
| Net Change in Fund Balance | - | - | - | - |
| Fund Balance - January 1 | - | - | - | - |
| Fund Balance - December 31 | \$ - | \$ - | \$ - | \$ - |

CITY OF MARSHFIELD, WISCONSIN
 Business Improvement District Special Revenue Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual
 For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|-----------------------------------|------------------|---------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Public charges for services | \$ 66,000 | \$ 66,000 | \$ 67,707 | \$ 1,707 |
| Miscellaneous | 100 | 100 | 401 | 301 |
| Total Revenues | 66,100 | 66,100 | 68,108 | 2,008 |
| Expenditures | | | | |
| Current | | | | |
| Conservation and development | 66,000 | 66,000 | 68,240 | (2,240) |
| Net Change in Fund Balance | 100 | 100 | (132) | (232) |
| Fund Balance - January 1 | 545 | 545 | 545 | - |
| Fund Balance - December 31 | \$ 645 | \$ 645 | \$ 413 | \$ (232) |

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, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--------------------------------------|--------------------|--------------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$ 5,550 | \$ 5,550 | \$ 5,550 | \$ - |
| Intergovernmental | 417,812 | 417,812 | 388,459 | (29,353) |
| Miscellaneous | - | - | 7,020 | 7,020 |
| Total Revenues | <u>423,362</u> | <u>423,362</u> | <u>401,029</u> | <u>(22,333)</u> |
| Expenditures | | | | |
| Current | | | | |
| Public works | 423,362 | 423,362 | 374,986 | 48,376 |
| Net Change in Fund Balance | - | - | 26,043 | 26,043 |
| Fund Balance (Deficit) - January 1 | <u>(10,766)</u> | <u>(10,766)</u> | <u>(10,766)</u> | - |
| Fund Balance (Deficit) - December 31 | <u>\$ (10,766)</u> | <u>\$ (10,766)</u> | <u>\$ 15,277</u> | <u>\$ 26,043</u> |

CITY OF MARSHFIELD, WISCONSIN
Cable Television Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|-----------------------------------|------------------|------------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Licenses and permits | \$ 206,100 | \$ 206,100 | \$ 220,897 | \$ 14,797 |
| Public charges for services | 3,200 | 3,200 | 784 | (2,416) |
| Total Revenues | 209,300 | 209,300 | 221,681 | 12,381 |
| Expenditures | | | | |
| Current | | | | |
| General government | 268,859 | 268,859 | 269,278 | (419) |
| Net Change in Fund Balance | (59,559) | (59,559) | (47,597) | 11,962 |
| Fund Balance - January 1 | 144,673 | 144,673 | 144,673 | - |
| Fund Balance - December 31 | \$ 85,114 | \$ 85,114 | \$ 97,076 | \$ 11,962 |

CITY OF MARSHFIELD, WISCONSIN
Infrastructure Construction Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|--------------------|--------------------|--------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$ 244,539 | \$ 304,539 | \$ 304,539 | \$ - |
| Intergovernmental | 90,100 | 90,100 | - | (90,100) |
| Intergovernmental charges for services | 56,000 | 56,000 | 213,759 | 157,759 |
| Total Revenues | 390,639 | 450,639 | 518,298 | 67,659 |
| Expenditures | | | | |
| Current | | | | |
| Public works | 84,257 | 84,257 | 102,688 | (18,431) |
| Debt service | | | | |
| Interest and fiscal charges | 22,900 | 22,900 | 20,144 | 2,756 |
| Capital outlay | 2,355,957 | 2,450,957 | 2,457,955 | (6,998) |
| Total Expenditures | 2,463,114 | 2,558,114 | 2,580,787 | (22,673) |
| Excess of Revenues Over (Under) Expenditures | (2,072,475) | (2,107,475) | (2,062,489) | 44,986 |
| Other Financing Sources | | | | |
| Long-term debt issued | 2,141,900 | 2,166,900 | 2,144,000 | (22,900) |
| Debt premium | - | - | 20,144 | 20,144 |
| Transfers in | - | 10,000 | 10,000 | - |
| Total Other Financing Sources | 2,141,900 | 2,176,900 | 2,174,144 | (2,756) |
| Net Change in Fund Balance | 69,425 | 69,425 | 111,655 | 42,230 |
| Fund Balance (Deficit) - January 1 | (82,271) | (82,271) | (82,271) | - |
| Fund Balance (Deficit) - December 31 | \$ (12,846) | \$ (12,846) | \$ 29,384 | \$ 42,230 |

CITY OF MARSHFIELD, WISCONSIN
Public Facilities Capital Outlay Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$ 125,000 | \$ 129,800 | \$ 129,800 | \$ - |
| Intergovernmental | - | - | 5,331 | 5,331 |
| Miscellaneous | - | - | 1,630 | 1,630 |
| Total Revenues | 125,000 | 129,800 | 136,761 | 6,961 |
| Expenditures | | | | |
| Current | | | | |
| Conservation and development | - | - | 140,445 | (140,445) |
| Debt service | | | | |
| Interest and fiscal charges | 1,400 | 1,400 | 1,246 | 154 |
| Capital outlay | 256,000 | 314,918 | 454,793 | (139,875) |
| Total Expenditures | 257,400 | 316,318 | 596,484 | (280,166) |
| Excess of Revenues Over (Under) Expenditures | (132,400) | (186,518) | (459,723) | (273,205) |
| Other Financing Sources | | | | |
| Long-term debt issued | 132,400 | 132,400 | 131,000 | (1,400) |
| Debt premium | - | - | 1,245 | 1,245 |
| Transfers In | - | 18,731 | 18,731 | - |
| Total Other Financing Sources | 132,400 | 151,131 | 150,976 | (155) |
| Net Change In Fund Balance | - | (35,387) | (308,747) | (273,360) |
| Fund Balance - January 1 | 410,837 | 410,837 | 410,837 | - |
| Fund Balance - December 31 | \$ 410,837 | \$ 375,450 | \$ 102,090 | \$ (273,360) |

CITY OF MARSHFIELD, WISCONSIN
Public Safety Capital Outlay Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|------------------|------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$ 344,364 | \$ 344,364 | \$ 344,364 | \$ - |
| Expenditures | | | | |
| Debt service | | | | |
| Interest and fiscal charges | - | - | 2,377 | (2,377) |
| Capital outlay | 575,000 | 575,000 | 573,402 | 1,598 |
| Total Expenditures | 575,000 | 575,000 | 575,779 | (779) |
| Excess of Revenues Over (Under) Expenditures | (230,636) | (230,636) | (231,415) | (779) |
| Other Financing Sources | | | | |
| Long-term debt issued | 250,000 | 250,000 | 250,000 | - |
| Debt premium | - | - | 2,377 | 2,377 |
| Sale of capital assets | - | - | 3,850 | 3,850 |
| Total Other Financing Sources | 250,000 | 250,000 | 256,227 | 6,227 |
| Net Change in Fund Balance | 19,364 | 19,364 | 24,812 | 5,448 |
| Fund Balance (Deficit) - January 1 | (24,877) | (24,877) | (24,877) | - |
| Fund Balance (Deficit) - December 31 | \$ (5,513) | \$ (5,513) | \$ (65) | \$ 5,448 |

CITY OF MARSHFIELD, WISCONSIN
Airport Outlay Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|----------------------------|------------------|-----------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$ 20,000 | \$ 20,000 | \$ 20,000 | \$ - |
| Expenditures | | | | |
| Capital outlay | 20,000 | 20,000 | - | 20,000 |
| Net Change in Fund Balance | - | - | 20,000 | 20,000 |
| Fund Balance - January 1 | 4,772 | 4,772 | 4,772 | - |
| Fund Balance - December 31 | \$ 4,772 | \$ 4,772 | \$ 24,772 | \$ 20,000 |

CITY OF MARSHFIELD, WISCONSIN
Parks & Rec Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|---------------------|---------------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$ 26,700 | \$ 26,700 | \$ 26,700 | \$ - |
| Intergovernmental | 638,322 | 638,322 | 114,609 | (523,713) |
| Miscellaneous | 25,000 | 25,000 | 25,000 | - |
| Total Revenues | 690,022 | 690,022 | 166,309 | (523,713) |
| Expenditures | | | | |
| Capital outlay | 802,204 | 842,204 | 74,063 | 768,141 |
| Excess of Revenues Over (Under) Expenditures | (112,182) | (152,182) | 92,246 | 244,428 |
| Other Financing Sources (Uses) | | | | |
| Transfers in | - | 40,000 | 40,000 | - |
| Transfers out | (45,718) | (45,718) | (46,131) | (413) |
| Total Other Financing Sources (Uses) | (45,718) | (5,718) | (6,131) | (413) |
| Net Change in Fund Balance | (157,900) | (157,900) | 86,115 | 244,015 |
| Fund Balance (Deficit) - January 1 | (6,016) | (6,016) | (6,016) | - |
| Fund Balance (Deficit) - December 31 | \$ (163,916) | \$ (163,916) | \$ 80,099 | \$ 244,015 |

