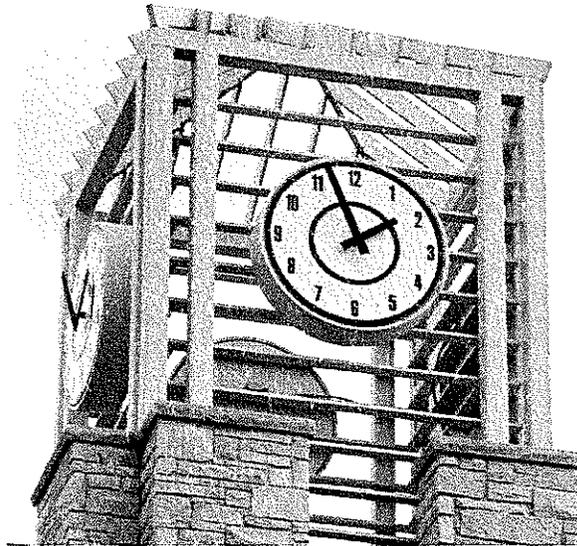


COMPREHENSIVE ANNUAL FINANCIAL REPORT

INCLUDING AUDITORS' REPORTS

For the Fiscal Year Ended

DECEMBER 31, 2007



City of Waukesha, Wisconsin

CITY OF WAUKESHA

MAYOR: LARRY NELSON

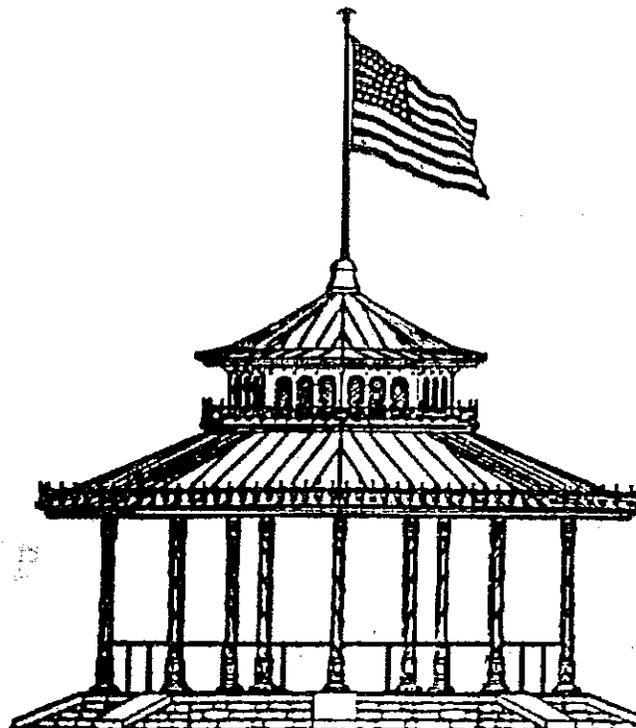
CITY ADMINISTRATOR: LORI CURTIS LUTHER

COMMON COUNCIL

PRESIDENT: JOAN FRANCOEUR

ALDERPERSONS

DISTRICT 1	TERRY THIEME
DISTRICT 2	ERIC PAYNE
DISTRICT 3	CHRISTOPHER HERNANDEZ
DISTRICT 4	JOE PIEPER
DISTRICT 5	PAUL YBARRA
DISTRICT 6	PAUL FURRER
DISTRICT 7	PEGGY BULL
DISTRICT 8	EMANUEL J. VITALE
DISTRICT 9	KATHLEEN CUMMINGS
DISTRICT 10	STEVE JOHNSON
DISTRICT 11	RANDY RADISH
DISTRICT 12	CHARLES LICHTIE
DISTRICT 13	RICK P. TORTOMASI
DISTRICT 14	JOAN FRANCOEUR
DISTRICT 15	CARROL WALDENBERGER



COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
CITY OF WAUKESHA, WISCONSIN
INCLUDING AUDITOR'S REPORTS
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2007

**PREPARED BY DEPARTMENT OF FINANCE
STEPHEN NEAMAN, FINANCE MANAGER**

**CITY OF WAUKESHA, WISCONSIN
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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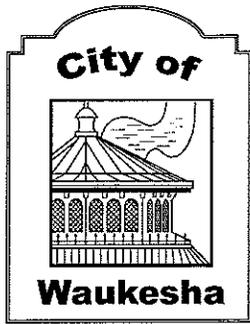
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COMPREHENSIVE ANNUAL FINANCIAL REPORT
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INTRODUCTORY SECTION



FINANCE DEPARTMENT

Stephen Neaman, Finance Manager

201 DELAFIELD STREET
sneaman@ci.waukesha.wi.us
WAUKESHA, WISCONSIN 53188-3633
TELEPHONE 262/524-3560 FAX 262/524-3555

June 24, 2008

City of Waukesha
Common Council Members
Waukesha, Wisconsin

Ladies and Gentlemen:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Waukesha, Wisconsin for the fiscal year ended December 31, 2007. Management for the City of Waukesha is responsible for all information presented in the CAFR and, to the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. The CAFR represents the culmination of all budgeting and accounting activities engaged in by management during the year, covering all funds of the City, its component unit and its financial transactions.

Report Format

The CAFR is presented in three main sections: Introductory, Financial, and Statistical. The **Introductory section** includes this transmittal letter, the City's organizational chart and a list of principal officials. The **Financial section** includes the independent auditors' report, management's discussion and analysis (MD&A), the audited basic financial statements, disclosure notes, required supplementary information, and supporting statements and schedules necessary to fairly present the financial position and the results of operations of the City in conformity with generally accepted accounting principles. The MD&A is prepared by management to provide a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The **Statistical section** includes selected financial and demographic information, typically presented on a multi-year comparative basis.

City policy, in accordance with state and federal requirements, is to provide for an annual audit of the financial records of the government by a competent certified public accountant. In addition to meeting the financial requirements set forth above, the audit was also designed to meet the requirements of the federal Single Audit Act of 1984 and related U.S. Office of Management and Budget Circular A-133. The independent auditors' report on the basic financial statements is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in a separate issued single audit report.

Profile of the City of Waukesha

Waukesha is a city that was incorporated in 1896, with an identity of mixed residential housing, and is home to educational programs (public and private) from certified pre-school to college/technical schools. It has large/small company job opportunities, and municipal services from safety to recreation. The mission of the City of Waukesha is to provide quality service delivery at an affordable tax rate. Land use zoning incorporating residential/business/commercial attractive neighborhoods/districts sets the identity of who we are. The seat of Waukesha County government is located within our city boundary, as well as 800 non-profit properties, meeting individual needs whether social or religious. The importance of redevelopment rather than massive raw land development is also a mission of our community. The City of Waukesha's vision started in 1896 and continues into the 21st Century.

General Information

The City of Waukesha is located in southeastern Wisconsin, approximately 15 miles west of the City of Milwaukee. The City encompasses an area of over 25 square miles and is the County seat for Waukesha County. According to the Wisconsin Department of Administration, Demographic Services Center, Waukesha County is the third largest county in the State with a 2007 population of over 381,000 people.

The City of Waukesha is the most populous municipality in Waukesha County with an estimated 2007 population of 67,880. The City is easily accessible via Interstate 94 and State Highway 18. The Highway 18 corridor parallels I-94 and has been an area of sustained growth, as commercial establishments of all types have been built along the road. Several other major county and state highways serve the City's transportation needs as well. Milwaukee's Mitchell International Airport is located approximately 20 minutes from the City.

The City of Waukesha has been consistently recognized by national surveys as a highly rated area for overall quality of life. During 2006, the City was named the 36th best small City in America by Money Magazine.

The City of Waukesha is governed under the Mayor-Aldermanic form of government. The fifteen member Common Council is elected by aldermanic district for three-year staggered terms. The Mayor is elected at-large for a four-year term.

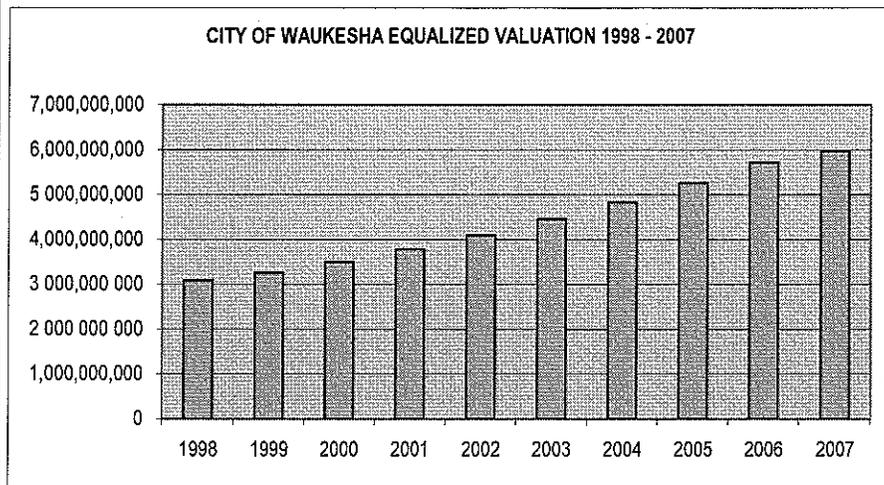
The City of Waukesha created the position of City Administrator in 1999. The City Administrator is responsible for overseeing the various department heads. The day-to-day administration of the City is handled through the various department heads that are responsible for the everyday functions. Members of the administration are appointed to their positions with the exception of the City Assessor, Attorney, Clerk-Treasurer, and part-time Judge who are elected to their four-year term positions.

Economic Conditions

Waukesha County is located in southeastern Wisconsin, directly west of Milwaukee County. The County has the second highest equalized property tax base and per capita income and is the third most populous county in the State. The County covers an area of 576 square miles and consists of 8 cities, 18 villages and 12 towns. As mentioned earlier, the City of Waukesha is the most populous City in the County.

Over the past ten years, the City has experienced phenomenal growth. Over the past ten years, the City's equalized property value has nearly doubled, growing nearly 95%. Annual increases are shown in the table below:

YEAR	EQUALIZED VALUE (INCLUDING TIDs)	PERCENTAGE OF CHANGE
1998	3,089,711,500	
1999	3,265,205,000	5.68%
2000	3,499,115,300	7.16%
2001	3,785,717,900	8.19%
2002	4,093,368,800	8.13%
2003	4,453,065,000	8.79%
2004	4,828,733,700	8.44%
2005	5,256,579,000	8.86%
2006	5,716,891,600	8.76%
2007	5,975,769,600	4.53%



MAJOR INITIATIVES

The following were among the many activities to which City staff and officials undertook in 2007 and continuing into 2008:

Municipal Facilities

During the year, the City completed plans for a new fire station, the City's fifth, to serve the growing west central and northwestern parts of the City. The \$2,661,700 construction contract for the 15,000 square foot facility, located at 3051 Summit Avenue, was awarded by the Common Council on March 4, 2008. As an outlying station, Fire Station Number Five is designed to house five to a maximum of eight personnel and will house an engine and ambulance.

In addition, planning continued for an addition to the Waukesha Public Library for expansion of the Children's Section. The 2008 budget was approved, allocating \$1.575 million for this purpose.

Economic Development

In 2007, construction of a luxury hotel and restaurant began in downtown Waukesha. The construction is transforming a deteriorating building into an asset for the downtown with the hope that it will spur additional development and redevelopment. The Clarke Hotel and Black Trumpet Restaurant with an estimated value of \$5 million will open in 2008. The City has entered into a developer's agreement and will be contributing at least \$1.5 million to the project through its Tax Incremental District Number 11. The agreement contains an incentive clause that could contribute another \$500,000 toward the project if it spurs other large projects in the downtown area. The new five star restaurant will be owned and managed by Andrew Ruggeri, a master chef who operates the very successful Andrew's Restaurant in Delafield, WI and has been involved with the Delafield Hotel in Delafield, WI and the Metro Hotel in downtown Milwaukee.

Tax Incremental District 14

During 2007, the City began the process of amending Tax Incremental District Number 14 (TID 14) to add the former Fleming property to its boundaries. The Fleming property, bounded by the Fox River and W. Sunset Drive, is a long vacant food distribution center. In 2008, the Fleming buildings will be razed, making the property available for development. A Target Superstore is planned for the property, as well

as other smaller retail businesses. The property and improvements, upon completion, are expected to be worth approximately \$63 million.

Tax Incremental District 16

Tax Incremental District Number 16 (TID 16) was created in 2007 to promote redevelopment of the downtown central city to provide greater employment opportunities and to increase downtown central city housing opportunities. The City anticipates using tax incremental financing for developer incentives and for a loan program for homeowners. Improvements in the District, including eight key projects, are anticipated to add \$20 million to the District.

Tax Incremental District 17

Tax Incremental District Number 17 (TID 17) was also created in 2007. The District, approximately 84 acres in area, is bounded by Grand Ave., Barstow St., Carroll St., Arlington St., Maple Ave., Main St., the Fox River, Dunbar Ave., Walton St., Franklin St., Elizabeth St., and College Avenue. TID 17 would provide public financing incentives for project costs related to land acquisition, loans, special projects, land cost write downs as public/private partnerships, and a new low-interest non-income qualified loan program for property owners.

FINANCIAL INFORMATION

Accounting System and Budgetary Control

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

Budgetary control is maintained through an annual budget ordinance passed by the City Council. Formal budgetary integration is employed as a management control device during the year for the General Fund, Debt Service Fund, and certain Special Revenue Funds, and is adopted on a basis consistent with generally accepted accounting principles. Fixed, long-term budgets on a project basis are used for Capital Project Funds. Flexible annual budgets are approved for proprietary funds to provide for financial management. The City Administrator and Finance Manager may authorize transfers of budgeted amounts within departments; however, transfers between departments and additional appropriations to the original budget must be made by Council resolution. The level at which expenditures may not exceed budget is by department or division.

Internal Control

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits likely to be derived and that the evaluation of cost and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions

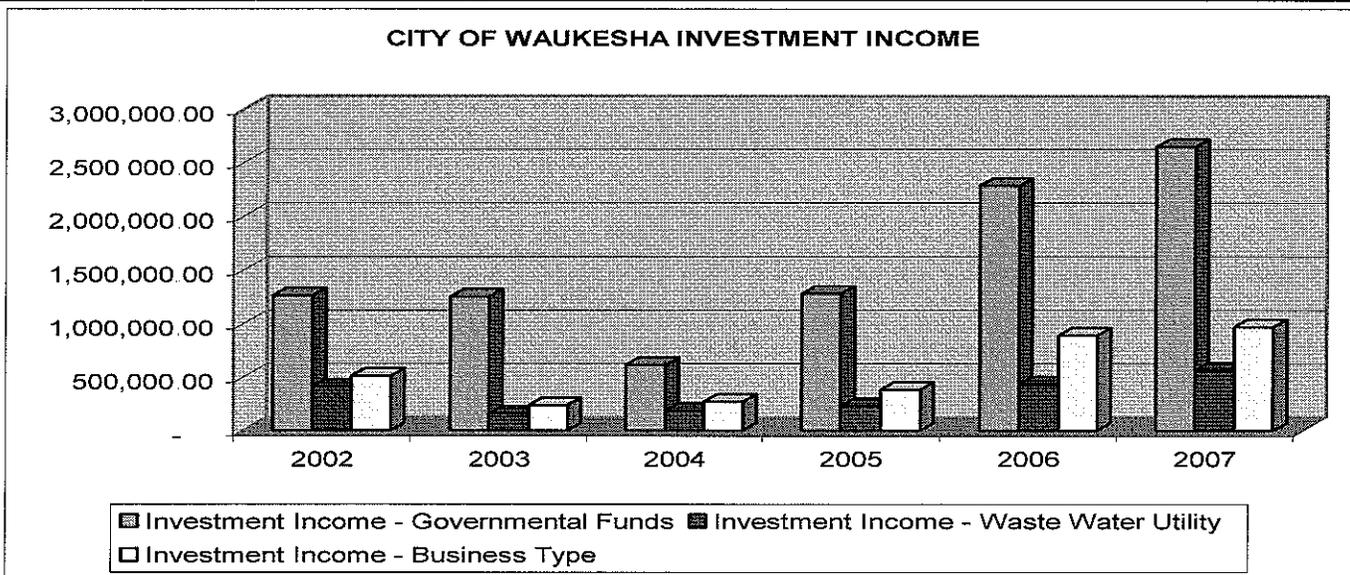
Cash Management

The cash management program consists of two phases. The first phase is a contractual agreement with Waukesha State Bank for services. This contract specifies that the bank will pay interest on account balances based on the Federal Funds daily rate. The banking arrangement links seven checking accounts to an interest bearing sweep account, which ensures that all excess funds are earning interest

The second phase is a long-term investment program. Funds that are available for 30 days or longer are diversified by security type, institution, and terms of maturity to reduce investment portfolio risk. With the exception of US Treasury securities and authorized pools, no more than 50 percent of the City's total investment portfolio will be invested in a single security type or with a single financial institution. The City will maintain at least 10 percent of its total investment portfolio in instruments maturing in 30 days or less.

Collateralization is required on all savings and demand deposits, non-negotiable Certificates of Deposit, and repurchase agreements. The following summary shows investment earnings for the past six years.

YEAR	Investment Income - Governmental Funds	Investment Income - Waste Water Utility	Investment Income - Business Type
2002	1,263,083.00	409,847.00	509,405.00
2003	1,251,264.00	159,647.00	235,293.00
2004	612,283.00	185,872.00	269,690.00
2005	1,280,324.00	230,295.00	382,032.00
2006	2,287,133.00	431,502.00	887,994.00
2007	2,650,342.00	563,009.00	968,586.00



Risk Management

The City has joined other Wisconsin municipalities for liability insurance coverage. The City, on January 1, 2003, became a member of Community Insurance Corporation, which has since grown to 25 cities and 48 villages. Community Insurance has provided risk management and liability insurance services since January 1, 2002. Under this program, the City's self-insured retention is \$10,000 per occurrence and \$75,000 annual aggregate. Through a strong risk management program, the City has retained \$95,203 of its self-insured retention level from January 1, 2003 through December 31, 2007.