CITY OF MARSHFIELD, WISCONSIN
TID #3 (Tower Hall) Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|------------------|------------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$ 9,891 | \$ 9,891 | \$ 10,030 | \$ 139 |
| Intergovernmental | 15 | 15 | 23 | 8 |
| Miscellaneous | 10,768 | 10,768 | 10,565 | (203) |
| Total Revenues | <u>20,674</u> | <u>20,674</u> | <u>20,618</u> | <u>(56)</u> |
| Expenditures | | | | |
| Current | | | | |
| Conservation and development | 363 | 363 | 363 | - |
| Excess of Revenues Over (Under) Expenditures | <u>20,311</u> | <u>20,311</u> | <u>20,255</u> | <u>(56)</u> |
| Other Financing Uses | | | | |
| Transfers out | (20,530) | (20,530) | (20,530) | - |
| Net Change in Fund Balance | <u>(219)</u> | <u>(219)</u> | <u>(275)</u> | <u>(56)</u> |
| Fund Balance - January 1 | <u>13,242</u> | <u>13,242</u> | <u>13,242</u> | <u>-</u> |
| Fund Balance - December 31 | <u>\$ 13,023</u> | <u>\$ 13,023</u> | <u>\$ 12,967</u> | <u>\$ (56)</u> |

CITY OF MARSHFIELD, WISCONSIN
TID #2 (Purdy Project) Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|------------------|------------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$ 106,577 | \$ 106,577 | \$ 108,073 | \$ 1,496 |
| Intergovernmental | 17 | 17 | 38 | 21 |
| Total Revenues | <u>106,594</u> | <u>106,594</u> | <u>108,111</u> | <u>1,517</u> |
| Expenditures | | | | |
| Current | | | | |
| Conservation and development | 364 | 364 | 364 | - |
| Excess of Revenues Over (Under) Expenditures | <u>106,230</u> | <u>106,230</u> | <u>107,747</u> | <u>1,517</u> |
| Other Financing Uses | | | | |
| Transfers out | <u>(106,230)</u> | <u>(106,230)</u> | <u>(106,230)</u> | <u>-</u> |
| Net Change in Fund Balance | - | - | 1,517 | 1,517 |
| Fund Balance - January 1 | <u>82,756</u> | <u>82,756</u> | <u>82,756</u> | <u>-</u> |
| Fund Balance - December 31 | <u>\$ 82,756</u> | <u>\$ 82,756</u> | <u>\$ 84,273</u> | <u>\$ 1,517</u> |

CITY OF MARSHFIELD, WISCONSIN
TID #4 (Downtown Redevelopment) Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|-----------------------|-----------------------|-----------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$ 713,431 | \$ 713,431 | \$ 723,444 | \$ 10,013 |
| Special assessments | - | - | 13,201 | 13,201 |
| Intergovernmental | 30,800 | 30,800 | 27,305 | (3,495) |
| Public charges for services | - | - | 7,394 | 7,394 |
| Miscellaneous | - | 20,000 | - | (20,000) |
| Total Revenues | 744,231 | 764,231 | 771,344 | 7,113 |
| Expenditures | | | | |
| Current | | | | |
| Conservation and development | 507 | 225,507 | 156,856 | 68,651 |
| Debt service | | | | |
| Interest and fiscal charges | 31,500 | 31,500 | 78,936 | (47,436) |
| Capital outlay | 2,984,823 | 2,984,823 | 2,999,307 | (14,484) |
| Total Expenditures | 3,016,830 | 3,241,830 | 3,235,099 | 6,731 |
| Excess of Revenues Over (Under) Expenditures | (2,272,599) | (2,477,599) | (2,463,755) | 13,844 |
| Other Financing Sources (Uses) | | | | |
| Long-term debt issued | 3,016,324 | 3,201,324 | 3,215,000 | 13,676 |
| Debt premium | - | - | 33,740 | 33,740 |
| Transfers in | - | 20,000 | 20,000 | - |
| Transfers out | (743,725) | (743,725) | (743,725) | - |
| Total Other Financing Sources (Uses) | 2,272,599 | 2,477,599 | 2,525,015 | 47,416 |
| Net Change in Fund Balance | - | - | 61,260 | 61,260 |
| Fund Balance (Deficit) - January 1 | (2,056,990) | (2,056,990) | (2,056,990) | - |
| Fund Balance (Deficit) - December 31 | \$ (2,056,990) | \$ (2,056,990) | \$ (1,995,730) | \$ 61,260 |

CITY OF MARSHFIELD, WISCONSIN
TID #6 (Figi Project) Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|------------------------------|------------------|-------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$ 1,700 | \$ 1,700 | \$ 3,224 | \$ 1,524 |
| Expenditures | | | | |
| Current | | | | |
| Conservation and development | 364 | 364 | 364 | - |
| Net Change in Fund Balance | 1,336 | 1,336 | 2,860 | 1,524 |
| Fund Balance - January 1 | (35,509) | (35,509) | (35,509) | - |
| Fund Balance - December 31 | \$ (34,173) | \$ (34,173) | \$ (32,649) | \$ 1,524 |

CITY OF MARSHFIELD, WISCONSIN
TID #5 (Mill Creek Business Park) Capital Projects Fund
Schedule -of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|-----------------------|-----------------------|-----------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$ 275,371 | \$ 275,371 | \$ 279,235 | \$ 3,864 |
| Intergovernmental | 90,000 | 90,000 | 225,658 | 135,658 |
| Miscellaneous | 100 | 100 | 100 | - |
| Total Revenues | <u>365,471</u> | <u>365,471</u> | <u>504,993</u> | <u>139,522</u> |
| Expenditures | | | | |
| Current | | | | |
| Conservation and development | 507 | 507 | 507 | - |
| Capital outlay | 200,000 | 200,000 | 330,000 | (130,000) |
| Total Expenditures | <u>200,507</u> | <u>200,507</u> | <u>330,507</u> | <u>(130,000)</u> |
| Excess of Revenues Over (Under) Expenditures | <u>164,964</u> | <u>164,964</u> | <u>174,486</u> | <u>9,522</u> |
| Other Financing Sources | | | | |
| Transfers out | (324,588) | (324,588) | (324,588) | - |
| Net Change in Fund Balance | <u>(159,624)</u> | <u>(159,624)</u> | <u>(150,102)</u> | <u>9,522</u> |
| Fund Balance - January 1 | <u>(1,203,293)</u> | <u>(1,203,293)</u> | <u>(1,203,293)</u> | <u>-</u> |
| Fund Balance - December 31 | <u>\$ (1,362,917)</u> | <u>\$ (1,362,917)</u> | <u>\$ (1,353,395)</u> | <u>\$ 9,522</u> |

CITY OF MARSHFIELD, WISCONSIN
TID #7 (Yellowstone Industrial Park) Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|------------------|------------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$ 260,671 | \$ 260,671 | \$ 264,330 | \$ 3,659 |
| Intergovernmental | 600 | 600 | 578 | (22) |
| Total Revenues | <u>261,271</u> | <u>261,271</u> | <u>264,908</u> | <u>3,637</u> |
| Expenditures | | | | |
| Current | | | | |
| Conservation and development | 507 | 50,507 | 507 | 50,000 |
| Capital outlay | - | - | (723) | 723 |
| Total Expenditures | <u>507</u> | <u>50,507</u> | <u>(216)</u> | <u>50,723</u> |
| Excess of Revenues Over (Under) Expenditures | <u>260,764</u> | <u>210,764</u> | <u>265,124</u> | <u>54,360</u> |
| Other Financing Sources (Uses) | | | | |
| Long-term debt issued | - | 50,000 | 50,000 | - |
| Transfers out | (596,496) | (596,496) | (596,496) | - |
| Total Other Financing Sources (Uses) | <u>(596,496)</u> | <u>(546,496)</u> | <u>(546,496)</u> | <u>-</u> |
| Net Change in Fund Balance | <u>(335,732)</u> | <u>(335,732)</u> | <u>(281,372)</u> | <u>54,360</u> |
| Fund Balance - January 1 | <u>361,788</u> | <u>361,788</u> | <u>361,788</u> | <u>-</u> |
| Fund Balance - December 31 | <u>\$ 26,056</u> | <u>\$ 26,056</u> | <u>\$ 80,416</u> | <u>\$ 54,360</u> |

CITY OF MARSHFIELD, WISCONSIN
TID #9 (Central Avenue and Ives Street) Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|------------------|-----------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Miscellaneous | \$ - | \$ - | \$ 10,000 | \$ 10,000 |
| Expenditures | | | | |
| Current | | | | |
| Conservation and development | - | 108,650 | 9,679 | 98,971 |
| Capital outlay | - | 300,000 | 208,884 | 91,116 |
| Total Expenditures | - | 408,650 | 218,563 | 190,087 |
| Excess of Revenues Over (Under) Expenditures | - | (408,650) | (208,563) | 200,087 |
| Other Financing Sources | | | | |
| Long-term debt issued | - | 408,650 | 408,650 | - |
| Net Change in Fund Balance | - | - | 200,087 | 200,087 |
| Fund Balance - January 1 | - | - | - | - |
| Fund Balance - December 31 | \$ - | \$ - | \$ 200,087 | \$ 200,087 |

CITY OF MARSHFIELD, WISCONSIN
Combining Statement of Net Position
Fiduciary Fund - Agency Funds
December 31, 2013

| | Payroll Deductions Fund | Performance Bonds | Property Tax Fund | Sales Tax | Total |
|----------------------------|-------------------------------|----------------------|----------------------|-----------------|----------------------|
| ASSETS | | | | | |
| Cash and investments | \$ 647,607 | \$ 15,500 | \$ 5,464,066 | \$ 1,839 | \$ 6,129,012 |
| Receivables | | | | | |
| Taxes | - | - | 15,737,809 | - | 15,737,809 |
| Other | 10,191 | - | - | 41 | 10,232 |
| Total Assets | \$ 657,798 | \$ 15,500 | \$ 21,201,875 | \$ 1,880 | \$ 21,877,053 |
| LIABILITIES | | | | | |
| Accounts payable | \$ - | \$ - | \$ 5,866 | \$ - | \$ 5,866 |
| Accrued payroll deductions | 657,798 | - | - | - | 657,798 |
| Special deposits | - | 15,500 | - | - | 15,500 |
| Due to other governments | - | - | 21,196,009 | 1,880 | 21,197,889 |
| Total Liabilities | \$ 657,798 | \$ 15,500 | \$ 21,201,875 | \$ 1,880 | \$ 21,877,053 |

CITY OF MARSHFIELD, WISCONSIN
 Combing Statement of Changes in Assets and Liabilities
 Fiduciary Fund - Agency Funds
 For the Year Ended December 31, 2013

| | <u>BALANCE</u> 1/1/13 | <u>ADDITIONS</u> | <u>DEDUCTIONS</u> | <u>BALANCE</u> 12/31/13 |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <u>Payroll Deductions</u> | | | | |
| ASSETS | | | | |
| Cash | \$ 378,507 | \$ 425,382 | \$ 156,282 | \$ 647,607 |
| Receivables-Other | 13,959 | 56,713 | 60,481 | 10,191 |
| TOTAL ASSETS | <u>\$ 392,466</u> | <u>\$ 482,095</u> | <u>\$ 216,763</u> | <u>\$ 657,798</u> |
| LIABILITIES | | | | |
| Payroll Deductions | <u>\$ 392,466</u> | <u>\$ 17,893,268</u> | <u>\$ 17,627,936</u> | <u>\$ 657,798</u> |
| <u>Performance Bonds</u> | | | | |
| ASSETS | | | | |
| Cash and Investments | <u>\$ 15,870</u> | <u>\$ 600</u> | <u>\$ 970</u> | <u>\$ 15,500</u> |
| LIABILITIES | | | | |
| Accounts Payable | <u>\$ 15,870</u> | <u>\$ 770</u> | <u>\$ 1,140</u> | <u>\$ 15,500</u> |
| <u>Property Tax</u> | | | | |
| ASSETS | | | | |
| Cash | \$ 5,996,634 | \$ 19,693,685 | \$ 20,226,253 | \$ 5,464,066 |
| Taxes Receivable | 15,433,950 | 34,994,385 | 34,690,526 | 15,737,809 |
| TOTAL ASSETS | <u>\$ 21,430,584</u> | <u>\$ 54,688,070</u> | <u>\$ 54,916,779</u> | <u>\$ 21,201,875</u> |
| LIABILITIES | | | | |
| Accounts Payable | \$ 219 | \$ 14,697 | \$ 9,050 | \$ 5,866 |
| Due to Other Governments | 21,430,365 | 34,988,525 | 35,222,881 | 21,196,009 |
| TOTAL LIABILITIES | <u>\$ 21,430,584</u> | <u>\$ 35,003,222</u> | <u>\$ 35,231,931</u> | <u>\$ 21,201,875</u> |
| <u>State of Wisconsin</u> | | | | |
| ASSETS | | | | |
| Cash | <u>\$ 1,510</u> | <u>\$ 4,201</u> | <u>\$ 3,831</u> | <u>\$ 1,880</u> |
| LIABILITIES | | | | |
| Due to Other Governments | <u>\$ 1,510</u> | <u>\$ 23,437</u> | <u>\$ 23,067</u> | <u>\$ 1,880</u> |
| <u>TOTAL - ALL AGENCY FUNDS</u> | | | | |
| ASSETS | | | | |
| Cash and Investments | \$ 6,392,521 | \$ 20,123,868 | \$ 20,387,336 | \$ 6,129,053 |
| Taxes Receivable | 15,433,950 | 34,994,385 | 34,690,526 | 15,737,809 |
| Receivables-Other | 13,959 | 56,713 | 60,481 | 10,191 |
| TOTAL ASSETS | <u>\$ 21,840,430</u> | <u>\$ 55,174,966</u> | <u>\$ 55,138,343</u> | <u>\$ 21,877,053</u> |
| LIABILITIES | | | | |
| Accounts Payable | \$ 16,089 | \$ 15,467 | \$ 10,190 | \$ 21,366 |
| Payroll Deductions | 392,466 | 17,893,268 | 17,627,936 | 657,798 |
| Due to Other Governments | 21,431,875 | 35,011,962 | 35,245,948 | 21,197,889 |
| TOTAL LIABILITIES | <u>\$ 21,840,430</u> | <u>\$ 52,920,697</u> | <u>\$ 52,884,074</u> | <u>\$ 21,877,053</u> |

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**ADDITIONAL INDEPENDENT AUDITORS' REPORT
FOR FINANCIAL STATEMENTS**



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

To the Mayor and City Council
City of Marshfield, Wisconsin

We have audited, in accordance with the 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, the 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, Wisconsin, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City of Marshfield, Wisconsin's basic financial statements, and have issued our report thereon which included an emphasis of matter paragraph as indicated on page 12 dated April 18, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Marshfield, Wisconsin's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Marshfield, Wisconsin's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Marshfield, Wisconsin's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Marshfield, Wisconsin's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, 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 or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of City of Marshfield, Wisconsin's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Marshfield, Wisconsin's internal control and on compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountants
Wausau, Wisconsin
April 18, 2014

CITY OF MARSHFIELD, WISCONSIN

Net Position by Component
Last Seven Fiscal Years

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Governmental Activities | | | | | | | |
| Net investment in capital assets | \$ 40,985,589 | \$ 49,359,157 | \$ 48,640,592 | \$ 51,905,874 | \$ 52,668,321 | \$ 55,081,370 | \$ 58,108,935 |
| Restricted | 8,674,245 | 2,383,051 | 2,511,961 | 2,194,391 | 2,883,068 | 2,252,707 | 1,995,950 |
| Unrestricted | 2,868,674 | 3,347,412 | 8,540,862 | 5,899,831 | 5,081,837 | 5,107,094 | 3,513,116 |
| Total governmental activities net position | \$ 52,528,508 | \$ 55,089,620 | \$ 59,693,415 | \$ 60,000,096 | \$ 60,633,226 | \$ 62,441,171 | \$ 63,618,001 |
| Business-type Activities | | | | | | | |
| Net investment in capital assets | \$ 62,317,775 | \$ 66,060,210 | \$ 64,834,285 | \$ 73,465,761 | \$ 71,040,052 | \$ 73,537,922 | \$ 74,831,229 |
| Restricted | 5,814,338 | 4,848,441 | 5,078,315 | 10,153,697 | 8,437,072 | 8,011,411 | 3,057,215 |
| Unrestricted | 7,144,509 | 9,443,954 | 13,367,865 | 3,001,171 | 9,315,094 | 12,751,544 | 20,072,129 |
| Total business-type activities net position | \$ 75,276,622 | \$ 80,352,605 | \$ 83,280,465 | \$ 86,620,629 | \$ 88,792,218 | \$ 94,300,877 | \$ 97,960,573 |
| Primary government | | | | | | | |
| Net investment in capital assets | \$ 103,303,364 | \$ 115,419,367 | \$ 113,474,877 | \$ 125,371,635 | \$ 123,708,373 | \$ 128,619,292 | \$ 132,940,164 |
| Restricted | 14,488,583 | 7,231,492 | 7,590,276 | 12,348,088 | 11,320,140 | 10,264,118 | 5,053,165 |
| Unrestricted | 10,013,183 | 12,791,366 | 21,908,727 | 8,901,002 | 14,396,931 | 17,858,638 | 23,585,245 |
| Total primary government net position | \$ 127,805,130 | \$ 135,442,225 | \$ 142,973,880 | \$ 146,620,725 | \$ 149,425,444 | \$ 156,742,048 | \$ 161,578,574 |