The City's workers' compensation coverage is with Wausau General Insurance Company. Through a strong partnership with Wausau's risk management program, the City has maintained a very favorable experience modification factor, which was .67 in 2007. The City was recently awarded the Wausau Safety Achievement Award for its workers' compensation experience. Since 2002, the City has been 49% below the average compared to similar municipalities. This favorable modification factor saved the City \$307,585 in premiums during 2007.

INDEPENDENT AUDIT

Included in the financial section is the independent auditors' report, which is a significant part of the Comprehensive Annual Financial Report (CAFR). In this report, Schenck SC, Certified Public Accountants, express their opinion that the financial statements are presented fairly in conformity with generally accepted accounting principles and comment on the scope of the examination. The opinion is unqualified and signifies a substantial level of achievement. Compliance audits of the City's federal and state financial assistance programs for the year ended December 31, 2007 were also completed by the independent auditors. These reports are available under separate cover.

MANAGEMENT'S DISCUSSION AND ANALYSIS

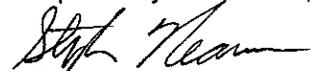
Immediately following the independent auditor's report is *Management's Discussion and Analysis* which provides a narrative introduction, overview, and analysis of the basic financial statements.

ACKNOWLEDGMENTS

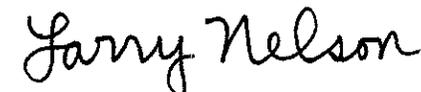
The preparation of this report on a timely basis could not be accomplished without the dedicated services of the Finance Office staff. We would like to express our appreciation to all members of our staff: Vicki Krueger, Accountant II, Keith Yahn, Accountant I, Bonnie Ehrendreich, Accountant I, Nancy Lovejoy, Account Clerk III, and Laura Szecsy, Account Clerk II, who assisted and contributed to the preparation of this report.

We would like to thank the City Council for their support in planning and conducting the financial operations of the City in a responsible manner. Appreciation is also expressed for the excellent assistance received from our independent auditors, Schenck SC, Certified Public Accountants.

Respectfully Submitted,

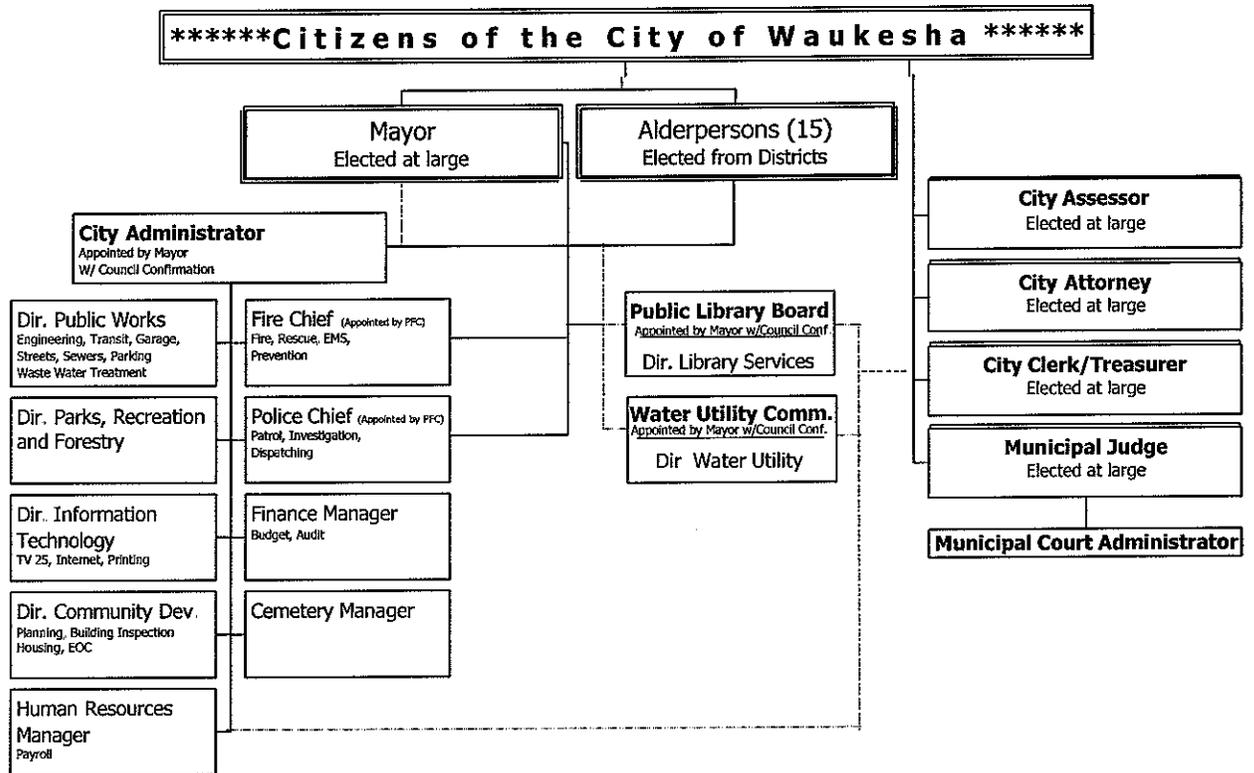


Stephen Neaman
Finance Manager



Larry Nelson
Mayor

City of Waukesha Organization Chart



Numerous other appointed, volunteer boards and commissions provide for review and recommendation on various policies and programs but do not provide independent operational oversight of activities. These include: Architectural Review Board, Board of Building Appeals, Board of Public Works, Board of Review, Board of Zoning Appeals, Cemetery Board, Electrical Examiners Board, Ethics Board, Equal Opportunities Commission, Fox River Development Board, Housing Authority Commission, Landmarks Commission, Parks, Recreation and Forestry Board, Plan Commission, Police and Fire Commission, Redevelopment Authority, Sign Appeals Board, Sign Review Board, Telecommunications Commission and Transit Commission

Dated: April 23, 2006

**CITY OF WAUKESHA, WISCONSIN
ELECTED AND APPOINTED OFFICIALS**

Elected Officials

		Term Begins	Term Expires
District 1	Terry Thieme	April 2008*	April 2009
District 2	Eric Payne	April 2008	April 2011
District 3	Christopher Hernandez	April 2008	April 2011
District 4	Joe Pieper	April 2007	April 2010
District 5	Paul Ybarra	April 2007	April 2010
District 6	Paul Furrer	April 2008	April 2011
District 7	Peggy Bull	April 2008	April 2011
District 8	Emanuel Vitale	April 2007	April 2010
District 9	Kathleen Cummings	April 2007	April 2010
District 10	Steve Johnson	April 2008	April 2011
District 11	Randy Radish	April 2007	April 2010
District 12	Charles Lichtie	April 2007	April 2010
District 13	Rick Tortomasi	April 2008	April 2011
District 14	Joan Francoeur	April 2007	April 2010
District 15	Carrol Waldenberger	April 2007	April 2010
Mayor	Larry Nelson	April 2006	April 2010
Clerk/Treasurer	Thomas Neill	May 2006	April 2010
Assessor	Paul Klauck	June 2006	May 2010
Attorney	Curt Meitz	May 2006	April 2010
Municipal Judge	Joseph Cook	May 2006	April 2010

Appointed Officials

Lori Curtis Luther.....	City Administrator
Jane Ameel.....	Library Director
Steven Crandell.....	Director of Community Development
Fred Abadi.....	Director of Public Works
Ron Grall.....	Director of Parks, Recreation & Forestry
Bret Mantey.....	Information Technology Director
David Brenner.....	Cemetery Director
Stephen Neaman.....	Finance Manager
Leslie Sharrock.....	Chief of Police
Allen LaConte.....	Chief of Fire Department

*District 1 alderman was appointed in April 2008; will be on the Spring 2009 ballot, with term expiring April 2010.

FINANCIAL SECTION



Schenck
Business Solutions
BETTER PEOPLE BETTER RESULTS.

INDEPENDENT AUDITORS' REPORT ON BASIC FINANCIAL STATEMENTS

To the City Council
City of Waukesha
Waukesha, Wisconsin

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Waukesha, Wisconsin ("the City") as of and for the year ended December 31, 2007, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Waukesha's management. Our responsibility is to express opinions on these basic financial statements based on our audit. We did not audit the financial statements of the Housing Authority of the City of Waukesha (Housing Authority), which represents 98% and 96%, respectively, of the assets and revenues of the component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Housing Authority, is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of December 31, 2007, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2008, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and 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* and should be considered in assessing the results of our audit.



The Management's Discussion and Analysis is not a required part of the basic financial statements but is supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The financial information listed in the table of contents as supplemental information, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The information identified in the table of contents on the Introductory and Statistical Sections is presented for purposes of additional analysis and is not a required part of the basic financial statements of the City of Waukesha, Wisconsin. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Schmude SC

Certified Public Accountants
Green Bay, Wisconsin
June 24, 2008

MANAGEMENT'S DISCUSSION AND ANALYSIS

City of Waukesha, Wisconsin Management's Discussion and Analysis

This discussion and analysis of the City of Waukesha's financial performance is intended to provide an overview of the City's financial activities for the fiscal year ended December 31, 2007 in comparison with the year ended December 31, 2006. Please consider it in conjunction with the City's financial statements, which begin on page 21, following this narrative.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

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

The *Statement of Net Assets* presents information on all of the City of Waukesha's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish those functions of the municipality that are principally supported by taxes and intergovernmental revenues, known as *governmental activities*, from other functions that are intended to recover all or a significant portion of their costs through user fees and service charges, called *business-type activities*. The governmental activities of the City of Waukesha include general government, public safety, highways and streets, sanitation, culture and recreation, conservation and development and other interest and fiscal charges. The business-type activities of the City include a water utility, wastewater utility, mass transit, parking utility and the city cemetery.

The government-wide financial statements include not only the City of Waukesha itself (*the primary government*) but also a legally separate Housing Authority and Business Improvement District for which the City is accountable (*component unit*). Financial information for these component units are reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 21 through 23 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 of Waukesha, like other governmental entities, uses fund accounting to ensure and demonstrate compliance with various finance related legal requirements. All of the funds of the City of Waukesha can be divided into three categories: *governmental funds, proprietary funds and fiduciary 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 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.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, 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 municipality'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 of Waukesha maintains 35 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, General Debt Service and Combined TIF Debt Service, all of which are considered to be major funds or funds for which separate reporting has been determined to be helpful in fulfilling other legal reporting requirements. Data from the other 32 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The governmental fund financial statements can be found beginning on page 24 of this report.

Proprietary Funds maintained by the City of Waukesha are of two different types: *enterprise funds* and *internal service funds*. *Enterprise funds* are used to report those functions presented as business-type activities in the government-wide financial statements. The City's fund financial statements present separate enterprise fund information for the Water Utility, Wastewater Utility, Transit Utility, Parking Utility and the city's only non-major enterprise fund (Cemetery). *Internal service funds* are used to account for enterprise-like operations that provide services, on a user fee basis, primarily or exclusively to departmental customers within the governmental entity itself, rather than to external customers. The City of Waukesha uses internal service funds to account for its print shop, dental and life insurance, health insurance, and property, liability and workers compensation insurance. These internal functions are reported in a single, aggregated proprietary fund statement presentation and included with other governmental activities in the government-wide financial statements.

The proprietary fund financial statements can be found beginning on page 29 of this report.

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 would not be available to support the City of Waukesha's own programs. The accounting for fiduciary funds is similar to that used for proprietary funds. The City of Waukesha has no fiduciary funds to report.

Notes to the Financial Statements

The notes to the financial statements provide additional detail that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 41 of this report.

Supplementary Information

Following the basic government-wide and fund financial statements, accompanying notes, and required supplementary information (RSI), additional supplementary information has been provided as part of this report. The supplementary information includes combining statements for the non-major governmental, enterprise, internal service, and agency funds. This supplementary information section of the report begins on page 68.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The City of Waukesha's statement of net assets is summarized in the table below. The City's assets exceeded liabilities by \$212 million at the close of 2007. This is an increase of \$2 million over last year. The increase was due to the favorable operations of the City's Water and Waste Water Utilities. The vast majority of these net assets 94% reflect the City's investment in capital assets including land, land improvements, buildings, machinery and equipment, infrastructure, plant in service and construction in progress, net of related outstanding debt used to acquire the assets. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Waukesha, Wisconsin Summary Statement of Net Assets

	Governmental Activities		Business-Type Activities		Totals	
	2007	2006	2007	2006	2007	2006
	Current and Other Assets	\$ 149,103,910	\$ 139,119,275	\$ 23,992,727	\$ 26,649,162	\$ 173,096,637
Capital Assets (net)	\$ 150,377,597	\$ 150,802,665	\$ 141,739,536	\$ 137,373,865	\$ 292,117,133	\$ 288,176,530
Total Assets	\$ 299,481,507	\$ 289,921,940	\$ 165,732,263	\$ 164,023,027	\$ 465,213,770	\$ 453,944,967
Current Liabilities	\$ 123,053,960	\$ 117,245,390	\$ 4,809,847	\$ 3,772,028	\$ 127,863,807	\$ 121,017,418
Non-current Liabilities	\$ 98,314,419	\$ 92,296,180	\$ 26,534,815	\$ 30,325,999	\$ 124,849,234	\$ 122,622,179
Total Liabilities	\$ 221,368,379	\$ 209,541,570	\$ 31,344,662	\$ 34,098,027	\$ 252,713,041	\$ 243,639,597
Net Assets:						
Invested in Capital Net of Debt	\$ 82,268,340	\$ 83,986,097	\$ 116,908,403	\$ 112,056,622	\$ 199,176,743	\$ 196,042,719
Restricted	\$ 1,127,450	\$ 1,089,976	\$ 5,608,935	\$ 6,841,986	\$ 6,736,385	\$ 7,931,962
Unrestricted (deficit)	\$ (5,282,662)	\$ (4,695,703)	\$ 11,870,263	\$ 11,026,392	\$ 6,587,601	\$ 6,330,689
Total Net Assets	\$ 78,113,128	\$ 80,380,370	\$ 134,387,601	\$ 129,925,000	\$ 212,500,729	\$ 210,305,370
Total Net Assets as a % of Total Liabilities	35%	38%	429%	381%	84%	86%
Unrestricted Nets Assets as a % of Total Liabilities	-2%	-2%	38%	32%	3%	3%

A portion of the City's net assets (3.2%) represents resources that are subject to other restrictions as to how they may be used. The remaining surplus of \$6,587,601 of total net assets will be available to meet the City's on-going obligations to its citizens and creditors. The decrease in unrestricted net assets of the governmental activities can be attributed to developer incentives given by the City for TID development. The Business type activities unrestricted net assets grew by \$843,871 this year. The increase was the result of favorable operations.

At the end of 2007, the City is able to report positive balances in all categories of net assets for the government as a whole. Only its business-type activities can report a positive balance on an individual basis. While the governmental-type activities had a deficit unrestricted net assets, total net assets exceeded total liabilities at the end of 2007 for both governmental and business-type activities. Unrestricted net assets remained unchanged from 2006 for governmental activities, and grew by 7% to 38% for business-type activities.