CITY OF MARSHFIELD, WISCONSIN
Changes in Net Position
Last Seven Fiscal Years

| | <u>2007</u> | <u>2008</u> | <u>2009</u> |
|--|------------------------|------------------------|------------------------|
| EXPENSES | | | |
| Governmental Activities: | | | |
| General government | \$ 3,003,721 | \$ 3,229,005 | \$ 3,230,673 |
| Public safety | 7,139,830 | 7,366,395 | 7,426,153 |
| Public works | 7,140,078 | 6,690,349 | 5,769,972 |
| Health and human services | 150,081 | 461,958 | 464,500 |
| Culture and recreation | 3,400,317 | 3,136,079 | 3,333,826 |
| Conservation and development | 742,530 | 833,929 | 1,053,903 |
| Interest on debt | 945,708 | 934,124 | 876,142 |
| Total governmental activities expenses | <u>22,522,265</u> | <u>22,651,839</u> | <u>22,155,169</u> |
| Business-type Activities | | | |
| Electric utility | 28,000,226 | 24,666,782 | 25,213,657 |
| Water utility | 2,526,510 | 2,483,984 | 2,678,088 |
| Communications | 24,702 | 28,707 | 35,527 |
| Wastewater | 3,618,360 | 3,691,492 | 3,707,471 |
| EMS | 858,601 | 875,909 | 955,215 |
| Total business-type activities expenses | <u>35,028,399</u> | <u>31,746,874</u> | <u>32,589,958</u> |
| Total primary government expenses | <u>\$ 57,550,664</u> | <u>\$ 54,398,713</u> | <u>\$ 54,745,127</u> |
| PROGRAM REVENUES | | | |
| Governmental Activities: | | | |
| Charges for services | | | |
| General government | \$ 778,777 | \$ 783,088 | \$ 781,435 |
| Public safety | 315,359 | 319,526 | 267,262 |
| Public works | 249,416 | 133,232 | 186,980 |
| Health and human services | 137,203 | 132,075 | 119,720 |
| Culture and recreation | 304,686 | 317,457 | 323,267 |
| Conservation and development | 66,176 | 59,973 | 66,903 |
| Operating Grants and contributions | 5,375,169 | 3,030,381 | 4,642,681 |
| Capital grants and contributions | - | - | - |
| Total governmental activities revenues | <u>7,226,786</u> | <u>4,775,732</u> | <u>6,388,248</u> |
| Business-type Activities | | | |
| Charges for services | | | |
| Electric utility | 28,623,244 | 26,470,222 | 26,080,435 |
| Water utility | 3,026,993 | 3,500,614 | 3,493,170 |
| Communications | 56,570 | 66,386 | 67,576 |
| Wastewater | 4,482,341 | 4,912,487 | 4,867,997 |
| EMS | 924,049 | 928,755 | 979,562 |
| Operating Grants and contributions | 729,069 | 818,916 | 607,705 |
| Capital grants and contributions | - | - | - |
| Total business-type activities revenues | <u>37,842,266</u> | <u>36,697,380</u> | <u>36,096,445</u> |
| Total primary government revenues | <u>\$ 45,069,052</u> | <u>\$ 41,473,112</u> | <u>\$ 42,484,693</u> |
| NET REVENUE (EXPENSE) | | | |
| Governmental Activities: | \$ (15,295,479) | \$ (17,876,107) | \$ (15,766,921) |
| Business-type Activities | 2,813,867 | 4,950,506 | 3,506,487 |
| Total primary government net (expense) | <u>\$ (12,481,612)</u> | <u>\$ (12,925,601)</u> | <u>\$ (12,260,434)</u> |

(Continued)

Schedule 2

| | 2010 | 2011 | 2012 | 2013 |
|----|---------------------|------------------------|------------------------|------------------------|
| \$ | 3,260,294 | \$ 3,398,507 | \$ 2,684,149 | \$ 3,381,375 |
| | 9,594,245 | 8,309,279 | 8,329,869 | 8,475,418 |
| | 5,520,843 | 6,800,762 | 6,899,118 | 7,472,309 |
| | 548,620 | 388,087 | 493,887 | 319,519 |
| | 3,399,249 | 3,679,970 | 3,767,000 | 3,536,597 |
| | 1,732,273 | 1,343,624 | 1,209,269 | 1,318,383 |
| | 1,128,733 | 1,061,916 | 985,986 | 846,986 |
| | <u>25,184,257</u> | <u>24,982,145</u> | <u>24,369,278</u> | <u>25,350,587</u> |
| | 26,533,890 | 28,610,771 | 27,514,913 | 30,002,392 |
| | 3,021,251 | 2,974,484 | 2,945,857 | 2,925,812 |
| | 44,606 | 45,907 | 53,733 | 70,902 |
| | 3,856,213 | 3,905,893 | 3,660,710 | 3,745,452 |
| | 1,104,934 | 1,193,145 | 1,212,512 | 1,225,446 |
| | <u>34,560,894</u> | <u>36,730,200</u> | <u>35,387,725</u> | <u>37,970,004</u> |
| \$ | <u>59,745,151</u> | \$ <u>61,712,345</u> | \$ <u>59,757,003</u> | \$ <u>63,320,591</u> |
| \$ | 810,056 | \$ 811,491 | \$ 881,778 | \$ 879,395 |
| | 253,590 | 223,238 | 206,690 | 205,652 |
| | 64,430 | 59,422 | 48,534 | 333,649 |
| | 134,968 | 152,351 | 147,328 | 157,170 |
| | 320,980 | 324,168 | 338,618 | 305,141 |
| | 120,376 | 73,929 | 71,071 | 70,974 |
| | 2,907,232 | 2,924,600 | 2,503,681 | 2,746,492 |
| | - | - | - | 278,066 |
| | <u>4,611,632</u> | <u>4,569,199</u> | <u>4,197,700</u> | <u>4,976,539</u> |
| | 29,380,427 | 29,839,492 | 30,502,556 | 31,867,176 |
| | 3,515,209 | 3,521,334 | 4,197,018 | 4,221,568 |
| | 70,746 | 78,046 | 185,923 | 186,614 |
| | 4,627,965 | 4,970,967 | 5,171,478 | 5,543,048 |
| | 984,921 | 1,146,240 | 1,164,717 | 1,112,677 |
| | 432,654 | 564,255 | 1,085,913 | 50,697 |
| | - | - | - | 256,037 |
| | <u>39,011,922</u> | <u>40,120,334</u> | <u>42,307,605</u> | <u>43,237,817</u> |
| \$ | <u>43,623,554</u> | \$ <u>44,689,533</u> | \$ <u>46,505,305</u> | \$ <u>48,214,356</u> |
| \$ | (20,572,625) | \$ (20,412,946) | \$ (20,171,578) | \$ (20,374,048) |
| | 4,451,028 | 3,390,134 | 6,919,880 | 5,267,813 |
| \$ | <u>(16,121,597)</u> | \$ <u>(17,022,812)</u> | \$ <u>(13,251,698)</u> | \$ <u>(15,106,235)</u> |

CITY OF MARSHFIELD, WISCONSIN
Changes In Net Position (Continued)
Last Seven Fiscal Years

| | <u>2007</u> | <u>2008</u> | <u>2009</u> |
|--|----------------------|----------------------|----------------------|
| GENERAL REVENUES AND OTHER CHANGES IN IN NET POSITION | | | |
| Governmental Activities: | | | |
| Taxes | | | |
| Property taxes | \$ 11,983,483 | \$ 12,152,349 | \$ 12,426,456 |
| Public accommodation taxes | 298,206 | 310,200 | 272,087 |
| Other taxes | 121,963 | 125,787 | 128,671 |
| State shared revenues | 5,796,398 | 5,758,678 | 5,669,086 |
| Interest and investment income | 654,187 | 519,600 | 177,816 |
| Miscellaneous | 170,885 | 195,002 | 222,511 |
| Gain (loss) on disposal of capital assets | - | - | - |
| Transfers | 1,329,331 | 1,375,603 | 1,474,088 |
| Total governmental activities | <u>20,354,453</u> | <u>20,437,219</u> | <u>20,370,715</u> |
| Business-type Activities | | | |
| Interest and investment income | 1,161,950 | 1,525,548 | 903,486 |
| Miscellaneous | - | - | - |
| Gain (loss) on disposal of capital assets | - | (24,468) | (8,026) |
| Transfers | (1,329,331) | (1,375,603) | (1,474,088) |
| Total business-type activities | <u>(167,381)</u> | <u>125,477</u> | <u>(578,628)</u> |
| Total primary government | <u>\$ 20,187,072</u> | <u>\$ 20,562,696</u> | <u>\$ 19,792,087</u> |
| CHANGE IN NET POSITION | | | |
| Governmental Activities: | \$ 5,058,974 | \$ 2,561,112 | \$ 4,603,794 |
| Business-type Activities | 2,646,486 | 5,075,983 | 2,927,859 |
| Total primary government | <u>\$ 7,705,460</u> | <u>\$ 7,637,095</u> | <u>\$ 7,531,653</u> |

Schedule 2
(Continued)

| | 2010 | 2011 | 2012 | 2013 |
|----|--------------------|--------------------|--------------------|--------------------|
| \$ | 12,568,324 | \$ 12,895,833 | \$ 13,061,346 | \$ 13,254,727 |
| | 267,453 | 297,055 | 295,327 | 307,411 |
| | 134,724 | 134,366 | 136,870 | 193,692 |
| | 5,577,595 | 5,445,527 | 5,231,561 | 5,260,401 |
| | 202,382 | 123,621 | 87,063 | 95,451 |
| | 342,746 | 389,034 | 1,114,030 | 270,417 |
| | - | - | - | 58,139 |
| | 1,798,654 | 1,760,640 | 2,053,326 | 2,110,640 |
| | <u>20,891,878</u> | <u>21,046,076</u> | <u>21,979,523</u> | <u>21,550,878</u> |
| | 695,273 | 542,095 | 640,624 | 874,527 |
| | - | - | - | 122,259 |
| | (6,873) | - | 1,481 | - |
| | <u>(1,794,421)</u> | <u>(1,760,640)</u> | <u>(2,053,326)</u> | <u>(2,110,640)</u> |
| | <u>(1,106,021)</u> | <u>(1,218,545)</u> | <u>(1,411,221)</u> | <u>(1,113,854)</u> |
| \$ | <u>19,785,857</u> | <u>19,827,531</u> | <u>20,568,302</u> | <u>20,437,024</u> |
| \$ | 319,253 | \$ 633,130 | \$ 1,807,945 | \$ 1,176,830 |
| | 3,345,007 | 2,171,589 | 5,508,659 | 4,153,959 |
| \$ | <u>3,664,260</u> | <u>2,804,719</u> | <u>7,316,604</u> | <u>5,330,789</u> |