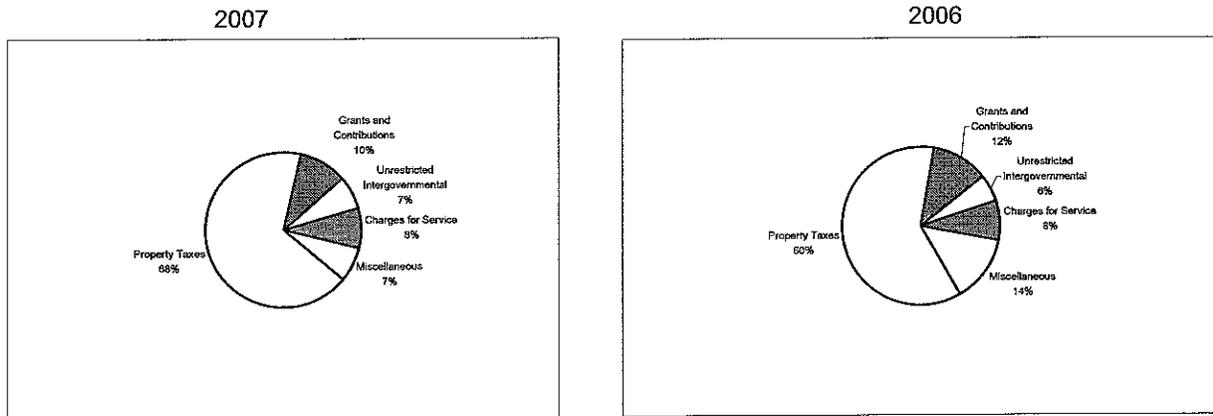
City of Waukesha, Wisconsin Summary Statement of Activities

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Revenues						
Program Revenues						
Charges for service	\$ 5,559,848	\$ 5,618,257	\$ 19,438,024	\$ 18,653,796	\$ 24,997,872	\$ 24,272,053
Operating grants and contributions	\$ 5,407,127	\$ 5,247,020	\$ 5,975,788	\$ 5,768,473	\$ 11,382,915	\$ 11,015,493
Capital grants and contributions	\$ 1,401,088	\$ 2,826,321	\$ 4,488,732	\$ 4,552,350	\$ 5,889,820	\$ 7,378,671
General Revenues						
Property taxes	\$ 44,976,412	\$ 42,552,959	\$ 1,028,530	\$ 885,484	\$ 46,004,942	\$ 43,438,443
Other taxes	\$ 1,705,736	\$ 1,533,058	\$ -	\$ -	\$ 1,705,736	\$ 1,533,058
Intergovernmental revenues	\$ 4,553,754	\$ 3,856,858	\$ -	\$ -	\$ 4,553,754	\$ 3,856,858
Investment earnings	\$ 2,649,936	\$ 2,287,480	\$ 968,586	\$ 887,994	\$ 3,618,522	\$ 3,175,474
Miscellaneous	\$ 488,496	\$ 5,560,412	\$ 96	\$ 35,126	\$ 488,592	\$ 5,595,538
Total Revenues	\$ 66,742,397	\$ 69,482,365	\$ 31,899,756	\$ 30,783,223	\$ 98,642,153	\$ 100,265,588
Expenses						
General government	\$ 9,187,580	\$ 8,194,907			\$ 9,187,580	\$ 8,194,907
Public safety	\$ 27,621,969	\$ 26,139,258			\$ 27,621,969	\$ 26,139,258
Highways and streets	\$ 14,163,612	\$ 13,575,809			\$ 14,163,612	\$ 13,575,809
Sanitation	\$ 2,111,547	\$ 2,070,610			\$ 2,111,547	\$ 2,070,610
Culture and recreation	\$ 10,856,358	\$ 10,379,313			\$ 10,856,358	\$ 10,379,313
Conservation and development	\$ 1,958,871	\$ 305,725			\$ 1,958,871	\$ 305,725
Interest and fiscal charges	\$ 3,684,246	\$ 3,530,573			\$ 3,684,246	\$ 3,530,573
Water			\$ 5,956,426	\$ 5,439,271	\$ 5,956,426	\$ 5,439,271
Wastewater			\$ 9,687,032	\$ 9,047,169	\$ 9,687,032	\$ 9,047,169
Transit			\$ 9,926,045	\$ 9,492,306	\$ 9,926,045	\$ 9,492,306
Parking			\$ 955,564	\$ 934,438	\$ 955,564	\$ 934,438
Other	\$ -	\$ -	\$ 753,079	\$ 628,501	\$ 753,079	\$ 628,501
Total Expenses	\$ 69,584,183	\$ 64,196,195	\$ 27,278,146	\$ 25,541,685	\$ 96,862,329	\$ 89,737,880
Changes in Net Assets Before Transfers	\$ (2,841,786)	\$ 5,286,170	\$ 4,621,610	\$ 5,241,538	\$ 1,779,824	\$ 10,527,708
Transfers	\$ 159,009	\$ 125,163	\$ (159,009)	\$ (125,163)	\$ -	\$ -
Change in Net Assets	\$ (2,682,777)	\$ 5,411,333	\$ 4,462,601	\$ 5,116,375	\$ 1,779,824	\$ 10,527,708
NET ASSETS - Beginning of Year	\$ 80,380,370	\$ 67,066,358	\$ 129,925,000	\$ 125,024,495	\$ 210,305,370	\$ 192,090,853
Prior Period Adjustment	\$ 415,535	\$ 7,902,679	\$ -	\$ (215,870)	\$ 415,535	\$ 7,686,809
NET ASSETS - End of Year	\$ 78,113,128	\$ 80,380,370	\$ 134,387,601	\$ 129,925,000	\$ 212,500,729	\$ 210,305,370

The Governmental activities net assets fell during the year by \$2.68 million before prior period adjustments. This was primarily because of \$1.8 million in developer incentives given for TID development and operational expenditures exceeding revenues. The Business-type activities net assets grew by \$4.46 million as a result of favorable operations and capital contributions. For further information on the Business-type activities please refer to the Financial Analysis Section of the major Proprietary funds.

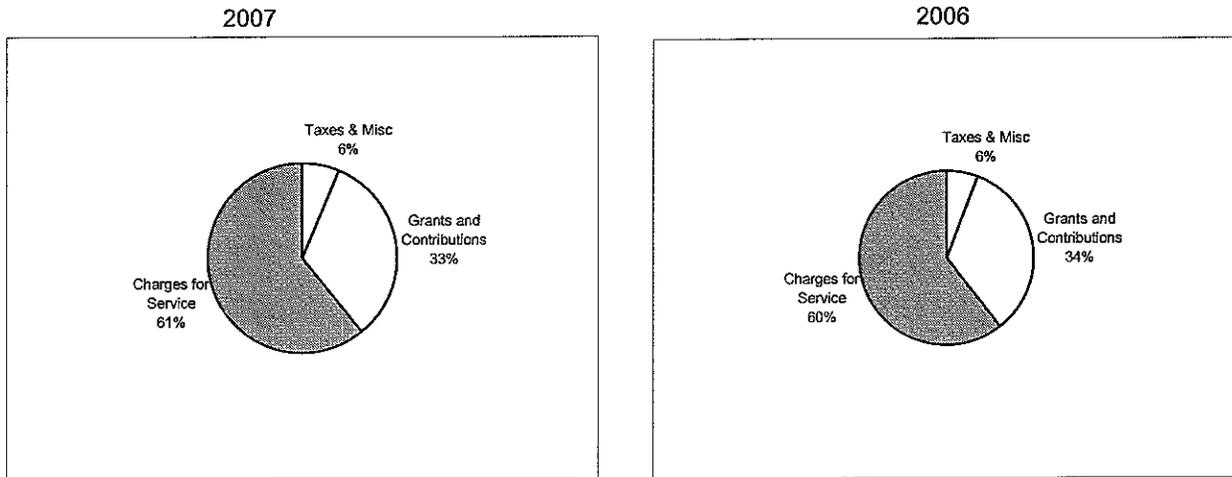
An examination of the statement of activities can provide a concise picture of how the various activities of the City are funded. The following pie charts draw data from the statement of activities. For governmental services, the City is highly dependent upon property taxes for funding, deriving 68% in 2007 and 60% in 2006 of its revenue from this single source. The increase in property tax revenue as a percentage of total revenue is due to the city receiving \$5.2 million in settlement proceeds classified under miscellaneous revenues in 2006. The settlement was related to a landfill site clean up. Operating and capital grants and contributions along with unrestricted intergovernmental revenues comprise another 17% in both 2007 and 2006, while charges for services and all other sources account for 16 in 2006 and 22% in 2005 of total governmental activity resources.

Governmental Activities Revenues by Source



In the case of business-type activities, the data shows a considerably different picture. Charges for services (61% 2007, 60% 2006) replace property taxes as the primary revenue. Grants and contributions related to intergovernmental aid for transit operations and developer contributed water and sewer mains were 33% in 2007 and 34% in 2006 of business type revenues.

Business-Type Activities Revenues by Source



FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS

Governmental Funds

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

As of December 31, 2007, the City of Waukesha's governmental funds reported combined ending fund balances of approximately \$24 million, an increase of \$1 million over the previous year. This was from favorable operations for the General fund. Of the total fund balance for 2007, \$8.7 million is reserved for specific legal requirements and other commitments, leaving total unreserved governmental fund balances of \$15.2 million available for spending at the discretion of the City's common council. This is an increase of \$0.7 million from 2006. As the result of past actions and policy decisions, \$6.7 million of these unreserved balances have been segregated or otherwise designated for specific uses, leaving an unreserved, undesignated fund balance of \$8.5 million in the governmental funds, which is an increase of \$3.2 million over last year. During 2007 the City Council transferred \$2.5 million of proceeds from the landfill settlement into the undesignated fund balance of the General Fund to bolster the undesignated fund balance.

General Fund: The general fund is the primary governmental fund of the city. As of December 31, 2007 the fund balance for the general fund was approximately \$8.8 million. This is an increase of \$3.2 million over the ending fund balance from the previous year. The increase in fund balance is due primarily from the \$2.5 million landfill settlement transfer and from favorable operations.

General Debt Service: The debt service fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The ending fund balance for 2006 was \$1,103,710. This was an increase of \$80,999 from the 2006 balance. This was primarily the result of higher than expected interest earnings, additional transfers in of federal grant revenue associated with the construction of our transit terminal and savings in refunding payments.

Tax Incremental Financing Debt Service: The TIF debt service funds account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs associated with the six open tax incremental districts of the city. The TIF debt service fund balance fell in aggregate by \$43,525 from the previous year to \$23,740. This was the result of TIF increment revenues not keeping pace with debt service requirements.

The aggregated other governmental funds column includes various special revenue, revolving loan, grant, endowment and capital project funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The accumulated fund balances of these funds fell by \$2.3 million during 2007 primarily as a result proceeds from the landfill settlement (\$2.5 million) being transferred to the City's General Fund.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in greater detail. The net assets of the enterprise-type proprietary funds at the end of 2007 totaled \$134 million, up \$4.5 million from the previous year. \$4.3 million of the increase was due to capital contributions to the Water, Sewer and Transit utilities. Most of the contributions were for the distribution and collection systems and were added by outside developers. This is a direct reflection of the strong development and continuing growth of the City. The remaining increase in net assets of the enterprise-type proprietary funds was a result of favorable operations.

The net assets of the City's internal service-type proprietary funds increased during the year by \$2.2 million. The majority of the increase was attributable to favorable claims activity for the City's self insured health insurance fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

As shown in the "Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual for the General Fund", the original 2007 general fund budget authorized expenditures and transfers out of approximately \$51.5 million, funded by anticipated revenues and transfers in of \$51.5 million. During the year, the Common Council increased expenditure appropriations by \$339,967 to accommodate carryovers from the previous year and additional capital grants. The revenue budget was increased by \$238,968 for additional revenues associated with these new grants.

The City ended the year with a favorable general fund budget variance for both revenues and expenses. Revenues were \$513,077 or 1% above the final amended budget while expenditures came in \$285,358 below the final budget amount. Overall the General Fund ended the year on a positive note, with revenues and transfers in exceeding expenditures by \$3,212,985. Of this amount, \$2,531,000 was the result of a transfer in from the Municipal Facilities fund. This was part of an insurance settlement for costs associated with the West avenue landfill cleanup. Excluding this transfer the operations ended on a positive note with revenues exceeding expenditures by \$681,985.

During the year expenditure appropriations were increased by \$339,967 by the council. Of the increase, \$145,362 was for grants by the city that were unanticipated at the time of original budget adoption and \$93,606 came from additional State aids. Carryovers from the previous year for projects started in 2006 amounted to a \$71,347 increase in the 2007 expenditure budget.

CAPITAL ASSETS AND LONG TERM DEBT

Capital Assets

In accordance with the implementation requirements of GASB #34, the City has recorded historical costs and depreciation expense associated with all of its capital assets, including infrastructure. This year the City added \$415,535 for its storm sewer network. As summarized in the table below, the City's reported net investment in capital assets for governmental and business type activities as of December 31, 2007 totaled over \$292 million.

Total accumulated depreciation at the end of the year was \$174.7 million, or approximately 37% of the historical asset cost.

City of Waukesha, Wisconsin Capital Assets, Net of Accumulated Depreciation

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
	Land	\$ 24,935,688	\$ 24,554,959	\$ 2,925,343	\$ 2,850,551	\$ 27,861,031
Improvements	\$ 4,671,663	\$ 3,760,577			\$ 4,671,663	\$ 3,760,577
Buildings	\$ 47,531,810	\$ 43,501,811	\$ 74,055,315	\$ 73,395,881	\$ 121,587,125	\$ 116,897,692
Machinery and Equipment	\$ 33,705,065	\$ 32,101,515	\$ 41,459,136	\$ 39,988,755	\$ 75,164,201	\$ 72,090,270
Infrastructure	\$ 146,846,947	\$ 139,867,633	\$ 84,127,201	\$ 79,438,776	\$ 230,974,148	\$ 219,306,409
Construction in Progress	\$ 2,470,166	\$ 6,317,792	\$ 4,003,203	\$ 1,626,789	\$ 6,473,369	\$ 7,944,581
Sub-total	\$ 260,161,339	\$ 250,104,287	\$ 206,570,198	\$ 197,300,752	\$ 466,731,537	\$ 447,405,039
Less: Accumulated Depreciation	\$ (109,783,742)	\$ (99,301,622)	\$ (64,830,662)	\$ (59,926,887)	\$ (174,614,404)	\$ (159,228,509)
Net Capital Assets	\$ 150,377,597	\$ 150,802,665	\$ 141,739,536	\$ 137,373,865	\$ 292,117,133	\$ 288,176,530

Some of the most significant additions to the City's capital assets during 2007 included:

- New Fire Station & Equipment \$4.7 million
- Street network additions \$2.3 million
- Water mains and distribution assets \$3.8 million
- Storm sewer additions \$4.7 million
- Sanitary sewer collection system additions \$0.9 million
- Fleet and heavy Equipment \$1.2 million

Additional information related to the City of Waukesha's capital assets is reported in Note C.4 – capital assets following the financial statements.

Long-Term Debt

On December 31, 2007, the City of Waukesha had \$116,268,436 of long-term notes, bonds, bond anticipation and note anticipation notes outstanding and revenue bonds, as summarized in the following table:

City of Waukesha, Wisconsin Notes and Bonds Outstanding

	Governmental Activities		Business-Type Activities		Total	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
General Obligation Bonds and Notes	\$ 89,733,621	\$ 85,432,424	\$ 5,029,695	\$ 5,540,855	\$ 94,763,316	\$ 90,973,279
Revenue Bonds	\$ -	\$ -	\$ 21,505,120	\$ 24,785,144	\$ 21,505,120	\$ 24,785,144
Total	\$ 89,733,621	\$ 85,432,424	\$ 26,534,815	\$ 30,325,999	\$ 116,268,436	\$ 115,758,423

It is anticipated that the outstanding bond and note anticipation notes will be refinanced with long-term bonds and notes over the next few years.

Under Wisconsin State Statutes, the outstanding long-term debt of a municipality may not exceed 5% of the equalized property value of all taxable property within the jurisdiction. Applicable net debt of the City totaled \$90,975,320 which is 30% of the maximum legal limit of \$298,788,480. This is an increase of 1% of the percent of maximum legal limit over 2007. During 2007, the City issued new debt for the following amounts and purposes:

City of Waukesha, Wisconsin Long-Term Debt Issued during 2007

<u>Date</u>	<u>Type of Debt</u>	<u>Amount</u>	Moody's <u>Rating</u>
5/21/2007	General Obligation Promissory Notes	\$ 7,950,000	Aa2
5/21/2007	General Obligation Refunding Bonds	\$ 5,885,000	Aa2
11/20/2007	Note Anticipation Note	\$ 1,805,000	MIG1
		<u>\$ 15,640,000</u>	

For more information on the city's long-term obligations refer to Note C.7 – long-term obligations.

CURRENTLY KNOWN FACTS

The adoption of the 2008 general fund budget resulted in an expenditure increase of 3.35% over the previous year. The general fund property tax levy increased by 3.56%, while other revenue sources increased by 2.95%. A large portion of the increase in other revenue was a result of increased interest income, and State aids projected by the City. The tax levy increase for all funds in 2008 was 5.68% and the assessed tax rate increased by 3.83%. The last time the City underwent a reassessment of its property values in 2005.

REQUESTS FOR INFORMATION

This report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to provide accountability for the financial resources it receives. If you have questions about the information contained in this report or need additional financial information concerning the City of Waukesha, please contact the City Finance Office, 201 Delafield St., Room 111, Waukesha, Wisconsin, 53188. Our telephone number is 262-524-3560 and our e-mail address is Finance@ci.waukesha.wi.us.

BASIC FINANCIAL STATEMENTS

CITY OF WAUKESHA, WISCONSIN
Statement of Net Assets
December 31, 2007

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Totals	
ASSETS				
Cash and investments	\$ 83,236,245	\$ 5,520,420	\$ 88,756,665	\$ 172,464
Receivables (net of allowance for uncollectibles)				
Taxes	57,552,658	210,704	57,763,362	41,510
Accounts	1,986,346	5,699,324	7,685,670	-
Special assessments	181,291	525,641	706,932	117,273
Accrued interest	3,403	-	3,403	-
Long-Term loans	5,074,085	398,015	5,472,100	-
Prepaid items and inventories	415,865	1,428,799	1,844,664	-
Other assets	321,407	125,789	447,196	-
Internal balances	1,905,000	(1,905,000)	-	-
Due from other governmental units	194,536	-	194,536	-
Restricted Assets				
Cash and investments	-	10,148,226	10,148,226	-
Interest receivable	-	73,883	73,883	-
Advances	(1,766,926)	1,766,926	-	-
Capital Assets				
Land	24,935,688	2,925,343	27,861,031	-
Construction in progress	2,470,166	4,003,203	6,473,369	-
Buildings	47,531,810	74,055,315	121,587,125	-
Improvements other than buildings	4,671,663	-	4,671,663	-
Machinery and equipment	33,705,065	41,459,136	75,164,201	-
Infrastructure	146,846,947	84,127,201	230,974,148	-
Less: Accumulated depreciation	(109,783,742)	(64,830,662)	(174,614,404)	-
Total Assets	299,481,507	165,732,263	465,213,770	331,247
LIABILITIES				
Accounts payable and accrued expenses	5,773,289	4,043,245	9,816,534	-
Due to other governmental units	66,309,565	-	66,309,565	-
Unearned revenues	50,680,315	624,587	51,304,902	181,980
Deposits	290,791	-	290,791	-
Other	-	142,015	142,015	-
Noncurrent Liabilities				
Due within one year	7,376,157	3,919,645	11,295,802	-
Due in more than one year	90,938,262	22,615,170	113,553,432	-
Total Liabilities	221,368,379	31,344,662	252,713,041	181,980
NET ASSETS				
Invested in capital assets, net of related debt	82,268,340	116,908,403	199,176,743	-
Restricted	1,127,450	5,608,935	6,736,385	-
Unrestricted (deficit)	(5,282,662)	11,870,263	6,587,601	149,267
TOTAL NET ASSETS	\$ 78,113,128	\$134,387,601	\$212,500,729	\$ 149,267

CITY OF WAUKESHA, WISCONSIN
Statement of Activities
Year Ended December 31, 2007

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government				
Governmental Activities				
General government	\$ 9,187,580	\$ 480,305	\$ -	\$ -
Public safety	27,621,969	2,917,362	455,308	2,500
Highways and streets	14,163,612	651,916	2,778,314	1,362,851
Sanitation	2,111,547	43,311	-	-
Culture and recreation	10,856,358	1,466,954	1,639,447	35,737
Conservation and development	1,958,871	-	534,058	-
Interest and fiscal charges	3,684,246	-	-	-
Total Governmental Activities	<u>69,584,183</u>	<u>5,559,848</u>	<u>5,407,127</u>	<u>1,401,088</u>
Business-type Activities				
Water Utility	5,956,426	7,657,850	-	2,873,605
Wastewater Utility	9,687,032	9,138,257	-	611,306
Transit System Utility	9,926,045	1,805,058	5,975,788	1,003,821
Parking Utility	955,564	515,163	-	-
Cemetery	753,079	321,696	-	-
Total Business-type Activities	<u>27,278,146</u>	<u>19,438,024</u>	<u>5,975,788</u>	<u>4,488,732</u>
Total Primary Government	<u>\$96,862,329</u>	<u>\$24,997,872</u>	<u>\$11,382,915</u>	<u>\$ 5,889,820</u>
Component Unit				
Business Improvement District	\$ 225,644	\$ 193,806	\$ 49,169	\$ -
Total Component Units	<u>\$ 225,644</u>	<u>\$ 193,806</u>	<u>\$ 49,169</u>	<u>\$ -</u>

General Revenue
Taxes
Property taxes levied for general purposes
Property taxes levied for debt service
Property taxes levied for nonmajor funds
Franchise fees and other taxes
Intergovernmental revenues not restricted for specific programs
Investment income
Miscellaneous
Gain on sale of assets
Transfers
Total General Revenue and Transfers
 Change in Net Assets
 NET ASSETS - January 1
 Prior Period Adjustment
 NET ASSETS - December 31

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

Government Activities	Business-type Activities	Totals	Component Unit
\$ (8,707,275)	\$ -	\$ (8,707,275)	\$ -
(24,246,799)	-	(24,246,799)	-
(9,370,531)	-	(9,370,531)	-
(2,068,236)	-	(2,068,236)	-
(7,714,220)	-	(7,714,220)	-
(1,424,813)	-	(1,424,813)	-
(3,684,246)	-	(3,684,246)	-
(57,216,120)	-	(57,216,120)	-
-	4,575,029	4,575,029	-
-	62,531	62,531	-
-	(1,141,378)	(1,141,378)	-
-	(440,401)	(440,401)	-
-	(431,383)	(431,383)	-
-	2,624,398	2,624,398	-
(57,216,120)	2,624,398	(54,591,722)	-
-	-	-	17,331
-	-	-	17,331
34,210,626	1,028,530	35,239,156	-
9,109,106	-	9,109,106	-
1,656,680	-	1,656,680	-
1,705,736	-	1,705,736	-
4,553,754	-	4,553,754	-
2,649,936	968,586	3,618,522	7,203
322,612	96	322,708	-
165,884	-	165,884	-
159,009	(159,009)	-	-
54,533,343	1,838,203	56,371,546	7,203
(2,682,777)	4,462,601	1,779,824	24,534
80,380,370	129,925,000	210,305,370	124,733
415,535	-	415,535	-
\$ 78,113,128	\$134,387,601	\$212,500,729	\$ 149,267

CITY OF WAUKESHA, WISCONSIN
Balance Sheet
Governmental Funds
December 31, 2007

	General	Debt Service - General	Debt Service- TIF Districts	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 62,842,851	\$ 564,073	\$ 543,034	\$ 15,889,708	\$ 79,839,666
Receivables					
Taxes	45,638,133	8,192,059	2,142,852	1,579,614	57,552,658
Accounts	1,540,395	-	-	326,092	1,866,487
Special assessments	-	-	4,028	177,263	181,291
Loans	-	540,000	-	4,534,085	5,074,085
Accrued interest	3,403	-	-	-	3,403
Due from other governmental units	-	-	-	194,536	194,536
Due from other funds	2,794,831	-	-	-	2,794,831
Inventories	219,711	-	-	-	219,711
Prepaid items	33,087	-	-	148,240	181,327
TOTAL ASSETS	\$ 113,072,411	\$ 9,296,132	\$ 2,689,914	\$ 22,849,538	\$ 147,907,995
LIABILITIES AND FUND BALANCE					
Liabilities					
Accounts payable	\$ 581,137	\$ 363	\$ -	\$ 1,479,379	\$ 2,060,879
Other accrued liabilities	1,204,793	-	-	1,768	1,206,561
Compensated absences	596,831	-	-	-	596,831
Due to other governmental units	66,309,565	-	-	-	66,309,565
Due to other funds	-	-	519,294	370,537	889,831
Deposits	41,273	-	-	249,518	290,791
Advance due to other funds	-	-	-	1,766,926	1,766,926
Deferred revenue	35,538,829	8,192,059	2,146,880	5,002,431	50,880,199
Total Liabilities	104,272,428	8,192,422	2,666,174	8,870,559	124,001,583
Fund Balances					
Reserved	252,798	1,103,710	23,740	7,271,110	8,651,358
Unreserved and undesignated, reported in:					
General Fund	8,547,185	-	-	-	8,547,185
Special Revenue Funds	-	-	-	858,653	858,653
Capital Projects Funds	-	-	-	5,849,216	5,849,216
Total Fund Balances	8,799,983	1,103,710	23,740	13,978,979	23,906,412
TOTAL LIABILITIES AND FUND BALANCES	\$ 113,072,411	\$ 9,296,132	\$ 2,689,914	\$ 22,849,538	\$ 147,907,995

(Continued)

CITY OF WAUKESHA, WISCONSIN
Balance Sheet (Continued)
Governmental Funds
December 31, 2007

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

Fund balance from previous page:		\$ 23,906,412
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds		150,193,435
Some receivables that are not currently available are reported as deferred revenue in the fund financial statements but are recognized as revenue when earned in the government-wide statements		
Special assessments		220,355
Internal service funds are reported in the statement of net assets as governmental funds		3,048,440
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds.		
Long-term debt	\$ (89,733,621)	
Accrued interest	(1,262,502)	
Compensated absences	(6,834,916)	
Long-term disability payable	(589,906)	
(Premium)/discount on debt issued	<u>(834,569)</u>	
		<u>(99,255,514)</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES		<u>\$ 78,113,128</u>

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

CITY OF WAUKESHA, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2007

	General	Debt Service- General	Debt Service - TIF Districts	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 35,184,745	\$ 7,288,576	\$ 1,820,530	\$ 1,568,593	\$ 45,862,444
Intergovernmental	8,151,707	21,985	33,299	1,423,360	9,630,351
Licenses and permits	1,699,704	-	-	700	1,700,404
Fines, forfeitures and penalties	697,577	-	-	110,316	807,893
Public charges for services	3,053,428	-	-	1,058,723	4,112,151
Interdepartment charges	792,952	-	-	-	792,952
Special assessments	-	-	2,497	157,039	159,536
Investment income	1,610,014	193,906	72,856	773,566	2,650,342
Miscellaneous	94,448	-	-	567,514	661,962
Total Revenues	51,284,575	7,504,467	1,929,182	5,659,811	66,378,035
EXPENDITURES					
Current					
General government	7,298,487	-	28,128	601,533	7,928,148
Public safety	26,308,664	-	-	16,282	26,324,946
Highways and streets	8,206,322	-	-	-	8,206,322
Sanitation	780,781	-	-	1,330,766	2,111,547
Culture and recreation	8,830,581	-	-	620,586	9,451,167
Conservation and development	-	-	43,780	1,954,153	1,997,933
Capital Outlay	-	-	-	9,263,605	9,263,605
Debt Service					
Principal retirement	-	7,498,804	3,840,000	-	11,338,804
Interest and fiscal charges	-	2,598,013	1,136,202	-	3,734,215
Total Expenditures	51,424,835	10,096,817	5,048,110	13,786,925	80,356,687
Excess (Deficiency) of Revenues Over (Under) Expenditures	(140,260)	(2,592,350)	(3,118,928)	(8,127,114)	(13,978,652)
OTHER FINANCING SOURCES (USES)					
Long-term debt issued	-	3,014,597	2,870,500	9,754,903	15,640,000
Premium on bonds	-	48,336	45,098	95,141	188,575
Sale of City property	-	-	-	165,884	165,884
Transfers in	3,454,654	73,155	159,805	226,234	3,913,848
Transfers out	(101,409)	(462,739)	-	(4,427,100)	(4,991,248)
Total Other Financing Sources (Uses)	3,353,245	2,673,349	3,075,403	5,815,062	14,917,059
Net Changes in Fund Balances	3,212,985	80,999	(43,525)	(2,312,052)	938,407
FUND BALANCES - January 1	5,586,998	1,022,711	67,265	16,291,031	22,968,005
FUND BALANCES - December 31	\$ 8,799,983	\$ 1,103,710	\$ 23,740	\$ 13,978,979	\$ 23,906,412

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

CITY OF WAUKESHA, WISCONSIN
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Governmental Fund Balances
to the Statement of Activities
December 31, 2007

Net change in fund balances - from previous page \$ 938,407

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

Governmental funds report capital outlays as expenditures. However in the statement of net assets the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expenses in the statement of activities.

Capital outlay is reported in governmental fund statements	\$ 7,725,255	
Depreciation reported in the government-wide statements	(8,237,453)	
Net book value of assets retired	<u>(340,779)</u>	(852,977)

Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.	(48,960)
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Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	
Debt issued	\$ (15,640,000)
Principal repaid	<u>11,338,803</u>
	(4,301,197)

Some expenses in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	
Compensated absences	\$ (582,895)
Long-term disability	21,829
Accrued interest on debt	<u>(225,812)</u>
	(786,878)

Governmental funds report debt premiums, discounts and issuance costs as other financing sources (uses). However, in the statement of net assets, these are deferred and reported as other assets. These are allocated over the period the debt is outstanding in the statement of activities and are reported as amortization expense.	
Debt discount/premium and issuance costs	\$ (10,570)
Amortization	<u>141,557</u>
	130,987

Internal service funds are used by management to charge the costs of workers compensation, liability insurance, employee benefits, and motor equipment center costs to individual funds. The net revenue of the internal service funds is reported with governmental activities.	<u>2,237,841</u>
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CHANGES IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u><u>\$ (2,682,777)</u></u>
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The notes to the basic financial statements are an integral part of this statement.

CITY OF WAUKESHA, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - General Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Taxes	\$ 35,130,495	\$ 35,130,495	\$ 35,184,745	\$ 54,250
Intergovernmental	7,843,833	8,082,801	8,151,707	68,906
Licenses and permits	1,668,500	1,668,500	1,699,704	31,204
Fines, forfeitures and penalties	670,000	670,000	697,577	27,577
Public charges for services	2,877,080	2,877,080	3,053,428	176,348
Interdepartment charges	1,037,282	1,037,282	792,952	(244,330)
Investment income	1,200,000	1,200,000	1,610,014	410,014
Miscellaneous	105,340	105,340	94,448	(10,892)
Total Revenues	50,532,530	50,771,498	51,284,575	513,077
EXPENDITURES				
Current				
General government	7,648,995	7,675,963	7,298,487	377,476
Public safety	25,966,261	26,326,575	26,308,664	17,911
Highways and streets	8,135,919	8,092,804	8,206,322	(113,518)
Sanitation	804,672	804,672	780,781	23,891
Culture and recreation	8,814,379	8,810,179	8,830,581	(20,402)
Total Expenditures	51,370,226	51,710,193	51,424,835	285,358
Excess (deficiency) of Revenues Over (Under) Expenditures	(837,696)	(938,695)	(140,260)	798,435
OTHER FINANCING SOURCES (USES)				
Transfers in	922,696	922,696	3,454,654	2,531,958
Transfers out	(85,000)	(85,000)	(101,409)	(16,409)
Total Other Financing Sources (Uses)	837,696	837,696	3,353,245	2,515,549
Net Changes in Fund Balance	-	(100,999)	3,212,985	3,313,984
FUND BALANCE - January 1	5,586,998	5,586,998	5,586,998	-
FUND BALANCE - December 31	\$ 5,586,998	\$ 5,485,999	\$ 8,799,983	\$ 3,313,984

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

CITY OF WAUKESHA, WISCONSIN
Statement of Net Assets
Proprietary Funds
December 31, 2007

	Business-type Enterprise Funds			
	Water Utility	Wastewater Utility	Transit System Utility	Parking Utility
ASSETS				
Current Assets				
Cash and investments	\$ 2,960,464	\$ 2,170,924	\$ -	\$ 88,087
Taxes receivable	-	-	-	-
Accounts receivable	3,245,328	475,092	1,655,414	-
Special assessments receivable	-	525,641	-	-
Due from other funds	-	1,483,489	10,140	-
Inventories	311,276	-	102,339	-
Prepaid items	85,208	-	55,428	-
Total Current Assets	6,602,276	4,655,146	1,823,321	88,087
Restricted Assets				
Revenue bond redemption	369,857	1,953,711	-	-
Revenue bond reserve	979,917	-	-	-
Depreciation	1,444,708	-	-	-
Equipment replacement	-	5,400,033	-	-
Interest receivable	-	73,883	-	-
Total Restricted Assets	2,794,482	7,427,627	-	-
Utility Plant				
Utility plant in service (at cost)	78,455,286	89,043,162	22,813,897	11,576,352
Construction work in progress	3,834,865	168,338	-	-
Total Utility Plant	82,290,151	89,211,500	22,813,897	11,576,352
Equipment	-	-	-	-
Less: Accumulated depreciation	(19,952,193)	(32,870,637)	(7,444,396)	(4,231,658)
Net Plant/Equipment	62,337,958	56,340,863	15,369,501	7,344,694
Other Assets				
Preliminary survey and investigation	35,718	-	-	-
Unamortized debt issuance costs	23,831	5,569	-	37,987
Long-Term receivable	-	398,015	-	-
Advance to other funds	-	1,766,926	-	-
Total Other Assets	59,549	2,170,510	-	37,987
Total Assets	71,794,265	70,594,146	17,192,822	7,470,768

(Continued)

Non-Major Prairie Home Cemetery	Totals Current Year	Governmental Activities - Internal Service Funds
\$ 300,945	\$ 5,520,420	\$ 3,396,579
210,704	210,704	-
323,490	5,699,324	119,859
-	525,641	-
35,909	1,529,538	-
874,548	1,288,163	13,423
-	140,636	1,404
<u>1,745,596</u>	<u>14,914,426</u>	<u>3,531,265</u>
-	2,323,568	-
-	979,917	-
-	1,444,708	-
-	5,400,033	-
-	73,883	-
-	<u>10,222,109</u>	-
678,298	202,566,995	-
-	4,003,203	-
<u>678,298</u>	<u>206,570,198</u>	-
-	-	259,727
<u>(331,778)</u>	<u>(64,830,662)</u>	<u>(75,565)</u>
<u>346,520</u>	<u>141,739,536</u>	<u>184,162</u>
-	35,718	-
22,684	90,071	-
-	398,015	-
-	1,766,926	-
<u>22,684</u>	<u>2,290,730</u>	-
<u>2,114,800</u>	<u>169,166,801</u>	<u>3,715,427</u>

CITY OF WAUKESHA, WISCONSIN
Statement of Net Assets (Continued)
Proprietary Funds
December 31, 2007

	Business-type Enterprise Funds			
	Water Utility	Wastewater Utility	Transit System Utility	Parking Utility
LIABILITIES				
Current Liabilities				
Accounts payable	936,054	327,260	596,218	36,518
Accrued liabilities	83,149	17,333	25,438	3,776
Claims payable	-	-	-	-
Accrued interest	-	-	-	36,070
Current portion of long-term debt	-	197,402	-	266,377
Due to other funds	2,456,102	-	3,025	-
Unearned revenue	-	-	-	-
Compensated absences	83,475	454,213	196,214	59,420
Other current liabilities	131,282	-	631,826	-
Total Current Liabilities	<u>3,690,062</u>	<u>996,208</u>	<u>1,452,721</u>	<u>402,161</u>
Liabilities Payable from Restricted Assets				
Accrued interest	111,329	103,379	-	-
Current maturities of long-term debt	660,000	2,758,549	-	-
Total Liabilities Payable from Restricted Assets	<u>771,329</u>	<u>2,861,928</u>	<u>-</u>	<u>-</u>
Long-term Debt Net of Current Maturities				
Revenue bonds	9,080,000	9,006,571	-	-
Unamortized debt (discount)/premium	(18,847)	-	-	145,594
Deferred revenues	108,413	-	-	-
General obligation debt	-	677,866	-	3,206,963
Total Long-term Debt	<u>9,169,566</u>	<u>9,684,437</u>	<u>-</u>	<u>3,352,557</u>
Total Liabilities	<u>13,630,957</u>	<u>13,542,573</u>	<u>1,452,721</u>	<u>3,754,718</u>
NET ASSETS				
Invested in capital assets net of related debt	53,620,553	43,700,475	15,369,501	3,871,354
Restricted For:				
Equipment replacement and debt service	1,043,236	4,565,699	-	-
Unpaid claims and restricted deposits	-	-	-	-
Unrestricted (Deficit)	<u>3,499,519</u>	<u>8,785,399</u>	<u>370,600</u>	<u>(155,304)</u>
TOTAL NET ASSETS	<u>\$58,163,308</u>	<u>\$57,051,573</u>	<u>\$15,740,101</u>	<u>\$3,716,050</u>