CITY OF MARSHFIELD, WISCONSIN
FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Fiscal Years

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-----------------------|---------------------|--------------------|--------------------|
| General Fund | | | | | | | | | | |
| Nonspendable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 38,143 | \$ 113,577 |
| Committed | - | - | - | - | - | - | - | 231,659 | 179,748 | 238,403 |
| Unassigned | - | - | - | - | - | - | - | 6,653,694 | 6,293,231 | 5,730,141 |
| Reserved | - | - | - | 118,412 | 104,686 | 27,492 | 6,632 | - | - | - |
| Unreserved, designated | 611,885 | 594,326 | 545,491 | 416,491 | 353,590 | 426,747 | 366,633 | - | - | - |
| Unreserved, undesignated | 5,894,481 | 5,488,251 | 6,278,496 | 6,569,455 | 6,455,755 | 6,530,492 | 7,366,688 | - | - | - |
| Total General Fund | \$6,506,366 | \$6,022,577 | \$6,823,987 | \$7,104,358 | \$6,914,031 | \$6,984,731 | \$7,739,953 | \$6,886,069 | \$6,511,122 | \$6,082,121 |
| All other governmental funds | | | | | | | | | | |
| Nonspendable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 800,856 | \$ 780,973 | \$ 730,756 |
| Restricted | - | - | - | - | - | - | - | 1,389,534 | 1,471,734 | 1,621,586 |
| Committed | - | - | - | - | - | - | - | 93,429 | 95,998 | 614,088 |
| Assigned | - | - | - | - | - | - | - | 1,269,893 | 1,158,874 | 559,989 |
| Unassigned | - | - | - | - | - | - | - | (4,003,357) | (3,421,178) | (3,388,117) |
| Reserved | 3,470,220 | 3,628,440 | 5,276,720 | 4,650,695 | 2,383,051 | 5,851,366 | 2,187,759 | - | - | - |
| Unreserved, designated, reported in | | | | | | | | | | |
| Special revenue | 1,253,986 | 860,535 | 710,040 | 782,896 | 1,230,321 | 705,125 | 158,187 | - | - | - |
| Capital projects | 138,469 | 155,148 | 536,598 | 739,459 | 1,569,584 | 1,178,070 | - | - | - | - |
| Unreserved, undesignated, reported in | | | | | | | | | | |
| Special revenue | - | (1,341) | (10) | (839) | 22,986 | 98,432 | 80,880 | - | - | - |
| Capital projects | (3,851,838) | (3,716,620) | (3,748,977) | (3,256,495) | (3,710,977) | (2,611,601) | (3,724,008) | - | - | - |
| Total all other governmental funds | \$1,010,837 | \$ 926,162 | \$2,774,371 | \$2,915,716 | \$1,494,965 | \$5,221,392 | \$ (1,297,182) | \$ (449,645) | \$ 86,401 | \$ 138,302 |

Note: The City began to report new fund balance classifications when it implemented GASB Statement 54 in fiscal year 2011.

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CITY OF MARSHFIELD, WISCONSIN
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Fiscal Years

| | 2004 | 2005 | 2006 | 2007 |
|--|-----------------------|---------------------|---------------------|---------------------|
| REVENUES | | | | |
| Taxes | \$ 9,600,828 | \$ 11,669,225 | \$ 12,244,384 | \$ 12,404,111 |
| Special assessments | 430,340 | 183,661 | 451,081 | 416,277 |
| Intergovernmental | 8,007,428 | 7,829,179 | 8,178,745 | 9,778,939 |
| Licenses and permits | 349,784 | 361,741 | 359,464 | 386,347 |
| Fines and forfeits | 115,939 | 115,089 | 111,511 | 134,092 |
| Public charges for services | 767,002 | 841,483 | 827,243 | 1,008,067 |
| Intergovernmental charges for services | - | - | - | - |
| Miscellaneous | 861,698 | 1,271,942 | 1,009,631 | 2,220,057 |
| Total revenues | 20,133,019 | 22,272,320 | 23,182,059 | 26,347,890 |
| EXPENDITURES | | | | |
| General government | 2,433,613 | 2,698,149 | 2,656,891 | 2,886,509 |
| Public safety | 7,143,411 | 7,224,417 | 6,842,836 | 6,891,604 |
| Public works | 4,897,077 | 5,275,205 | 5,063,692 | 5,733,327 |
| Health and human services | 132,291 | 136,268 | 140,662 | 149,944 |
| Culture and recreation | 2,742,275 | 2,934,345 | 2,884,804 | 3,057,845 |
| Conservation and development | 581,582 | 986,771 | 806,118 | 721,646 |
| Debt service | | | | |
| Principal | 4,311,821 | 2,824,211 | 5,955,762 | 3,202,824 |
| Interest and fiscal charges | 1,140,562 | 993,236 | 1,039,318 | 932,975 |
| Capital outlay | 3,571,624 | 4,079,773 | 4,149,499 | 5,533,825 |
| Total expenditures | 26,954,256 | 27,152,375 | 29,539,582 | 29,110,499 |
| Excess of revenues over expenditures | (6,821,237) | (4,880,055) | (6,357,523) | (2,762,609) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Long-term debt issued | \$ 2,574,610 | \$ 3,036,799 | \$ 4,685,000 | \$ 1,855,000 |
| Debt premium | - | - | - | - |
| Refunding bonds issued | 1,320,000 | - | 2,935,989 | - |
| Payment to refunded bond escrow agent | (1,320,000) | - | - | - |
| Sale of capital assets | - | - | - | - |
| Transfers in | 1,588,433 | 1,142,862 | 1,063,913 | 3,878,900 |
| Transfer in (out) - proprietary fund | 1,288,753 | 1,274,792 | 1,386,151 | 1,329,331 |
| Transfers in - nonexpendable trust fund | 2,910 | - | - | - |
| Transfers out | (1,591,343) | (1,142,862) | (1,063,913) | (3,878,900) |
| Total other financing sources (uses) | 3,863,363 | 4,311,591 | 9,007,140 | 3,184,331 |
| Net change in fund balances | \$ (2,957,874) | \$ (568,464) | \$ 2,649,617 | \$ 421,722 |
| Capital outlay reported above | 3,571,624 | 4,079,773 | 4,149,499 | 5,533,825 |
| Items capitalized not recorded as capital outlay | | | | |
| Items not capitalized | (241,915) | 142,425 | (177,574) | (160,943) |
| Acquisition and construction of capital assets | \$ 3,329,709 | \$ 4,222,198 | \$ 3,971,925 | \$ 5,372,882 |
| Debt service as a percentage of noncapital expenditures | 23.1% | 16.6% | 27.4% | 17.4% |

| 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|----------------|---------------|----------------|---------------|---------------|---------------|
| \$ 12,589,794 | \$ 12,828,566 | \$ 12,972,357 | \$ 13,328,682 | \$ 13,494,328 | \$ 13,760,349 |
| 433,610 | 545,014 | 331,540 | 283,843 | 327,540 | 266,163 |
| 8,325,247 | 8,426,325 | 8,264,185 | 8,191,364 | 7,749,412 | 7,864,851 |
| 382,488 | 367,784 | 381,728 | 377,060 | 457,686 | 466,748 |
| 141,603 | 125,395 | 115,316 | 112,229 | 94,403 | 116,607 |
| 897,936 | 908,681 | 848,648 | 794,286 | 797,452 | 690,229 |
| - | - | - | - | - | 342,584 |
| 1,094,169 | 2,149,237 | 1,066,060 | 900,544 | 1,547,177 | 859,607 |
| 23,864,847 | 25,351,002 | 23,979,834 | 23,988,008 | 24,467,998 | 24,367,138 |
| 3,023,589 | 3,082,462 | 3,161,276 | 3,140,869 | 3,135,068 | 3,262,634 |
| 7,126,431 | 7,378,977 | 7,789,867 | 8,133,175 | 8,012,919 | 8,103,390 |
| 6,087,393 | 6,034,196 | 5,163,379 | 5,611,502 | 5,162,878 | 5,635,896 |
| 165,838 | 159,155 | 228,534 | 312,268 | 329,030 | 325,544 |
| 3,119,227 | 3,167,467 | 3,438,803 | 3,318,627 | 3,220,449 | 3,280,441 |
| 797,444 | 840,193 | 1,346,945 | 877,973 | 866,422 | 988,383 |
| 3,176,322 | 3,122,619 | 2,921,135 | 2,907,297 | 6,347,193 | 4,186,216 |
| 914,459 | 817,643 | 1,061,260 | 1,099,300 | 1,005,542 | 1,005,086 |
| 2,530,625 | 7,957,509 | 8,374,827 | 7,011,195 | 4,595,724 | 7,097,681 |
| 26,941,328 | 32,560,221 | 33,486,026 | 32,412,206 | 32,675,225 | 33,885,271 |
| (3,076,481) | (7,209,219) | (9,506,192) | (8,424,198) | (8,207,227) | (9,518,133) |
| \$ 89,800 | \$ 9,516,560 | \$ 3,300,000 | \$ 6,653,045 | \$ 6,315,000 | \$ 6,803,650 |
| - | - | - | - | - | 187,097 |
| - | 2,635,000 | 706,717 | - | - | - |
| - | (2,635,000) | (2,049,957) | - | - | - |
| - | 15,695 | - | 4,166 | - | 39,647 |
| 3,145,115 | 1,424,337 | 1,322,191 | 1,734,655 | 1,730,075 | 2,105,845 |
| 1,375,603 | 1,474,089 | 3,137,661 | 1,760,640 | 1,795,158 | 2,110,640 |
| - | - | - | - | - | - |
| (3,145,115) | (1,424,337) | (2,661,198) | (1,734,655) | (1,471,907) | (2,105,845) |
| 1,465,403 | 11,006,344 | 3,755,414 | 8,417,851 | 8,368,326 | 9,141,034 |
| \$ (1,611,078) | \$ 3,797,125 | \$ (5,750,778) | \$ (6,347) | \$ 161,099 | \$ (377,099) |
| 2,530,625 | 7,957,509 | 8,374,827 | 7,011,195 | 4,595,724 | 7,097,681 |
| 522,999 | (1,838,981) | 3,126,626 | 967,476 | 393,674 | 215,631 |
| \$ 3,053,624 | \$ 6,118,528 | \$ 11,501,453 | \$ 7,978,671 | \$ 4,989,398 | \$ 7,313,312 |
| 17.1% | 14.9% | 18.1% | 16.4% | 26.6% | 19.5% |