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

Non-Major Prairie Home Cemetery	Totals Current Year	Governmental Activities Internal Service Funds
133,064	2,029,114	1,714
1,181	130,877	1,175
-	-	620,677
9,099	45,169	-
37,317	501,096	-
975,411	3,434,538	-
516,174	516,174	20,471
66,947	860,269	22,950
-	763,108	-
1,739,193	8,280,345	666,987
-	214,708	-
-	3,418,549	-
-	3,633,257	-
-	18,086,571	-
15,268	142,015	-
-	108,413	-
643,770	4,528,599	-
659,038	22,865,598	-
2,398,231	34,779,200	666,987
346,520	116,908,403	184,162
-	5,608,935	-
-	-	2,787,374
(629,951)	11,870,263	76,904
\$ (283,431)	\$134,387,601	\$ 3,048,440

CITY OF WAUKESHA, WISCONSIN
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
Year Ended December 31, 2007

	Business-type Enterprise Funds			
	Water Utility	Wastewater Utility	Transit System Utility	Parking Utility
OPERATING REVENUES				
Charges for services	\$ 7,229,615	\$ 9,062,957	\$ 1,683,701	\$ 214,768
Parking fines	-	-	-	300,395
Sales of crypts and niches	-	-	-	-
Sales of lots	-	-	-	-
Other revenue	428,235	75,300	121,357	-
Total Operating Revenues	<u>7,657,850</u>	<u>9,138,257</u>	<u>1,805,058</u>	<u>515,163</u>
OPERATING EXPENSES				
Operation and maintenance	4,088,058	6,544,621	8,809,374	553,961
Depreciation	1,392,863	2,564,772	1,111,023	274,451
Total Operating Expenses	<u>5,480,921</u>	<u>9,109,393</u>	<u>9,920,397</u>	<u>828,412</u>
Operating Income (Loss)	<u>2,176,929</u>	<u>28,864</u>	<u>(8,115,339)</u>	<u>(313,249)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income (loss)	387,493	563,009	-	18,084
Miscellaneous	9,018	15,278	-	-
Interest and fiscal charges	(484,523)	(592,917)	-	(127,152)
General property taxes	-	-	1,028,530	-
Sale of capital assets	-	-	(5,648)	96
Reimbursement of operating loss	-	-	5,975,788	-
Total Nonoperating	<u>(88,012)</u>	<u>(14,630)</u>	<u>6,998,670</u>	<u>(108,972)</u>
Income (Loss) Before Transfers and Contributions	<u>2,088,917</u>	<u>14,234</u>	<u>(1,116,669)</u>	<u>(422,221)</u>
Transfers in	-	172,119	-	400,000
Transfers out - tax equivalent	(922,296)	-	-	-
Capital contributions	2,873,605	611,306	876,212	-
Capital contributions - municipality	-	-	127,609	-
	<u>1,951,309</u>	<u>783,425</u>	<u>1,003,821</u>	<u>400,000</u>
Changes in Net Assets	4,040,226	797,659	(112,848)	(22,221)
TOTAL NET ASSETS - JANUARY 1	<u>54,123,082</u>	<u>56,253,914</u>	<u>15,852,949</u>	<u>3,738,271</u>
TOTAL NET ASSETS - DECEMBER 31	<u>\$58,163,308</u>	<u>\$57,051,573</u>	<u>\$15,740,101</u>	<u>\$ 3,716,050</u>

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

Nonmajor Prairie Home Cemetery	Totals Current Year	Governmental Activities - Internal Service Funds
\$ 169,854	\$ 18,360,895	\$ 11,497,963
-	300,395	-
79,780	79,780	-
48,574	48,574	-
23,488	648,380	619,349
321,696	19,438,024	12,117,312
653,532	20,649,546	11,185,280
28,997	5,372,106	30,600
682,529	26,021,652	11,215,880
(360,833)	(6,583,628)	901,432
-	968,586	-
-	24,296	-
(70,550)	(1,275,142)	-
-	1,028,530	100,000
-	(5,552)	-
-	5,975,788	-
(70,550)	6,716,506	100,000
(431,383)	132,878	1,001,432
191,168	763,287	1,236,409
-	(922,296)	-
-	4,361,123	-
-	127,609	-
191,168	4,329,723	1,236,409
(240,215)	4,462,601	2,237,841
(43,216)	129,925,000	810,599
\$ (283,431)	\$134,387,601	\$ 3,048,440

CITY OF WAUKESHA, WISCONSIN
Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2007

Business-type Enterprise Funds

	Water Utility	Wastewater Utility	Transit System Utility	Parking Utility
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 7,284,493	\$ 8,701,212	\$ 1,628,305	\$ 515,163
Cash received from interfund services provided	-	-	-	-
Cash paid to suppliers for goods and services	(2,550,430)	(3,624,488)	(6,656,254)	(208,681)
Cash payments to employees	(1,613,706)	(2,815,863)	(2,099,677)	(329,366)
Net Cash Flows From Operating Activities	<u>3,120,357</u>	<u>2,260,861</u>	<u>(7,127,626)</u>	<u>(22,884)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
General property taxes	-	-	1,028,530	-
Operating grants received	-	-	5,304,743	-
Repayments of advances	-	72,761	-	-
Collection of long-term receivables	-	229,961	-	-
Tax equivalent paid	(893,968)	-	-	-
Transfers in	-	172,119	-	400,000
Net Cash Flows From Non-Capital Financing Activities	<u>(893,968)</u>	<u>474,841</u>	<u>6,333,273</u>	<u>400,000</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income (loss)	<u>387,493</u>	<u>563,434</u>	<u>-</u>	<u>18,084</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal payments	(635,000)	(2,831,849)	-	(292,126)
Interest paid	(466,719)	(612,416)	-	(147,291)
Capital contributions	1,600,744	116,223	1,741,888	-
Sale of capital assets	-	-	-	96
Acquisition and construction of capital assets	(5,421,546)	(1,084,575)	(947,535)	(49,895)
Net Cash Flows From Capital and Financing Activities	<u>(4,922,521)</u>	<u>(4,412,617)</u>	<u>794,353</u>	<u>(489,216)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(2,308,639)	(1,113,481)	-	(94,016)
CASH AND CASH EQUIVALENTS - January 1	<u>8,063,585</u>	<u>10,638,149</u>	<u>-</u>	<u>182,103</u>
CASH AND CASH EQUIVALENTS - December 31	<u>\$ 5,754,946</u>	<u>\$ 9,524,668</u>	<u>\$ -</u>	<u>\$ 88,087</u>

Nonmajor Prairie Home Cemetery	Totals Current Year	Governmental Activities - Internal Service Funds
\$ 316,119	\$ 18,445,292	\$ -
-	-	12,038,377
28,722	(13,011,131)	(11,303,685)
(418,043)	(7,276,655)	(40,714)
(73,202)	(1,842,494)	693,978
-	1,028,530	100,000
-	5,304,743	-
-	72,761	-
-	229,961	-
-	(893,968)	-
191,168	763,287	1,236,409
191,168	6,505,314	1,336,409
-	969,011	-
(32,209)	(3,791,184)	-
(70,294)	(1,296,720)	-
-	3,458,855	-
-	96	-
(17,016)	(7,520,567)	(42,976)
(119,519)	(9,149,520)	(42,976)
(1,553)	(3,517,689)	1,987,411
302,498	19,186,335	1,409,168
\$ 300,945	\$ 15,668,646	\$ 3,396,579

CITY OF WAUKESHA, WISCONSIN
Statement of Cash Flows
Proprietary Funds (Continued)
Year Ended December 31, 2007

Business - Type Enterprise Funds

	Water Utility	Wastewater Utility	Transit System Utility	Parking Utility
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 2,176,929	\$ 28,864	\$ (8,115,339)	\$ (313,249)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities				
Nonoperating income				
Miscellaneous	-	15,278	-	-
Depreciation	1,392,863	2,564,772	1,111,023	274,451
Depreciation charged to operating accounts	72,480	-	-	-
Income from merchandising and jobbing	9,018	-	-	-
Changes in Assets and Liabilities				
Accounts receivable	(382,375)	(415,182)	(176,753)	-
Due from other funds	-	(21,863)	-	-
Inventories	(46,157)	-	2,490	-
Prepaid items	(43,803)	-	(8,299)	-
Deferred debits	18,024	-	-	-
Accounts payable	(95,861)	38,296	96,816	11,676
Deferred revenue	-	-	-	-
Due to other funds	21,863	(2,471)	(75,894)	-
Accrued liabilities	17,818	8,870	35,136	1,023
Other current liabilities	(20,442)	44,297	3,194	3,215
NET CASH FLOWS FROM OPERATING ACTIVITIES	\$ 3,120,357	\$ 2,260,861	\$ (7,127,626)	\$ (22,884)
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET ASSETS - PROPRIETARY FUNDS				
Cash and investments	\$ 2,960,464	\$ 2,170,924	\$ -	\$ 88,087
Restricted cash and investments	2,794,482	7,353,744	-	-
CASH AND CASH EQUIVALENTS END OF YEAR	\$ 5,754,946	\$ 9,524,668	\$ -	\$ 88,087
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Contributed property and equipment	\$ 1,272,861	\$ 360,485	\$ -	\$ -

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

Non-Major Prairie Home Cemetery	Totals Current Year	Governmental Activities - Internal Service Funds
\$ (360,833)	\$ (6,583,628)	\$ 901,432
-	15,278	-
28,997	5,372,106	30,600
-	72,480	-
-	9,018	-
(64,986)	(1,039,296)	(54,187)
33,845	11,982	-
42,257	(1,410)	(628)
-	(52,102)	49,155
-	18,024	-
9,274	60,201	708
25,564	25,564	(13,947)
191,181	134,679	(9,887)
1,181	64,028	2,535
20,318	50,582	(211,803)
<u>\$ (73,202)</u>	<u>\$ (1,842,494)</u>	<u>\$ 693,978</u>
\$ 300,945	\$ 5,520,420	\$ 3,396,579
-	10,148,226	-
<u>\$ 300,945</u>	<u>\$ 15,668,646</u>	<u>\$ 3,396,579</u>
\$ -	\$ 1,633,346	\$ -

CITY OF WAUKESHA, WISCONSIN
Statement of Net Assets
Component Unit
December 31, 2007

	Business Improvement District
ASSETS	
Cash and investments	\$ 172,464
Receivables	
Taxes	41,510
Special assessments	117,273
Total Assets	331,247
LIABILITIES	
Deferred revenue	181,980
NET ASSETS	
Unrestricted	149,267
TOTAL NET ASSETS	\$ 149,267

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

CITY OF WAUKESHA, WISCONSIN
Statement of Revenues, Expenses and Changes in Net Assets
Component Unit
Year Ended December 31, 2007

	Business Improvement District
OPERATING REVENUES	
Special assessments	\$ 138,644
Grants and donations	
Miscellaneous	31,343
Total Operating Revenues	169,987
OPERATING EXPENSES	
Operation and maintenance	225,069
Operating Income (Loss)	(55,082)
NONOPERATING REVENUES (EXPENSES)	
Investment income	7,203
Interest expense	(575)
Transfer from City of Waukesha	49,169
Miscellaneous revenues	23,819
Total Nonoperating Revenue (Expenses)	79,616
Changes in Net Assets	24,534
NET ASSETS - JANUARY 1	124,733
NET ASSETS - DECEMBER 31	\$ 149,267

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

CITY OF WAUKESHA, WISCONSIN

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December 31, 2007

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CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Waukesha, 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. The Financial Reporting Entity

The City of Waukesha is a municipal corporation governed by an elected fifteen-member council. Included in the City's operations (the primary government) is the City's Water Utility and Transit Commission which are City departments managed by separate commissions appointed by the City Council. In accordance with GAAP, the basic financial statements are required to include the City and any separate component units that have a significant operational or financial relationship with the City. The City's Redevelopment Authority (RDA) is governed by a board appointed by the City Council. Operating activities of the RDA are reported in the City's general fund.

2. Individual Component Unit Disclosures

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (a) it is able to impose its will on that organization, or (b) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

Included within the reporting entity:

Business Improvement District (BID)

The BID, created under the provisions of Wisconsin Statute Section 66.1109, is a discretely presented component unit with a separate board appointed and approved by the City Council. The purpose of the BID is to allow businesses within the district boundaries to develop, manage, and promote the district and to establish an assessment method to finance these activities. The BID has its own independent budgetary authority and borrowing capabilities. However, the City can impose its will on the BID. The BID financial information is presented for the fiscal year ended December 31, 2007. Separate financial statements for the BID can be obtained from its office at 913 Clinton Street, Waukesha, Wisconsin 53186.

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the City and its component unit. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for services. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

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, permanent, debt service and capital projects 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.

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 general obligation debt of governmental funds other than TIF Districts.

DEBT SERVICE FUND - TIF DISTRICTS

This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the City's TIF Districts.

The City reports the following major enterprise funds:

WATER UTILITY

This fund accounts for transactions relating to the provision of water service to utility customers.

WASTEWATER UTILITY

This fund accounts for transactions relating to the provision of sewage collection and treatment service to utility customers.

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

TRANSIT SYSTEM UTILITY

This fund accounts for transactions relating to the operation mass transit services to the City and surrounding areas.

PARKING UTILITY

This fund accounts for transactions relating to the operation and maintenance of the City's parking facilities.

Additionally, the government reports the following fund types:

Internal service funds account for dental, life, vision, health and property insurance and printing services provided to other departments or agencies of the City, or to other governments, on a cost reimbursement basis

4. 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, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Revenues susceptible to accrual include intergovernmental grants, intergovernmental charges for services, City ordinance forfeitures, 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.

Certain private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following certain subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 and sewer functions 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.

5. Assets, Liabilities and Net Assets or Equity

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 from date of acquisition are considered to be cash equivalents.

b. Receivables

Accounts receivable have been shown net of allowance for uncollectible accounts of \$364,683.

Loans receivable represent the balance of loans made by the City to businesses or individuals from the proceeds of federal and state grants. The loans receivable balance is offset with a reserved fund balance to indicate that they are not available resources.

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. Noncurrent portions of the interfund receivables for the governmental funds are reported as "advances to other funds" and are offset by a reservation of fund balance since they do not constitute expendable available financial resources and therefore are not available for appropriation. Long-term interfund loans are reported as "advances from other funds."

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

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Restricted Assets

Mandatory segregation of assets is presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net assets.

e. Inventories

Inventories of governmental funds 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 fund balance reserve amounts to indicate that they do not represent spendable available financial resources.

Inventories of proprietary funds are valued at cost based on weighted average method. The cost is charged to construction or expense at the time the individual inventory items are used.

f. 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 fund balance reserve amounts to indicate that they do not represent spendable available financial resources.

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 with an initial, individual cost of more than \$5,000 for general capital assets and \$25,000 for infrastructure assets and an estimated useful life in excess of two years. 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:

<u>Assets</u>	Governmental	Business-type
	Activities	Activities
	Years	
Land improvements	20	20
Buildings	20 - 70	20 - 70
Improvements other than buildings	20	-
Machinery and equipment	2 - 20	2 - 20
Infrastructure	25 - 70	15 - 120

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Other Assets

In governmental funds, debt issuance costs are recognized as expenditures in the current period. For the government-wide and the proprietary fund type financial statements, debt issuance costs are deferred and amortized over the term of the debt issue.

i. Other Deferred Debits

Advances made by water utility customers through the main advance certificate rule and main advance free limit rule are included in this account and may be refundable if connection to the system or annexation to the municipality occurs on specific properties during specific time periods.

j. Compensated Absences

It is the City's policy to permit non-represented employees to accumulate earned but unused vacation leave. All employees may accumulate sick leave benefits in accordance with bargaining unit agreements. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements and are payable with expendable available resources.

Employees may convert a number of days of accumulated sick leave to pay for health care premiums. The cost is paid by the City. Funding for those costs is provided out of the current operating budget of the City in full upon retirement and transferred to the sick leave conversion special revenue fund. The annual costs of the benefits used are transferred from the sick leave conversion special revenue fund to the internal service fund. Total expenditures for such costs during the year for non-police and fire employees were \$86,409. The total amount outstanding for all employees at year-end to be paid in the future is \$180,418 and is included in the government-wide statement of net assets.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2007 are determined on the basis of current salary rates and include salary related payments.

k. Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period or for resources that have been received, but not yet recognizable.

l. 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 assets. Bond premiums and discounts, as well as issuance costs, 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 reported as deferred charges and amortized over the term of the related debt.

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.

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Fund Equity

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

GOVERNMENT-WIDE AND PROPRIETARY FUND STATEMENTS

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

- Invested in capital assets, net of related debt - 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 assets - Amount of net assets that are 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 assets - Net assets that are neither classified as restricted nor as invested in capital assets, net of related debt.

6 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.

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:

- a. During October, City management submits to the City Council a proposed operating and capital 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 the general fund, select special revenue funds, select debt service funds, and select capital projects funds. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. 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.

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE B - STEWARDSHIP AND COMPLIANCE (Continued)

- c. During the year, formal budgetary integration is employed as a management control device for the general fund, select special revenue funds, debt service funds, and select capital projects funds.
- d. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the City, with the following exceptions. The Community Development Block Grant special revenue fund, TIF District debt service fund, and TIF District capital projects fund adopt budgets by total expenditures. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the City Council.

The City did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2007.

2. Excess of Expenditures Over Budget Appropriations

The following expenditure accounts had actual expenditures in excess of budget appropriations for the year ended December 31, 2007 as follows:

Fund	Function	Excess Expenditures
General Fund	Highways and streets	\$ 113,518
	Culture and recreation	20,402
Special Revenue Funds		
Police Crime Prevention	Public safety	10,079
WHEDA Loan Program	Conservation and development	177,458
Crime Prevention Grant	Capital outlay	7,672
Confiscated Property	Public safety	6,203
	Capital outlay	29,879
Paramedics	Capital outlay	7,060
Cable TV Franchise Fees	Culture and recreation	503
WP & L	Capital outlay	14,349
TIF District Capital Projects Fund	Expenditures	56,576
Permanent Funds		
Cemetery Lot Maintenance	General government	6,966
Cemetery Specific Endowment	General government	3,004

The above excess expenditures were funded using available fund balance.