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

| Fiscal Year | Residential Property | Commercial Property | Manufacturing Property | Agriculture / Forest / Swamp Property | | Personal Property | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Taxable Assessed Value as a Percentage of Actual Taxable Value |
|-------------|----------------------|---------------------|------------------------|---------------------------------------|-------------------------|-------------------|------------------------------|-----------------------|--------------------------------|--|
| | | | | Manufacturing Property | Forest / Swamp Property | | | | | |
| 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% | |
| 2008 | 669,688,800 | 413,906,200 | 41,306,300 | 1,568,100 | 68,327,430 | 1,194,796,830 | 9.87 | 1,329,959,000 | 89.837% | |
| 2009 | 674,928,600 | 429,442,500 | 41,040,400 | 1,488,400 | 57,468,880 | 1,204,368,780 | 9.86 | 1,333,749,900 | 90.299% | |
| 2010 | 772,419,000 | 476,651,000 | 43,076,300 | 1,168,300 | 59,363,440 | 1,352,678,040 | 8.96 | 1,332,746,600 | 101.496% | |
| 2011 | 775,078,300 | 489,813,200 | 44,208,900 | 780,600 | 58,104,360 | 1,367,985,360 | 8.96 | 1,365,646,700 | 100.171% | |
| 2012 | 777,592,400 | 490,659,100 | 50,873,800 | 751,000 | 61,394,020 | 1,381,270,320 | 8.95 | 1,365,252,300 | 101.170% | |
| 2013 | 778,926,900 | 492,479,400 | 52,313,700 | 744,000 | 69,276,820 | 1,393,740,820 | 8.98 | 1,359,235,300 | 102.539% | |

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 of Marshfield | | | Overlapping Rates | | | | | | | | | |
|-------------|--------------------|--------------------------|----------------------|-------------------|-----------------------------------|------------------------------------|---------------------------|-------------------|---------------------------------------|--|-------------------------------|--|--|
| | Operating Millage | Debt Service Millage (1) | City Direct Tax Rate | Wood County | Marshfield School District - Wood | Mid-State Technical College - Wood | State of Wisconsin - Wood | Marshfield County | Marshfield School District - Marathon | Mid-State Technical College - Marathon | State of Wisconsin - Marathon | | |
| 2004 | \$ 8.76 | \$ 0.97 | \$ 9.73 | \$ 4.85 | 7.20 | 1.59 | 0.20 | 5.41 | 7.29 | 1.61 | 0.20 | | |
| 2005 | 7.29 | 2.62 | 9.91 | 5.12 | 7.21 | 1.60 | 0.19 | 5.39 | 7.16 | 1.59 | 0.19 | | |
| 2006 | 7.49 | 2.42 | 9.91 | 5.18 | 7.78 | 1.62 | 0.19 | 5.25 | 7.54 | 1.57 | 0.18 | | |
| 2007 | 7.56 | 2.31 | 9.87 | 5.26 | 7.46 | 1.62 | 0.19 | 5.31 | 7.28 | 1.58 | 0.18 | | |
| 2008 | 7.61 | 2.26 | 9.87 | 5.24 | 8.84 | 1.65 | 0.19 | 5.12 | 8.51 | 1.59 | 0.18 | | |
| 2009 | 7.60 | 2.26 | 9.86 | 5.21 | 9.64 | 1.70 | 0.19 | 5.15 | 9.41 | 1.66 | 0.18 | | |
| 2010 | 6.90 | 2.06 | 8.96 | 4.64 | 9.13 | 1.62 | 0.17 | 4.61 | 8.95 | 1.59 | 0.16 | | |
| 2011 | 7.08 | 1.88 | 8.96 | 4.68 | 9.37 | 1.70 | 0.17 | 4.76 | 9.37 | 1.70 | 0.17 | | |
| 2012 | 6.78 | 2.17 | 8.95 | 4.64 | 9.64 | 1.72 | 0.17 | 4.65 | 9.51 | 1.69 | 0.17 | | |
| 2013 | 7.14 | 1.84 | 8.98 | 4.58 | 9.43 | 1.69 | 0.17 | 4.54 | 9.19 | 1.65 | 0.16 | | |

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.
 1.) The significant variance in Debt Service Millage for 2004 was a result of a one-time increase of TIF transfers to debt service.

CITY OF MARSHFIELD, WISCONSIN
PRINCIPAL PROPERTY TAX PAYERS
 Current Year and Nine Years Ago

| | | 2013 | | | 2005 | | |
|------------------------------------|---|-------------------------|------|---|------------------------|------|---|
| | | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value |
| Taxpayer | Type of Business | | | | | | |
| Marshfield Clinic | Healthcare | \$ 146,362,760 | 1 | 10.50% | \$ 93,122,720 | 1 | 8.16% |
| Wal-Mart Development | Retail Sales Development | 21,536,710 | 2 | 1.55% | 22,430,880 | 2 | 1.97% |
| Menards Development | Home Improvement Retail | 12,662,790 | 3 | 0.91% | 12,185,200 | 5 | 1.07% |
| V & H Ford Development | Auto / Heavy Truck Sales & Service | 12,143,310 | 4 | 0.87% | 11,061,120 | 8 | 0.97% |
| Completion Industrial Minerals | Oil / Natural Gas Frac Sand Processing | 11,494,900 | 5 | 0.82% | | | |
| Festival Foods Development | Grocery / Office Products / Apartments | 10,704,750 | 6 | 0.77% | 11,262,410 | 7 | 0.99% |
| Carbo Ceramics | Oil / Natural Gas Frac Sand Processing | 9,821,400 | 7 | 0.70% | | | |
| Security Health | Health Insurance | 7,888,730 | 8 | 0.57% | | | |
| Masonite (Marshfield Door Systems) | Wood Doors / Molded Products Manufacturer | 7,788,000 | 9 | 0.56% | 12,189,300 | 4 | 1.07% |
| Roehl Development | Trucking / Hotel & Conference Center | 6,845,480 | 10 | 0.49% | | | |
| Badger Housing | Apartment Complexes | - | | - | 13,946,250 | 3 | 1.22% |
| Ken Staab Partnerships | Residential / Commercial Construction | - | | - | 11,963,730 | 6 | 1.05% |
| Wick Building Systems | Modular Homes, Building Materials | - | | - | 9,850,300 | 9 | 0.86% |
| Northway Mall Development | Shopping Mall | - | | - | 8,879,590 | 10 | 0.78% |
| Total | | \$ 247,248,830 | | 17.74% | \$ 206,891,500 | | 18.14% |
| Total 2013 Assessed Value | | \$ 1,393,609,420 | | | | | |

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

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 |
| 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% | 25,283 | 11,771,885 | 100.0% |
| 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% |
| 2008 | 12,366,755 | 12,325,459 | 99.7% | 38,500 | 12,363,959 | 100.0% |
| 2009 | 12,512,424 | 12,460,027 | 99.6% | 41,228 | 12,501,255 | 99.9% |
| 2010 | 12,847,458 | 12,786,813 | 99.5% | 60,501 | 12,847,314 | 100.0% |
| 2011 | 13,009,947 | 12,975,761 | 99.7% | 43,220 | 13,018,981 | 100.0% |
| 2012 | 13,256,652 | 13,222,017 | 99.7% | 31,867 | 13,253,884 | 100.0% |
| 2013 | 13,393,800 | 13,228,667 | 98.8% | 168,185 | 13,396,853 | 100.0% |

Source: City of Marshfield Finance Department.