3. Deficit Fund Equity

The following funds had deficit fund equity as of December 31, 2007:

Fund	Deficit Fund Equity
Cable TV franchise fees special revenue fund	\$ 44,039
Prairie Home Cemetery enterprise fund	283,431

The City anticipates funding the above deficits from future revenues of the funds.

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE C - DETAILED NOTES ON ALL FUNDS

1. Cash and Investments

Invested cash consists of deposits and investments for general government purposes 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. Investment of cemetery perpetual care funds and library trust funds are regulated by separate Wisconsin Statutes which allow the acquisition of stocks, bonds and debentures which cannot be acquired for general government purposes.

The carrying amount of the City's cash and investments totaled \$98,904,891 on December 31, 2007 as summarized below:

Petty cash funds	\$ 9,080
Deposits with financial institutions	64,278,113
Investments	34,617,698
	\$ 98,904,891

Reconciliation to the basic financial statements:

Basic financial statements	
Cash and investments	\$ 88,756,665
Restricted cash and investments	10,148,226
	\$ 98,904,891

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 does not have an additional custodial credit policy.

Deposits with financial institutions are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$100,000 for interest bearing accounts and \$100,000 for non-interest bearing accounts. In addition, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available.

As of December 31, 2007, \$14,837,669 of the City's deposits with financial institutions were in excess of federal depository insurance limits and uncollateralized (or collateralized with securities held by the pledging financial institution or its trust department or agent but not in the City's name)

On December 31, 2007, the City held repurchase agreement investments of \$6,211,793 of which the underlying securities are held by the investment's counterparty, not in the name of the City.

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

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. Presented below is the actual rating as of year end for each investment type.

Investment Type	Amount	Exempt From Disclosure	AAA	AA	A	Not Rated
U.S. Treasury notes	\$ 3,425,871	\$ 3,425,871	\$ -	\$ -	\$ -	\$ -
Federal National Mortgage	1,311,334	-	1,311,334	-	-	-
Federal Home Loan Mort.	907,494	-	907,494	-	-	-
Corporate obligations	101,602	-	-	25,344	51,250	25,008
Mutual funds	4,106,162	-	-	-	-	4,106,162
Common stock	712,698	-	-	-	-	712,698
Wisconsin local government investment pool	17,840,744	-	-	-	-	17,840,744
Totals	28,405,905	\$ 3,425,871	\$ 2,218,828	\$ 25,344	\$ 51,250	\$ 22,684,612
Repurchase agreements	6,211,793					
Total Investments	\$ 34,617,698					

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
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None.

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

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. The City manages its exposure to interest rate risk by limiting maturities of certificates of deposit to be one year or less unless this type of instrument is used for the long-term portion of the portfolio, which will then require the term length to comply with State Statute 66.02(2). Additionally, maturities of obligations of the US government and its agencies in excess of one year shall be limited to 10% of the portfolio unless this type of instrument is used for the long-term portion of the portfolio, which will then require the term length to comply with State Statute 66.04(2).

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
U.S. treasury notes	\$ 3,425,871	\$ 1,903,303	\$ 1,522,568	\$ -	\$ -
Federal National Mortgage	1,311,334	1,048,003	263,331	-	-
Federal Home Loan Mortgage	907,494	-	907,494	-	-
Corporate obligations	101,602	50,220	51,382	-	-
Repurchase agreements	6,211,793	6,211,793	-	-	-
Wisconsin local government investment pool	17,840,744	17,840,744	-	-	-
Totals	29,798,838	\$ 27,054,063	\$ 2,744,775	\$ -	\$ -
Mutual funds	4,106,162				
Common stock	712,698				
	<u>\$ 34,617,698</u>				

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The City's investments include the following investments that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above):

Highly Sensitive Investments	Fair Value at Year End
Mortgage backed securities. These securities are subject to early payment in a period of declining interest rates. The resultant reduction in expected total cash flows affects the fair value of these securities and makes the fair values of these securities highly sensitive to changes in interest rates.	<u>\$ 2,218,828</u>

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Investment in Wisconsin Local Government Investment Pool

The City has investments in the Wisconsin local government investment pool of \$17,840,744 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, 2007, the fair value of the City's share of the LGIP's assets was substantially equal to the carrying value.

Investments in the Wisconsin Local Government Investment Pool are covered under a surety bond issued by Financial Security Assurance, Inc. The bond insures against losses arising from principal defaults on substantially all types of securities acquired by the pool. The bond provides unlimited coverage on principal losses, reduced by any FDIC, State of Wisconsin Guarantee Fund insurance, and income on the investment during the calendar quarter a loss occurs.

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 three equal installments on or before January 31, March 31 and May 31. Real estate taxes not paid by May 31 are purchased by the County as part of the 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 Waukesha School District, Waukesha County, Waukesha County Area Technical College and the State of Wisconsin.

3. Restricted Assets

Restricted assets on December 31, 2007 totaled \$10,222,109 and consisted of cash and investments of \$10,148,226 and accrued interest receivable of \$73,883 held for the following purposes:

Water Utility	
Revenue bond redemption	\$ 369,857
Revenue bond reserve	979,917
Depreciation fund	1,444,708
Wastewater Utility	
Revenue bond redemption	1,953,711
Equipment replacement fund	5,400,033
Accrued interest	73,883
Total Restricted Assets	<u>\$ 10,222,109</u>

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

4. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 24,554,959	\$ 380,729	\$ -	\$ 24,935,688
Construction in progress	6,317,792	1,405,882	5,253,508	2,470,166
Total capital assets, not being depreciated	<u>30,872,751</u>	<u>1,786,611</u>	<u>5,253,508</u>	<u>27,405,854</u>
Capital assets, being depreciated:				
Buildings	43,501,811	4,426,305	396,306	47,531,810
Improvements other than buildings	3,760,577	911,086	-	4,671,663
Machinery and equipment	32,101,515	2,742,986	1,139,436	33,705,065
Infrastructure	139,867,633	7,230,264	250,950	146,846,947
Subtotals	<u>219,231,536</u>	<u>15,310,641</u>	<u>1,786,692</u>	<u>232,755,485</u>
Less accumulated depreciation for:				
Buildings	12,734,527	1,065,000	265,860	13,533,667
Improvements other than building	1,719,533	165,937	-	1,885,470
Machinery and equipment	19,552,543	2,806,224	983,829	21,374,938
Infrastructure	65,295,019	7,890,871	196,223	72,989,667
Subtotals	<u>99,301,622</u>	<u>11,928,032</u>	<u>1,445,912</u>	<u>109,783,742</u>
Total capital assets, being depreciated, net	<u>119,929,914</u>	<u>3,382,609</u>	<u>340,780</u>	<u>122,971,743</u>
Governmental activities capital assets, net	<u>\$ 150,802,665</u>	<u>\$ 5,169,220</u>	<u>\$ 5,594,288</u>	<u>150,377,597</u>
Less related long-term debt outstanding				<u>68,109,257</u>
Invested in capital assets, net of related debt				<u>\$ 82,268,340</u>

(Continued)

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 2,850,551	\$ 74,792	\$ -	\$ 2,925,343
Construction in progress	1,626,789	4,003,203	1,626,789	4,003,203
Total capital assets, not being depreciated	<u>4,477,340</u>	<u>4,077,995</u>	<u>1,626,789</u>	<u>6,928,546</u>
Capital assets, being depreciated:				
Buildings and improvements	73,395,881	659,434	-	74,055,315
Machinery and equipment	39,988,756	2,105,971	635,591	41,459,136
Infrastructure	79,438,776	4,705,987	17,562	84,127,201
Subtotals	<u>192,823,413</u>	<u>7,471,392</u>	<u>653,153</u>	<u>199,641,652</u>
Less accumulated depreciation for:				
Water Utility	18,649,862	1,465,343	163,012	19,952,193
Wastewater Utility	30,353,545	2,564,772	47,680	32,870,637
Transit System Utility	6,637,918	1,111,023	304,545	7,444,396
Parking Utility	3,957,207	274,451	-	4,231,658
Cemetery	328,355	28,997	25,574	331,778
Subtotals	<u>59,926,887</u>	<u>5,444,586</u>	<u>540,811</u>	<u>64,830,662</u>
Total capital assets, being depreciated, net	<u>132,896,526</u>	<u>2,026,806</u>	<u>112,342</u>	<u>134,810,990</u>
Business-type activities capital assets, net	<u>\$ 137,373,866</u>	<u>\$ 6,104,801</u>	<u>\$ 1,739,131</u>	141,739,536
Less related long-term debt outstanding				(24,873,811)
Plus unamortized debt issuance costs and unamortized loss on advance refunding				<u>42,678</u>
Invested in capital assets, net of related debt				<u>\$ 116,908,403</u>
Depreciation expense was charged to functions of the City as follows:				
Governmental activities				
General government				\$ 953,870
Public safety				1,207,691
Public works, including depreciation of infrastructure assets				4,932,238
Culture and recreation				1,169,536
Conservation and development				4,718
Total depreciation expense - governmental activities				<u>\$ 8,268,053</u>
Business-type activities				
Water Utility				\$ 1,465,343
Wastewater Utility				2,564,772
Transit System Utility				1,111,023
Parking Utility				274,451
Cemetery				28,997
Total depreciation expense - business-type activities				<u>\$ 5,444,586</u>

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

5. Interfund Receivables, Payables, and Transfers

Interfund receivables and payables between individual funds of the City, as reported in the fund financial statements, as of December 31, 2007 are detailed below:

	Interfund Receivables	Interfund Payables
General Fund	\$ 2,794,831	\$ -
Special Revenue Funds		
Community Development Block Grant	-	111,323
WHEDA Loan Program	-	109,045
Cable TV franchise fees	-	44,039
Debt Service Fund - TIF Districts	-	519,294
Capital Project Fund		
TIF Districts	-	70,189
Permanent Funds		
Cemetery Lot Maintenance	-	27,454
Cemetery Specific Endowment	-	8,455
H. B. Mills Recreation	-	32
Enterprise Funds		
Water Utility	-	2,456,102
Wastewater Utility	1,483,489	-
Transit System Utility	10,140	3,025
Prairie Home Cemetery	35,909	975,411
Totals	<u>\$ 4,324,369</u>	<u>\$ 4,324,369</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

A long-term advance exists between the following nonmajor governmental fund and proprietary fund as of December 31, 2007. The advance has no repayment schedule.

	Advance Receivable	Advance Payable
Wastewater Utility	\$ 1,766,926	\$ -
Nonmajor Governmental Fund		
Fleet replacement capital projects fund	-	1,766,926
Totals	<u>\$ 1,766,926</u>	<u>\$ 1,766,926</u>

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Interfund transfers for the year ended December 31, 2007 were as follows:

	Transfers to:								Total
	General Fund	Debt Service Fund - General	Debt Service Fund - TIF Districts	Nonmajor Governmental Funds	Waste-water Utility	Parking Utility	Nonmajor Enterprise Funds	Internal Service Fund	
Transfers from:									
General fund	\$ -	\$ -	\$ -	\$ 101,409	\$ -	\$ -	\$ -	\$ -	\$ 101,409
Debt service - general	-	-	-	-	-	400,000	62,739	-	462,739
Nonmajor governmental funds	2,532,358	73,155	159,805	124,825	172,119	-	128,429	1,236,409	4,427,100
Enterprise funds									
Water utility	922,296	-	-	-	-	-	-	-	922,296
	<u>\$3,454,654</u>	<u>\$ 73,155</u>	<u>\$ 159,805</u>	<u>\$ 226,234</u>	<u>\$ 172,119</u>	<u>\$ 400,000</u>	<u>\$ 191,168</u>	<u>\$ 1,236,409</u>	<u>\$ 5,913,544</u>

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

6. Deferred Revenues

Governmental activities and governmental funds defer revenue recognition in connection with resources that have been received, but not yet earned. Governmental funds also report deferred revenue in connection with receivables for resources that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue were as follows:

	Unavailable	Unearned
Subsequent year tax levy receivable		
General fund	\$ -	\$ 35,467,687
Debt service fund - general	-	8,192,059
Debt service fund - TIF Districts	-	2,142,852
Nonmajor governmental funds	-	1,579,614
Special assessments		
General fund	39,064	-
Debt service fund - TIF Districts	4,028	-
Nonmajor governmental funds	177,263	-
Grant draw downs prior to meeting all eligibility requirements		
General fund	-	12,992
Nonmajor governmental funds	-	112,038
Revenues received in advance		
General fund	-	19,086
Nonmajor governmental funds	-	3,133,516
Health Insurance internal service fund	-	20,471
Totals	<u>\$ 220,355</u>	<u>\$ 50,680,315</u>

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

7 Long-term Obligations

The following is a summary of changes in long-term obligations of the City for the year ended December 31, 2007:

	Outstanding 1/1/07	Issued	Retired	Outstanding 12/31/07	Due Within One Year
Governmental activities:					
General obligation debt	\$ 78,836,878	\$ 13,835,000	\$ 5,598,803	\$ 87,073,075	\$ 6,610,629
Bond and note anticipation notes	5,740,000	1,805,000	5,740,000	1,805,000	-
Promissory note	855,546	-	-	855,546	-
Unamortized premium	1,137,157	188,575	169,756	1,155,976	189,528
Long-term disability	611,735	-	21,829	589,906	40,000
Compensated absences	6,252,021	1,133,806	550,911	6,834,916	536,000
Governmental activities Long-term obligations	<u>\$ 93,433,337</u>	<u>\$ 16,962,381</u>	<u>\$ 12,081,299</u>	<u>\$ 98,314,419</u>	<u>\$ 7,376,157</u>
Business-type activities:					
General obligation debt	\$ 5,540,855	\$ -	\$ 511,160	\$ 5,029,695	\$ 501,096
Revenue bonds	24,785,144	-	3,280,024	21,505,120	3,418,549
Business-type activities Long-term obligations	<u>\$ 30,325,999</u>	<u>\$ -</u>	<u>\$ 3,791,184</u>	<u>\$ 26,534,815</u>	<u>\$ 3,919,645</u>

Total interest paid during the year on long-term debt totaled \$4,901,116.

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

\$2,025,000 issued 05/01/98; \$150,000 due in 2008; interest 5.25%	\$ 150,000
\$2,525,000 issued 05/15/99; \$335,000 in 2008; interest 4.15%	335,000
\$362,804 issued 11/02/99; \$33,509 due in 2008; interest 0.00%	33,509
\$679,119 issued 01/01/01; \$79,318 due in 2008 and \$82,650 due in 2009; interest 4.20%	161,968
\$12,935,000 issued 03/15/01; \$140,000 to \$940,000 due annually through 2017; interest 4.125% to 5.00%	7,505,000
\$6,715,000 issued 06/01/01; \$970,000 to \$1,480,000 due annually through 2010; interest 4.125% to 5.00%	3,830,000
\$1,520,000 issued 06/01/01; \$185,000 to \$200,000 due annually through 2010; interest 4.125% to 5.10%	575,000
\$4,425,000 issued 06/01/01; \$95,000 to \$465,000 due annually through 2020; interest 4.125% to 5.10%	4,260,000
\$4,835,000 issued 06/01/02; \$500,000 to \$1,000,000 due annually through 2011; interest 3.00% to 4.125%	2,785,000
\$900,000 issued 03/01/03; \$100,000 to \$115,000 due annually through 2012; interest 2.50% to 4.00%	540,000
\$2,175,000 issued 07/01/03; \$215,000 due in 2008 and \$210,000 due in 2009; interest 2.00% to 2.50%	425,000
\$3,085,000 issued 10/01/03; \$300,000 to \$415,000 due annually through 2013; interest 2.00% to 3.75%	1,995,000
\$4,920,885 issued 01/28/04; \$183,898 to \$397,419 due annually through 2023; interest 5.25%	4,452,293
\$21,925,000 issued 02/15/04; \$910,000 to \$2,425,000 due annually through 2019; interest 2.375% to 5.00%	18,840,000
\$1,215,000 issued 07/01/04; \$205,000 to \$225,000 due annually through 2010; interest 3.50% to 4.00%	640,000
\$2,750,000 issued 07/01/04; \$270,000 to \$355,000 due annually through 2014; interest 3.00% to 4.20%	2,215,000
\$3,500,000 issued 12/15/04; \$165,000 to \$485,000 due annually through 2018; interest 3.10% to 4.10%	3,350,000
\$4,220,000 issued 4/1/05; \$45,000 to \$605,000 due annually through 2021; interest 3.50% to 5.00%	4,155,000
\$4,770,000 issued 5/1/05; \$580,000 to \$835,000 due annually through 2014; interest 3.25% to 4.00%	4,445,000
\$1,700,000 issued 5/1/05; \$100,000 to \$165,000 due annually 2011 through 2023; interest 3.625% to 4.375%	1,700,000
\$8,900,000 issued 3/15/06; \$480,000 to \$820,000 due annually through 2021; interest 4.00% to 4.25%	8,900,000
\$6,975,000 issued 6/30/06; \$390,000 to \$1,100,000 due annually through 2015; interest 4.00% to 4.50%	6,975,000
\$7,950,000 issued 5/21/07; \$625,000 to \$1,520,000 due annually 2009 through 2016, interest 3.75% to 4.25%	7,950,000
\$5,885,000 issued 5/21/07; \$20,000 to \$935,000 due annually 2009 through 2021 interest 4.00% to 4.75%	<u>5,885,000</u>
Total Outstanding General Obligation Debt	<u>\$ 92,102,770</u>

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Annual principal and interest maturities of the outstanding general obligation debt of \$92,102,770 on December 31, 2007 are detailed below:

Year Ended December 31	Governmental Activities		Business-type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ 6,610,629	\$ 3,901,750	\$ 501,096	\$ 212,120	\$ 7,111,725	\$ 4,113,870
2009	7,539,846	3,443,340	516,997	195,300	8,056,843	3,638,640
2010	7,991,498	3,149,491	532,889	177,436	8,524,387	3,326,927
2011	8,656,290	2,818,839	343,829	157,294	9,000,119	2,976,133
2012	7,961,115	2,463,439	354,771	143,392	8,315,886	2,606,831
2013-2017	34,602,004	7,366,436	2,005,779	472,319	36,607,783	7,838,755
2018-2022	13,184,059	1,499,892	739,549	71,856	13,923,608	1,571,748
2023	527,634	26,257	34,785	1,826	562,419	28,083
	<u>\$ 87,073,075</u>	<u>\$ 24,669,444</u>	<u>\$ 5,029,695</u>	<u>\$ 1,431,543</u>	<u>\$ 92,102,770</u>	<u>\$ 26,100,987</u>

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

Legal Margin for New Debt

The City's legal margin for creation of additional general obligation debt on December 31, 2007 was \$207,813,160 as follows:

Equalized valuation of the City	\$5,975,769,600
Statutory limitation percentage	(x) 5%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes	298,788,480
Total outstanding general obligation debt applicable to debt limitation	\$ 92,102,770
Less: Amounts available for financing general obligation debt	
Debt service fund	1,127,450
Net outstanding general obligation debt applicable to debt limitation	90,975,320
Legal Margin for New Debt	<u>\$ 207,813,160</u>

Anticipation notes currently outstanding are detailed as follows:

	<u>Outstanding 12/31/07</u>
\$1,805,000 issued 11/20/07, \$1,805,000 due 2009, interest rate 4.75%	\$ 1,805,000
Total Outstanding Bond and Note Anticipation Notes	<u>\$ 1,805,000</u>

Annual principal and interest maturities of the outstanding bond anticipation notes of \$1,805,000 on December 31, 2007 are as detailed below:

Due	Totals	
	Principal	Interest
2008	\$ -	\$ 74,068
2009	1,805,000	85,737
	<u>\$ 1,805,000</u>	<u>\$ 159,805</u>

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Enterprise Fund Revenue Bonds

Revenue bond debt service requirements are financed by income derived from the acquired or constructed assets of the enterprise funds.