CITY OF MARSHFIELD, WISCONSIN
 Ratios of Net Outstanding Debt by Type
 Last Ten Fiscal Years

| Fiscal Year | Population | Personal Income | Governmental Activities | | | Business-type Activities | | | Total Primary Government | Percentage of Personal Income | Per Capita |
|-------------|------------|-----------------|----------------------------------|------------------------|------------------------|-----------------------------|------------------------|----------------|--------------------------|-------------------------------|------------|
| | | | General Obligation Notes & Bonds | State Trust Fund Loans | Less Debt Service Fund | Net General Obligation Debt | Mortgage Revenue Bonds | Capital Leases | | | |
| 2004 | 19,012 | \$ 2,473,206 | \$ 24,280,183 | \$ - | \$ 3,411 | \$ 24,276,772 | \$ 24,650,673 | \$ 127,051 | \$ 49,054,496 | 1.98% | 2,580 |
| 2005 | 19,258 | 2,507,805 | 24,352,815 | - | 5,490 | 24,347,325 | 24,686,147 | 84,700 | 49,118,172 | 1.96% | 2,551 |
| 2006 | 19,420 | 2,616,757 | 25,710,226 | 155,000 | 39,505 | 25,825,721 | 25,965,713 | 42,350 | 51,833,764 | 1.98% | 2,669 |
| 2007 | 19,346 | 2,772,139 | 24,180,000 | 155,000 | 1,887,738 | 22,447,262 | 27,928,514 | - | 50,375,776 | 1.82% | 2,604 |
| 2008 | 19,454 | 2,872,036 | 20,895,000 | 211,261 | 24,829 | 21,081,432 | 60,423,676 | - | 81,505,108 | 2.84% | 4,190 |
| 2009 | 19,413 | 2,815,391 | 27,065,000 | 261,152 | 177,734 | 27,148,418 | 63,175,296 | - | 90,323,714 | 3.21% | 4,653 |
| 2010 | 19,451 | 2,828,745 | 27,370,000 | 205,303 | 220,714 | 27,354,589 | 64,087,449 | - | 91,442,038 | 3.23% | 4,701 |
| 2011 | 19,118 | 2,968,663 | 32,985,000 | 147,748 | 289,840 | 32,842,908 | 48,589,182 | - | 81,432,090 | 2.74% | 4,259 |
| 2012 | 19,061 | 3,074,253 | 32,195,000 | 532,011 | 316,135 | 32,410,876 | 46,124,517 | - | 78,535,393 | 2.55% | 4,120 |
| 2013 | 19,047 | 3,074,253 | 33,800,000 | 1,204,198 | 392,002 | 34,612,196 | 35,970,000 | - | 70,582,196 | 2.30% | 3,706 |

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 Metropolitan SA, web-site address: <http://www.bea.gov/regional/rais>
 These ratios are calculated using personal income and population for the prior calendar year. Personal income information for 2013 had not been released at the time of preparing this schedule, so the most recent amount was entered.

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 | | |
| 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 |
| 2008 | 19,454 | 1,194,796,830 | 21,106,261 | 24,829 | 21,081,432 | 1.76% | 1,084 |
| 2009 | 19,413 | 1,204,368,780 | 27,326,152 | 177,734 | 27,148,418 | 2.25% | 1,398 |
| 2010 | 19,451 | 1,352,678,040 | 27,575,303 | 220,714 | 27,354,589 | 2.02% | 1,406 |
| 2011 | 19,118 | 1,367,985,360 | 33,132,748 | 289,840 | 32,842,908 | 2.40% | 1,718 |
| 2012 | 19,061 | 1,381,270,320 | 32,727,011 | 316,135 | 32,410,876 | 2.35% | 1,700 |
| 2013 | 19,047 | 1,393,740,820 | 35,004,198 | 392,002 | 34,612,196 | 2.48% | 1,817 |

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

CITY OF MARSHFIELD, WISCONSIN
 Direct and Overlapping Governmental Activities Debt
 December 31, 2013

| <u>Governmental Unit</u> | <u>Net General Obligation Debt Outstanding</u> | <u>Estimated Percentage Applicable</u> | <u>Estimated Share of Direct and Overlapping Debt</u> |
|--|--|--|---|
| Debt repaid with property taxes | | | |
| Wood County | \$ 3,240,000 | 26.41% | \$ 855,684 |
| Marathon County | 13,702,217 | 1.15% | 157,575 |
| School District of Marshfield | 20,360,000 | 60.78% | 12,374,808 |
| Mid-State Technical College | 28,730,000 | 11.04% | <u>3,171,792</u> |
| Subtotal, overlapping debt | | | 16,559,859 |
| City net direct debt | | | <u>32,410,876</u> |
| Total direct and overlapping debt | | | <u><u>\$ 48,970,735</u></u> |

Note: (1) Estimated Percentage Applicable represents the portion of debt allocated to the City of Marshfield based on its' percentage of Equalized Value to the total for the reporting governmental unit.

CITY OF MARSHFIELD, WISCONSIN
 Legal Debt Margin Information,
 Last Ten Fiscal Years

| | |
|---|----------------------|
| Equalized value | \$ 1,359,235,300 |
| Debt limit (5% of equalized value) | 67,961,765 |
| Debt applicable to limitation: | |
| General obligation debt | 35,004,198 |
| Less: Amount set aside for repayment of general obligation debt | (392,002) |
| Total net debt applicable to limit | <u>34,612,196</u> |
| Legal debt margin | \$ <u>33,349,569</u> |

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|----------------------|----------------------|
| Debt limit | \$56,670,395 | \$58,990,960 | \$62,008,575 | \$64,137,760 | \$66,497,950 | \$66,687,495 | \$66,637,330 | \$ 68,282,335 | \$ 68,264,615 | \$ 67,961,765 |
| Total net debt margin | <u>24,276,772</u> | <u>24,347,325</u> | <u>25,825,721</u> | <u>22,447,262</u> | <u>21,081,432</u> | <u>27,148,418</u> | <u>27,354,589</u> | <u>32,845,064</u> | <u>32,410,876</u> | <u>34,612,196</u> |
| Legal debt margin | <u>\$32,393,623</u> | <u>\$34,643,635</u> | <u>\$36,182,854</u> | <u>\$41,690,496</u> | <u>\$45,416,518</u> | <u>\$39,539,077</u> | <u>\$39,282,741</u> | <u>\$ 35,437,271</u> | <u>\$ 35,853,739</u> | <u>\$ 33,349,569</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 42.84% | 41.27% | 41.65% | 35.00% | 31.70% | 40.71% | 41.05% | 48.10% | 47.48% | 50.93% |

CITY OF MARSHFIELD, WISCONSIN

Pledged-Revenue Coverage

Last Ten Fiscal Years

| Fiscal Year | Utility Revenue Bonds | | | | | Coverage |
|-------------|----------------------------|------------------------------|-----------------------|----------------------------------|--------------|----------|
| | Utility Gross Revenues (1) | Less: Operating Expenses (2) | Net Available Revenue | Debt Service Principal (3)(4)(5) | Interest (3) | |
| 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 |
| 2008 | 36,334,198 | 26,556,716 | 9,777,482 | 2,109,838 | 869,787 | 3.28 |
| 2009 | 35,412,649 | 27,054,997 | 8,357,652 | 1,748,380 | 2,313,716 | 2.06 |
| 2010 | 38,289,596 | 28,945,606 | 9,343,990 | 2,012,848 | 2,470,485 | 2.08 |
| 2011 | 38,949,779 | 29,213,593 | 9,736,186 | 2,133,267 | 2,273,469 | 2.21 |
| 2012 | 40,617,422 | 27,344,077 | 13,273,345 | 2,464,665 | 2,166,412 | 2.87 |
| 2013 | 42,814,869 | 29,964,106 | 12,850,763 | 1,430,000 | 1,867,783 | 3.90 |

NOTE: Emergency Medical Services Enterprise fund added in 2002 not included in totals as it has no revenue debt service requirements.

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

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

(3) 2008 Debt Service does not include \$2,400,000 in principal related to debt refinancing and capitalized interest associated with Bond Anticipation Notes.

(4) 2010 Debt Service does not include \$35,165,000 in principal related to debt refinancing associated with Bond Anticipation Notes.

(5) 2011 Debt Service does not include \$1,495,000 in principal related to debt refinancing.

CITY OF MARSHFIELD, WISCONSIN
Demographic and Economic Statistics
Last Ten Calendar Years

| Calendar Year | Population | Per Capita Personal Income | | Public School Enrollment | Unemployment Rate |
|---------------|------------|----------------------------|-----------------|--------------------------|-------------------|
| | | Personal Income | Personal Income | | |
| 2004 | 19,012 | \$ 2,473,206 | \$ 32,904 | 3,955 | 5.0% |
| 2005 | 19,258 | 2,507,805 | 33,446 | 4,086 | 5.0% |
| 2006 | 19,420 | 2,616,757 | 35,076 | 4,061 | 4.8% |
| 2007 | 19,346 | 2,772,139 | 37,227 | 4,057 | 4.9% |
| 2008 | 19,454 | 2,872,036 | 38,541 | 4,094 | 6.4% |
| 2009 | 19,413 | 2,815,391 | 37,726 | 4,084 | 8.7% |
| 2010 | 19,451 | 2,828,745 | 37,834 | 4,053 | 7.1% |
| 2011 | 19,118 | 2,968,663 | 39,784 | 4,042 | 7.7% |
| 2012 | 19,061 | 3,074,253 | 41,307 | 4,067 | 7.2% |
| 2013 | 19,047 | 3,074,253 | 41,307 | 4,073 | 7.0% |

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

Personal Income and Per Capita Personal information for 2012 had not been released at the time of preparing this schedule, so the most recent amount was entered.