Detail of outstanding enterprise fund revenue bonds totaling \$21,505,120 on December 31, 2007 follows:

	Outstanding 12/31/07
<u>Water Utility</u>	
\$4,405,000 issued 06/15/01; \$235,000 to \$340,000 due annually through 2015; interest 4.00% to 4.88%	\$ 2,280,000
\$7,865,000 issued 4/15/06; \$270,000 to \$530,000 due annually through 2026; interest 4.00% to 5.00%	7,460,000
<u>Wastewater Utility</u>	
\$40,531,133 issued 03/08/99; \$2,758,549 to \$3,129,202 due annually through 2011; interest 4.29%	11,765,120
	\$ 21,505,120

Annual principal and interest maturities of the above outstanding enterprise fund debt of \$21,505,120 on December 31, 2007 are shown below:

Due	Principal	Interest	Total
2008	\$ 3,418,549	\$ 891,075	\$ 4,309,624
2009	3,561,945	743,268	4,305,213
2010	3,715,424	588,864	4,304,288
2011	3,674,202	427,553	4,101,755
2012	570,000	337,225	907,225
2013-2017	2,575,000	1,283,025	3,858,025
2018-2022	2,015,000	777,600	2,792,600
2023-2026	1,975,000	251,600	2,226,600
	\$ 21,505,120	\$ 5,300,210	\$ 26,805,330

A statutory mortgage lien upon the City's system and any additions, improvements and extensions thereto is created by Section 66.066 of the Wisconsin Statutes as provided for in the ordinances creating the revenue bond issue. The City's system and the earnings of the system remain subject to the lien until payment in full of the principal and interest on the bonds.

Other Debt Information

There are a number of limitations and restrictions contained in the various bond and note obligations. The City believes it is substantially in compliance with all material limitations and restrictions.

Promissory Note

The City has entered into an agreement with a developer whereby the developer agrees to loan the City certain amounts necessary for completion of a project for Tax Incremental District No. 13 (TID No. 13). The note will be repaid with tax increments generated by TID No. 13. Should TID No. 13 not generate sufficient revenues over its life to repay the note, any remaining balance will be forgiven by the developer. The balance of the note outstanding at December 31, 2007 is \$855,546.

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Long-term Disability

The City is responsible for making monthly premium payments for long-term disability coverage for three former public safety employees. The total premiums paid during 2007 were \$26,856. The total estimated future liability for these premiums is \$589,906.

Compensated Absences

Estimated compensated absences are not included in the debt service requirement schedules. The compensated absences liability attributable to governmental activities will be liquidated primarily by the general fund.

8. Conduit Debt Obligations

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from 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, 2007, there were ten series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of \$13,553,434.

9. Fund Equity

Government-wide Statements

Net assets of the governmental activities reported on the government-wide statement of net assets at December 31, 2007 includes the following:

Invested in capital assets, net of related debt	
Land	\$ 24,935,688
Construction in progress	2,470,166
Buildings	47,531,810
Improvements other than buildings	4,671,663
Machinery and equipment	33,705,065
Infrastructure	146,846,947
Less: Accumulated depreciation	(109,956,260)
Related long-term debt outstanding	(68,109,257)
Total Invested in Capital Assets, Net of Related Debt	<u>82,095,822</u>
Restricted for debt service	<u>1,127,450</u>
Unrestricted	<u>(5,282,662)</u>
Total Governmental Activities Net Assets	<u>\$ 77,940,610</u>

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Fund Statements

In the fund financial statements, portions of governmental fund balances are reserved and not available for appropriation or are legally restricted for use for a specific purpose. At December 31, 2007, fund balance was reserved as follows:

General Fund	
Reserved for inventories	\$ 219,711
Reserved for prepaid items	33,087
	<u>\$ 252,798</u>
Special Revenue Funds	
Reserved for loans receivable	<u>\$ 4,534,085</u>
Debt Service Funds/TIF Debt	
Reserved for debt retirement	<u>\$ 1,127,450</u>
Capital Projects Funds	
Reserved for prepaid items	<u>\$ 148,240</u>
Permanent Funds	
Reserved for donor restrictions	<u>\$ 2,588,785</u>

10. Prior Period Adjustments

The following is reported as a prior period adjustment in the 2007 financial statements:

The City added storm sewer infrastructure assets constructed in prior years. This resulted in an increase in net assets of \$415,535 for the governmental activities.

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

11. Component Units

BUSINESS IMPROVEMENT DISTRICT

This report also contains the Business Improvement District of the City of Waukesha (BID), which is included as a discretely presented component unit in the statement of net assets and statement of activities.

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

a. Basis of Accounting/Measurement Focus

The BID follows the accrual basis of accounting and the flow of economic resources measurement focus.

b. Deposits and Investments

The BID, as a fund of the City, maintains both common and separate cash accounts from the City. Federal depository insurance and State of Wisconsin Guarantee Fund insurance apply to the City of Waukesha as an individual municipality and, accordingly, the amount of insured funds for the common cash is not determinable for the BID. The carrying amount of the common cash is \$32,176.

At year end, the carrying amount of the BID's separate deposits was \$140,288 and the bank balance was \$152,718. Of the entire bank balance, \$2,200 was not covered by federal depository insurance.

NOTE D - OTHER INFORMATION

1. Retirement Commitments

All eligible City employees participate in the Wisconsin Retirement System (WRS), a cost-sharing, defined benefit, multiple-employer public employee retirement system. All permanent employees expected to work over 600 hours a year (440 hours for teachers) are eligible to participate in the WRS. Covered employees in the General category are required by statute to contribute 6.0% of their salary (3.0% for Executives and Elected Officials, 5.1% for Protective Occupations with Social Security, and 3.4% for Protective Occupations without Social Security) to the plan. Employers may make these contributions to the plan on behalf of employees. Employers are required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

The payroll for City employees covered by the WRS for the year ended December 31, 2007 was \$31,579,629; the employer's total payroll was \$32,235,052. The total required contribution for the year ended December 31, 2007 was \$3,779,507, which consisted of \$2,126,035, or 6.7% of covered payroll from the employer and \$1,653,472, or 5.2% of covered payroll from employees. The required contribution for employees for the year ended December 31, 2007 was financed by the City. Total contributions for the years ending December 31, 2006 and 2005 were \$3,593,669 and \$3,476,701 respectively, equal to the required contributions for each year.

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE D - OTHER INFORMATION (Continued)

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 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. 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 or after April 24, 1998 are immediately vested.

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

2. Risk Management

The City is exposed to various risks of loss related to torts; theft, damage or destruction of assets; errors or omissions; employee health and accident claims; or acts of God. A description of the City's risk management program follows:

Self-Insurance Fund

For dental claims, the uninsured risk of loss is \$1,000 per incident for a policy year. Settled claims have not exceeded the commercial coverage in any of the past three years.

All funds of the City participate in risk management program. Amounts payable are based upon actuarial estimates of the amounts necessary to pay prior and current year claims. The claims liability of \$13,007 reported in the fund at December 31, 2007 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount for 2005 and 2007 follow:

	Liability January 1	Current Year Claims and Changes in Estimates	Claim Payments	Liability December 31
2006	\$ 14,329	\$ 404,906	\$ 403,998	\$ 15,237
2007	15,237	404,200	406,430	13,007

For health claims, the uninsured risk of loss is \$100,000 per incident for a policy year. Settled claims have not exceeded the commercial coverage in the past year.

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE D - OTHER INFORMATION (Continued)

All funds of the City participate in risk management program. Amounts payable are based upon actuarial estimates of the amounts necessary to pay prior and current year claims. The claims liability of \$607,670 reported in the fund at December 31, 2007 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount for 2007 follow:

	Liability January 1	Current Year Claims and Changes in Estimates	Claim Payments	Liability December 31
2006	\$ 677,729	\$ 8,033,604	\$ 7,894,090	\$ 817,243
2007	817,243	8,140,426	8,349,999	607,670

Transit System Liability Insurance

The City's transit system is exposed to various risks of loss related to torts; theft, damage or destruction of assets; errors or omissions; injuries to employees; or acts of God. During 1985, the transit system became a member of the Transit Mutual Insurance Corporation of Wisconsin (TMI). TMI was created by several governmental units within the State of Wisconsin to provide liability insurance services to its members. The transit system pays premiums to TMI for its liability insurance coverage. The actuary for TMI determines charges to its members for the expected losses and loss adjustment expenses on which premiums are based.

Other Risk Management Programs

The City also purchases commercial insurance policies for various property and other liability risks. These insurance costs are accounted for in the insurance internal service fund. The insurance fund charges other funds of the City based on coverage provided.

Insurance settlements have not exceeded insurance coverage for each of the past three years. There have been no significant changes in insurance coverage from the prior year.

3. Property Tax Levy Limit

Wisconsin Act 25, effective July 27, 2005, imposed a limit on the property tax levies for all Wisconsin cities, villages, towns and counties for a two-year period. Wisconsin State Budget bill SB40 continues the limit on the property tax levies through 2009. The budget bill limits the increase in the maximum allowable tax levy to the greater of the percentage change in the City's January 1 equalized value as a result of net new construction or 3.86% in the 2008 budget and 2.0% in the 2009 budget. The actual limit for the City for the 2008 budget was 3.86%. The levy limit is applied to both operations and debt service. However, the Act allows the limit to be increased for debt service authorized prior to July 1, 2005 and in certain other situations.

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE D - OTHER INFORMATION (Continued)

4. 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. An audit under OMB Circular A-133 has been conducted but final acceptance is still pending. 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 legal counsel 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.
- c. On April 12, 1992, the State of Wisconsin commenced a legal action against the City of Waukesha Water Utility entitled State of Wisconsin, Department of Natural Resources vs. City of Waukesha Water Utility. Case No. 91-CV-1027, Circuit Court, Waukesha County, Wisconsin, case number 92-2530, Court of Appeals and Supreme Court of the State of Wisconsin. In that case the State has requested judgment against the Utility for (1) an injunction requiring the Utility to bring its water supply system into compliance with Wisconsin Administrative Code NR 109.50(1); (2) the forfeitures provided for in sections 144.99, Stats., for past violations of Wisconsin Administrative Code Sec. NR 109.50; (3) a penalty assessment pursuant to Sect. 165.87(2) (Stats.).

This matter has been resolved by stipulation and order. The Utility, as part of its settlement, agreed to pay forfeitures for past violations including penalty assessments, in the amount of \$20,000. The Utility did not admit to any liability or risk relative to the current level of radionuclides in its water supply. As part of the stipulation, the Wisconsin Department of Natural Resources agreed to hold off enforcement of this matter until such times as the Environmental Protection Agency (EPA) establishes a new standard for the above radionuclides.

Although the Federal legislation underpinning EPA regulations of radionuclides has been renewed, the EPA has examined the 1996 amendments to the Safe Drinking Water Act and taken the position that the contaminant level (MCL) of 5 pCi/L of radium in drinking water for Ra 226 and Ra 228, combined. The EPA conducted a new rulemaking proceeding and published a Notice of Data Availability and concluded the rulemaking in 2000.

In December 2000, the EPA finalized its rule for radium 226 and 228. In response to this rule, the City of Waukesha, doing business as the City of Waukesha Water Utility, petitioned the United States Court of Appeals, District of Columbia Circuit, in Washington, D.C. to review the rule promulgated by the EPA. The case City of Waukesha, et al. v. EPA, 01-1028, was heard on November 20, 2002. On February 25, 2003 the United States Court of Appeals ruled in favor of the EPA. As such, the municipality terminated the legal process and began negotiations with the Wisconsin Department of Natural Resources (WDNR) to develop a consent order/compliance agreement to bring the water supply into compliance with the radium standard. As required by the EPA and WDNR, the municipality entered into a consent order/compliance agreement with the WDNR on December 19, 2003, and immediately began working towards compliance.

CITY OF WAUKESHA, WISCONSIN
Notes to Basic Financial Statements
December 31, 2007

NOTE D - OTHER INFORMATION (Continued)

The agreement requires the Utility to develop new shallow wells, install treatment at some of the existing wells and blend the non-compliant water with compliant water to bring the water supply in compliance with the radium standards. The estimated cost of the improvements is approximately eight (8) million dollars. The Utility will also continue to investigate the potential to develop a new water supply. The development of the new water supply will cost approximately forty-four (44) to seventy-seven (77) million dollars. This estimate consists of the initial capital expenditures plus operation for 20 years and is based on implementation of one of the two highest ranked water supply options identified in a 2001 engineering study of water supply alternatives. It is estimated that the new water supply will be available in approximately December 2010.

5. Subsequent Events

On April 22, 2008, the City authorized the issuance of Water Utility Mortgage Revenue Bonds in the amount of \$4,945,000 at an average interest rate of 4.11%. The issue is to provide funding for 2008 water utility capital improvement projects.

6. Effect of New Accounting Standard on Future Financial Statements

The Governmental Accounting Standards Board (GASB) issued Statement No. 45 in August 2004. Statement No. 45 addresses how local governments account for and report their costs and obligations related to postemployment healthcare and other nonpension benefits, commonly referred to as other postemployment benefits, or OPEB. Statement No. 45 will be effective for the City for the year ending December 31, 2008.