Unemployment Rate from Wisconsin's Worknet web-site address: <http://www.worknet.wisconsin.gov/worknet>

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

| | 2013 | | | 2005 | | |
|------------------------------|---------------|------|---------------------|---------------|------|---------------------|
| | Employees | Rank | Percentage of Total | Employees | Rank | Percentage of Total |
| Employer | | | | | | |
| Marshfield Clinic | 3,989 | 1 | 36.8% | 3,062 | 1 | 29.1% |
| Roehl Transport, Inc. | 2,506 | 2 | 23.1% | 1,921 | 3 | 18.3% |
| Saint Joseph's Hospital | 2,100 | 3 | 19.4% | 2,110 | 2 | 20.1% |
| Marshfield Door Systems | 550 | 4 | 5.1% | 735 | 4 | 7.0% |
| A&B Processing Corp | 378 | 5 | 3.5% | | | |
| De Boer Transportation, Inc. | 375 | 6 | 3.5% | 655 | 6 | 6.2% |
| Land O' Lakes | 288 | 7 | 2.7% | 500 | 7 | 4.8% |
| V&H Heavy Truck | 262 | 8 | 2.4% | | | |
| Figi's Inc. | 200 | 9 | 1.8% | 300 | 8 | 2.9% |
| Felker Bros. Corp | 184 | 10 | 1.7% | 236 | 10 | 2.2% |
| Wick Building Systems | | | | 700 | 5 | 6.7% |
| Wisconsin Homes | | | | 296 | 9 | 2.8% |
| Total | 10,832 | | | 10,515 | | |

Source: Marshfield Area Chamber of Commerce and Industry Economic Profile of Marshfield Area Major Employers

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

| <u>Function / Program</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> |
|-----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| General Government | | | | | | | | | | |
| Mayor | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.00 | 1.00 | 1.00 |
| Administrator / Human Resources | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 2.50 | 2.50 | 2.50 |
| 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 | 6.30 | 5.30 | 5.30 | 5.30 | 5.30 | 5.30 | 5.30 | 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 |
| Public Safety | | | | | | | | | | |
| Police | 45.00 | 45.00 | 45.00 | 45.00 | 45.00 | 46.00 | 47.00 | 47.00 | 47.00 | 47.00 |
| Dispatch | 8.00 | 8.00 | 8.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Fire and Rescue | 27.30 | 27.30 | 27.30 | 27.30 | 27.30 | 28.30 | 28.30 | 28.30 | 28.30 | 28.30 |
| Emergency Medical Services | 7.70 | 7.70 | 7.70 | 7.70 | 7.70 | 9.70 | 9.70 | 9.70 | 9.70 | 9.70 |
| Building Services and Inspection | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| Public Works | | | | | | | | | | |
| 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 | 5.00 | 5.00 | 5.00 | 6.00 | 6.00 | 6.00 |
| Street Services | 35.00 | 34.00 | 34.00 | 34.00 | 31.00 | 31.00 | 31.00 | 31.00 | 31.00 | 31.00 |
| Wastewater Utility | 10.50 | 10.50 | 10.50 | 10.50 | 10.50 | 10.50 | 10.50 | 10.50 | 10.50 | 10.50 |
| Health and Human Services | | | | | | | | | | |
| Cemetary | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Culture, Recreation and Education | | | | | | | | | | |
| Library | 19.23 | 19.48 | 19.48 | 19.48 | 19.48 | 19.48 | 19.48 | 19.48 | 19.31 | 19.35 |
| Parks and Recreation | 11.00 | 11.00 | 11.00 | 11.00 | 11.00 | 11.00 | 10.00 | 9.00 | 9.00 | 9.00 |
| Conservation and Development | | | | | | | | | | |
| Planning and Economic Development | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Total | 202.98 | 201.23 | 201.23 | 193.23 | 189.23 | 193.23 | 192.23 | 191.53 | 191.36 | 191.40 |

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

| <u>Function / Program</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| General Government | | | | | | | | | | |
| Building Services and Inspection | | | | | | | | | | |
| Building Permits Issued | 1,193 | 1,077 | 1,119 | 1,004 | 927 | 874 | 915 | 819 | 823 | 777 |
| Finance | | | | | | | | | | |
| Per. Licenses Issued | 1,769 | 1,744 | 1,598 | 1,618 | 1,500 | 1,511 | 1,484 | 1,354 | 1,359 | 1,325 |
| W-2 employees | 554 | 537 | 483 | 446 | 473 | 461 | 465 | 451 | 483 | 456 |
| Public Safety | | | | | | | | | | |
| Police | | | | | | | | | | |
| Number of Arrests / Citations / Warnings | 8,195 | 7,619 | 8,768 | 7,467 | 7,489 | 9,685 | 8,616 | 8,842 | 8,181 | 5,961 |
| Fire and Rescue | | | | | | | | | | |
| Number of call responses | 212 | 254 | 199 | 214 | 207 | 242 | 238 | 238 | 250 | 199 |
| Number of inspections conducted | 2,186 | 2,331 | 2,355 | 2,536 | 2,388 | 2,463 | 2,576 | 3,306 | 2,499 | 2,506 |
| Emergency Medical Services | | | | | | | | | | |
| Number of trips | 2,045 | 2,202 | 2,282 | 2,454 | 2,394 | 2,379 | 2,347 | 2,500 | 2,493 | 2,487 |
| Public Works | | | | | | | | | | |
| Wastewater Utility | | | | | | | | | | |
| Monthly Average Service Connections | 7,631 | 7,781 | 8,015 | 8,112 | 8,144 | 8,076 | 8,038 | 8,041 | 8,067 | 8,073 |
| Daily Average Treatment in Gallons | 3,300,000 | 2,700,000 | 2,570,000 | 2,966,000 | 3,241,000 | 3,050,000 | 3,412,000 | 3,398,000 | 2,695,000 | 3,126,000 |
| Water Utility | | | | | | | | | | |
| Service Connections | 7,433 | 7,599 | 7,662 | 7,695 | 7,747 | 7,747 | 7,724 | 7,727 | 7,739 | 7,745 |
| Daily Average Consumption in Gallons | 1,865,923 | 1,904,019 | 1,867,000 | 1,847,000 | 1,826,907 | 1,728,537 | 1,686,945 | 1,696,463 | 1,715,575 | 1,677,427 |

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

| Function / Program | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Public Safety | | | | | | | | | | |
| Police | | | | | | | | | | |
| Number of Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Number of enforcement units | 16 | 16 | 16 | 16 | 16 | 16 | 20 | 20 | 23 | 23 |
| 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 |
| Public Works | | | | | | | | | | |
| Street Services | | | | | | | | | | |
| Miles of Streets | 135 | 138 | 138 | 138 | 140 | 140 | 141 | 141 | 141 | 142 |
| Number of Street Lights | 1,408 | 1,874 | 1,985 | 1,989 | 1,994 | 2,065 | 2,042 | 2,042 | 2,030 | 2,046 |
| Miles of Storm Sewers (1) | 69 | 74 | 75 | 75 | 78 | 79 | 79 | 79 | 79 | 104 |
| Wastewater Utility | | | | | | | | | | |
| Miles of Sanitary Sewer (1) | 130 | 133 | 133 | 133 | 133 | 133 | 133 | 133 | 133 | 138 |
| Number of treatment plants | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Maximum daily capacity of treatment plant in gallons | 28,000,000 | 28,000,000 | 28,000,000 | 28,000,000 | 28,000,000 | 28,000,000 | 28,000,000 | 28,000,000 | 28,000,000 | 28,000,000 |
| Water Utility | | | | | | | | | | |
| Miles of Water Mains | 133 | 136 | 141 | 141 | 138 | 139 | 138 | 138 | 137 | 138 |
| Number of treatment plants | 1 | 1 | 1 | 1 | 1 | 1 | 3 | 3 | 3 | 3 |
| Number of fire hydrants | 842 | 844 | 892 | 892 | 910 | 910 | 915 | 918 | 917 | 923 |
| 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 | 4,690,000 | 4,690,000 |
| Culture, Recreation and Education | | | | | | | | | | |
| Parks and Recreation | | | | | | | | | | |
| Community Centers | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Parks | 19 | 19 | 20 | 20 | 20 | 20 | 19 | 19 | 18 | 18 |
| Park acreage | 380 | 389 | 421 | 421 | 421 | 421 | 393 | 393 | 392 | 392 |
| Swimming Pools | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Tennis/racquetball courts | | | | | | | | | | |
| outdoor tennis | 18 | 18 | 26 | 26 | 26 | 26 | 26 | 26 | 24 | 24 |
| 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 |

Notes:

(1) The increase in reported miles of Storm and Sanitary Sewer in 2013 compared to prior years due to improved reporting via use of GIS technology.

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