SUPPLEMENTAL INFORMATION

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues and Other Financing Sources - Budget and Actual
General Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
TAXES				
General property taxes	\$ 34,248,773	\$ 34,248,773	\$ 34,214,060	\$ (34,713)
Omitted taxes	9,405	9,405	10,453	1,048
Delinquent taxes and interest	120,000	120,000	133,811	13,811
Mobile home taxes	22,000	22,000	14,974	(7,026)
Occupancy (room) tax	600,000	600,000	683,082	83,082
Payment in lieu of taxes	130,317	130,317	128,365	(1,952)
Total Taxes	35,130,495	35,130,495	35,184,745	54,250
INTERGOVERNMENTAL REVENUES				
Federal aid - Hazmat	-	45,070	45,070	-
State shared taxes	3,087,950	3,087,950	3,006,792	(81,158)
State fire insurance tax	200,000	200,000	176,058	(23,942)
State payment for municipal services	223,000	223,000	235,829	12,829
State and federal aid - law enforcement	7,000	54,377	68,571	14,194
State aid - fire	-	52,915	52,915	-
State aid - general highway	2,279,856	2,373,462	2,373,462	-
State aid - connecting streets	78,574	78,574	78,656	82
State aid - ambulance	13,700	13,700	83,699	69,999
State aid - exempt computer	340,316	340,316	360,163	19,847
County aid - library	1,169,523	1,169,523	1,177,185	7,662
County aid - hazardous materials	145,000	145,000	144,746	(254)
County aid - recycling	164,000	164,000	181,041	17,041
County library system	74,914	74,914	74,654	(260)
School liaison	60,000	60,000	60,000	-
Other grants	-	-	32,866	32,866
Total Intergovernmental Revenues	7,843,833	8,082,801	8,151,707	68,906
LICENSES AND PERMITS				
Licenses	127,000	127,000	133,627	6,627
Nonbusiness licenses	21,000	21,000	17,088	(3,912)
Building permits and inspection fees	781,000	781,000	770,111	(10,889)
Cable TV franchise fee	684,500	684,500	731,617	47,117
Property tax exemption fees	500	500	75	(425)
Other permits and inspection fees	54,500	54,500	47,186	(7,314)
Total Licenses and Permits	1,668,500	1,668,500	1,699,704	31,204
FINES, FORFEITURES AND PENALTIES				
Law and ordinance violations	670,000	670,000	697,577	27,577

(Continued)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues and Other Financing Sources - Budget and Actual (Continued)
General Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
PUBLIC CHARGES FOR SERVICES				
General government	43,500	43,500	167,338	123,838
Law enforcement fees	61,000	61,000	67,858	6,858
Fire department fees	30,000	30,000	86,853	56,853
Ambulance	923,000	923,000	902,367	(20,633)
Hazardous incidents	5,000	5,000	3,352	(1,648)
Safety inspections	181,270	181,270	196,368	15,098
Public works	3,500	3,500	(5,277)	(8,777)
Engineering	240,500	240,500	171,229	(69,271)
Snow and ice control	5,000	5,000	7,656	2,656
Planning and zoning	215,000	215,000	251,315	36,315
Library	210,487	210,487	178,470	(32,017)
Recreation	886,523	886,523	961,323	74,800
Weed control	1,500	1,500	-	(1,500)
Trees	46,500	46,500	40,245	(6,255)
Other public charges	24,300	24,300	24,331	31
Total Public Charges for Services	2,877,080	2,877,080	3,053,428	176,348
INTERDEPARTMENT CHARGES				
General government services	185,282	185,282	125,780	(59,502)
Public works	352,000	352,000	303,711	(48,289)
Engineering	500,000	500,000	363,461	(136,539)
Total Interdepartment Charges	1,037,282	1,037,282	792,952	(244,330)
INVESTMENT INCOME				
Investment income	1,200,000	1,200,000	1,610,014	410,014
MISCELLANEOUS REVENUES				
Insurance recoveries	57,500	57,500	55,836	(1,664)
Property rental	19,145	19,145	19,845	700
Sale of city property	12,500	12,500	20,641	8,141
Donations	5,000	5,000	4,130	(870)
Miscellaneous	11,195	11,195	(6,004)	(17,199)
Total Miscellaneous	105,340	105,340	94,448	(10,892)
TOTAL REVENUES	50,532,530	50,771,498	51,284,575	513,077
OTHER FINANCING SOURCES				
Transfers in	922,696	922,696	3,454,654	2,531,958
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 51,455,226	\$ 51,694,194	\$ 54,739,229	\$ 3,045,035

CITY OF WAUKESHA, WISCONSIN
Schedule of Expenditures and Other Financing Uses - Budget and Actual
General Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
GENERAL GOVERNMENT				
City council	\$ 97,505	\$ 97,505	\$ 97,163	\$ 342
Municipal court	328,871	328,006	324,463	3,543
Mayor's office	183,057	183,922	192,073	(8,151)
City administrator	209,489	161,451	135,159	26,292
Landmarks commission	5,132	5,132	3,704	1,428
Elections	30,850	20,850	18,392	2,458
Human resources	135,551	138,261	133,138	5,123
Equal opportunity commission	-	-	87	(87)
Labor relations	89,083	92,843	93,259	(416)
Unallocated benefits	489,500	489,500	398,360	91,140
Treasurer	534,095	536,295	510,688	25,607
Assessor	594,639	594,639	597,174	(2,535)
Accounting	505,449	520,089	525,321	(5,232)
City attorney	567,368	567,368	580,328	(12,960)
City hall	212,883	227,579	176,883	50,696
Planning and zoning	690,472	690,472	696,702	(6,230)
Information systems	1,665,682	1,712,682	1,731,349	(18,667)
Redevelopment authority	2,335	2,335	1,264	1,071
Property and liability insurance	952,744	952,744	815,009	137,735
Bad debts and refunds	30,000	30,000	49,505	(19,505)
Other general government	8,850	8,850	7,256	1,594
Tourism Bureau room tax	150,000	150,000	170,770	(20,770)
Transfer to BID	40,440	40,440	40,440	-
Contingency	125,000	125,000	-	125,000
Total General Government	7,648,995	7,675,963	7,298,487	377,476
PUBLIC SAFETY				
Police department	14,813,959	14,843,973	14,864,191	(20,218)
Emergency government	55,101	76,089	17,867	58,222
Fire department	10,194,520	10,457,844	10,546,882	(89,038)
Police and fire commission	22,730	22,730	17,780	4,950
Building inspections	683,718	683,718	651,626	32,092
Other	196,233	242,221	210,318	31,903
Total Public Safety	25,966,261	26,326,575	26,308,664	17,911

(Continued)

CITY OF WAUKESHA, WISCONSIN
Schedule of Expenditures and Other Financing Uses - Budget and Actual (Continued)
General Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
HIGHWAYS AND STREETS				
Roadway and streets maintenance	312,300	312,300	254,893	57,407
Engineering	2,792,563	2,728,712	2,671,096	57,616
General public works	3,622,691	3,632,891	3,817,645	(184,754)
Storm sewers	21,850	21,850	19,282	2,568
Snow and ice removal	210,900	304,506	390,807	(86,301)
Fleet maintenance	615,615	532,545	531,934	611
Street lighting	555,000	555,000	520,665	34,335
Weed cutting	5,000	5,000	-	5,000
Total Highways and Streets	<u>8,135,919</u>	<u>8,092,804</u>	<u>8,206,322</u>	<u>(113,518)</u>
SANITATION				
Solid waste disposal	<u>804,672</u>	<u>804,672</u>	<u>780,781</u>	<u>23,891</u>
CULTURE AND RECREATION				
Public library	3,612,258	3,612,258	3,613,711	(1,453)
Pools	414,507	366,867	346,046	20,821
Recreation programs	924,157	949,457	943,092	6,365
Forestry	804,541	808,881	827,289	(18,408)
Parks administration	500,463	500,463	459,809	40,654
Parks maintenance	2,455,729	2,469,529	2,535,506	(65,977)
Cable TV	85,369	85,369	88,609	(3,240)
Festivals	17,355	17,355	16,519	836
Total Culture and Recreation	<u>8,814,379</u>	<u>8,810,179</u>	<u>8,830,581</u>	<u>(20,402)</u>
TOTAL EXPENDITURES	<u>51,370,226</u>	<u>51,710,193</u>	<u>51,424,835</u>	<u>285,358</u>
OTHER FINANCING USES				
Transfers out	<u>85,000</u>	<u>85,000</u>	<u>101,409</u>	<u>(16,409)</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 51,455,226</u>	<u>\$ 51,795,193</u>	<u>\$ 51,526,244</u>	<u>\$ 268,949</u>

CITY OF WAUKESHA, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2007

Special Revenue Funds

	Lighted Dome	Festival and Special Activities	Police Crime Prevention	Community Development Block Grant	WHEDA Loan Program	Housing Development Grant	Public Works Impact Fees	Garbage Collection	Public Works DNR Grants
ASSETS									
Cash and investments	\$ 6,369	\$ 8,742	\$ 6,850	\$ 25	\$ -	\$ 24,916	\$ 1,201,382	\$ 143,137	\$ 30,595
Taxes receivable	-	-	-	-	-	-	-	1,420,103	-
Accounts receivable	-	-	-	2,305	-	5,000	-	-	-
Special assessments	-	-	-	-	-	-	-	-	-
Loans receivable	-	-	-	1,825,797	1,359,404	1,302,884	-	-	-
Due from other governmental units	-	-	-	194,536	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	\$ 6,369	\$ 8,742	\$ 6,850	\$ 2,022,663	\$ 1,359,404	\$ 1,332,800	\$ 1,201,382	\$ 1,563,240	\$ 30,595
LIABILITIES AND FUND BALANCES									
Accounts payable	\$ -	\$ 4,770	\$ -	\$ 18,573	\$ 19	\$ -	\$ -	\$ 111,310	\$ -
Other accrued liabilities	-	-	-	1,212	-	-	-	-	-
Due to other funds	-	-	-	111,323	109,045	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-
Advance due to other funds	-	-	-	-	-	-	-	-	-
Deferred revenues	-	-	-	81,660	-	-	895,502	1,420,103	20,523
Total Liabilities	-	4,770	-	212,768	109,064	-	895,502	1,531,413	20,523
Fund Balances Reserved for									
Loans receivable	-	-	-	1,825,797	1,359,404	1,302,884	-	-	-
Prepaid items	-	-	-	-	-	-	-	-	-
Donor restrictions	-	-	-	-	-	-	-	-	-
Unreserved									
Undesignated (deficit)									
Special revenue funds	6,369	3,972	6,850	(15,902)	(109,064)	29,916	305,880	31,827	10,072
Capital projects funds	-	-	-	-	-	-	-	-	-
Total Fund Balances	6,369	3,972	6,850	1,809,895	1,250,340	1,332,800	305,880	31,827	10,072
TOTAL LIABILITIES AND FUND BALANCES	\$ 6,369	\$ 8,742	\$ 6,850	\$ 2,022,663	\$ 1,359,404	\$ 1,332,800	\$ 1,201,382	\$ 1,563,240	\$ 30,595

(Continued)

CITY OF WAUKESHA, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2007

Special Revenue Funds (Continued)									
	Park Development Impact Fees	Park and Recreation Sponsorship Program	Library CAFE	Home Rental Rehab	Energy Rental Rehab	Cemetery Trust Fund C	Crime Prevention Grant		
ASSETS									
Cash and investments	\$ 791,644	\$ 46,085	\$ 302,921	\$ 18,556	\$ 21,400	\$ 39,399	\$ 13,159		
Taxes receivable	-	-	-	-	-	-	-		
Accounts receivable	-	-	-	-	-	-	3		
Special assessments	-	-	-	-	-	-	-		
Loans receivable	-	-	-	45,000	1,000	-	-		
Due from other governmental units	-	-	-	-	-	-	-		
Prepaid items	-	4,876	-	-	-	-	-		
TOTAL ASSETS	\$ 791,644	\$ 50,961	\$ 302,921	\$ 63,556	\$ 22,400	\$ 39,399	\$ 13,162		
LIABILITIES AND FUND BALANCES									
Accounts payable	\$ -	\$ 5,467	\$ 21	\$ -	\$ -	\$ -	\$ -		
Other accrued liabilities	-	45	511	-	-	-	-		
Due to other funds	-	-	-	-	-	-	-		
Deposits	-	-	-	-	-	-	-		
Advance due to other funds	-	-	-	-	-	-	-		
Deferred revenues	537,419	1,729	240,258	-	-	-	9,855		
Total Liabilities	537,419	7,241	240,790	-	-	-	9,855		
Fund Balances									
Reserved for									
Loans receivable	-	-	-	45,000	1,000	-	-		
Prepaid items	-	4,876	-	-	-	-	-		
Donor restrictions	-	-	-	-	-	-	-		
Unreserved									
Undesignated (deficit)									
Special revenue funds	254,225	38,844	62,131	18,556	21,400	39,399	3,307		
Capital projects funds	-	-	-	-	-	-	-		
Total Fund Balances	254,225	43,720	62,131	63,556	22,400	39,399	3,307		
TOTAL LIABILITIES AND FUND BALANCES	\$ 791,644	\$ 50,961	\$ 302,921	\$ 63,556	\$ 22,400	\$ 39,399	\$ 13,162		

(Continued)

CITY OF WAUKESHA, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2007

	Special Revenue Funds (Continued)										Capital Projects Funds	
	Confiscated Property	Paramedics	Cable TV Franchise Fees	WP&L	General Improvement Fund	Public Works Improvements	Municipal Facilities	Fleet Replacement	TIF Districts			
ASSETS												
Cash and investments	\$ 190,204	\$ 5,187	\$ -	\$ 246,704	\$ 283,806	\$ 4,610,455	\$ 1,541,125	\$ 2,649,653	\$ 1,082,355			
Taxes receivable	-	-	-	-	-	-	-	159,511	-			
Accounts receivable	-	-	-	-	78,279	158,825	40,396	21,246	20,038			
Special assessments	-	-	-	-	69,521	107,742	-	-	-			
Loans receivable	-	-	-	-	-	-	-	-	-			
Due from other governmental units	-	-	-	-	-	-	-	-	-			
Prepaid items	-	-	-	-	-	-	8,000	135,364	-			
TOTAL ASSETS	\$ 190,204	\$ 5,187	\$ -	\$ 246,704	\$ 431,606	\$ 4,877,022	\$ 1,589,521	\$ 2,965,774	\$ 1,102,393			
LIABILITIES AND FUND BALANCES												
Accounts payable	\$ 481	\$ -	\$ -	\$ -	\$ -	\$ 640,230	\$ 222,446	\$ 15,461	\$ 460,288			
Other accrued liabilities	-	-	-	-	-	-	-	-	-			
Due to other funds	-	-	44,039	-	-	-	-	-	70,189			
Deposits	-	-	-	-	-	249,518	-	-	-			
Advance due to other funds	-	-	-	-	-	-	-	1,766,926	-			
Deferred revenues	-	-	-	-	69,521	1,465,429	100,921	159,511	-			
Total Liabilities	481	-	44,039	-	69,521	2,355,177	323,367	1,941,898	530,477			
Fund Balances												
Reserved for												
Loans receivable	-	-	-	-	-	-	-	-	-			
Prepaid items	-	-	-	-	-	-	8,000	135,364	-			
Donor restrictions	-	-	-	-	-	-	-	-	-			
Unreserved												
Undesignated (deficit)	189,723	5,187	(44,039)	-	-	-	-	-	-			
Special revenue funds	-	-	-	246,704	362,085	2,521,845	1,258,154	888,512	571,916			
Capital projects funds	-	-	(44,039)	246,704	362,085	2,521,845	1,266,154	1,023,876	571,916			
Total Fund Balances	189,723	5,187	(44,039)	246,704	362,085	2,521,845	1,266,154	1,023,876	571,916			
TOTAL LIABILITIES AND FUND BALANCES	\$ 190,204	\$ 5,187	\$ -	\$ 246,704	\$ 431,606	\$ 4,877,022	\$ 1,589,521	\$ 2,965,774	\$ 1,102,393			

(Continued)

CITY OF WAUKESHA, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2007

		Permanent Funds					Total
		Cemetery Lot Maintenance	Cemetery Specific Endowment	Cemetery Trust Fund K	Library Endowment	H. B. Mills Recreation	Nonmajor Governmental Funds
ASSETS							
Cash and investments	\$ 1,307,915	\$ 772,534	\$ 371,700	\$ 144,473	\$ 28,417	\$ 15,889,708	
Taxes receivable	-	-	-	-	-	1,579,614	
Accounts receivable	-	-	-	-	-	326,092	
Special assessments	-	-	-	-	-	177,263	
Loans receivable	-	-	-	-	-	4,534,085	
Due from other governmental units	-	-	-	-	-	194,536	
Prepaid items	-	-	-	-	-	148,240	
TOTAL ASSETS	\$ 1,307,915	\$ 772,534	\$ 371,700	\$ 144,473	\$ 28,417	\$ 22,849,538	
LIABILITIES AND FUND BALANCES							
Accounts payable	\$ -	\$ -	\$ -	\$ 313	\$ -	\$ 1,479,379	
Other accrued liabilities	-	-	-	-	-	1,768	
Due to other funds	27,454	8,455	-	-	32	370,537	
Deposits	-	-	-	-	-	249,518	
Advance due to other funds	-	-	-	-	-	1,766,926	
Deferred revenues	-	-	-	-	-	5,002,431	
Total Liabilities	27,454	8,455	-	313	32	8,870,559	
Fund Balances							
Reserved for							
Loans receivable	-	-	-	-	-	4,534,085	
Prepaid items	-	-	-	-	-	148,240	
Donor restrictions	1,280,461	764,079	371,700	144,160	28,385	2,588,785	
Unreserved							
Undesignated (deficit)	-	-	-	-	-	858,653	
Special revenue funds	-	-	-	-	-	5,849,216	
Capital projects funds	-	-	-	-	-	-	
Total Fund Balances	1,280,461	764,079	371,700	144,160	28,385	13,978,979	
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,307,915	\$ 772,534	\$ 371,700	\$ 144,473	\$ 28,417	\$ 22,849,538	

CITY OF WAUKESHA, WISCONSIN
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2007

	Special Revenue Funds									
	Lighted Dome	Festival and Special Activities	Police Crime Prevention	Community		WHEDA Loan Program	Housing Development Grant	Public Works Impact Fees	Garbage Collection	
				Development Block Grant	Development Block Grant					
REVENUES										
Taxes	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,362,593
Intergovernmental	-	-	-	507,021	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-	-	-	-	-	-
Public charges for services	-	17,306	-	-	-	-	-	145,612	-	-
Special assessments	-	-	-	-	-	-	-	-	-	-
Investment income	286	-	-	3,202	-	2,424	-	61,081	-	-
Miscellaneous	1,620	-	9,408	-	-	-	-	-	-	-
Total Revenues	1,906	17,306	9,408	510,223	2,424	2,424	-	206,693	-	1,362,593
EXPENDITURES										
Current										
General government	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	10,079	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-	1,330,766
Culture and recreation	-	30,988	-	-	-	-	-	-	-	-
Conservation and development	-	-	-	276,695	177,458	-	-	-	-	-
Capital Outlay	-	-	-	122,979	-	-	-	-	-	-
Total Expenditures	-	30,988	10,079	399,674	177,458	-	-	-	-	1,330,766
Excess (Deficiency) of Revenues Over Expenditures	1,906	(13,682)	(671)	110,549	(175,034)	-	-	206,693	-	31,827
OTHER FINANCING SOURCES (USES)										
Long-term debt issued	-	-	-	-	-	-	-	-	-	-
Premium on debt issued	-	-	-	-	-	-	-	-	-	-
Sale of city property	-	-	-	-	-	-	-	-	-	-
Transfers in	-	15,000	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	(221,208)	-	-
Total Other Financing Sources (Uses)	-	15,000	-	-	-	-	-	(221,208)	-	-
Net Changes in Fund Balances	1,906	1,318	(671)	110,549	(175,034)	-	-	(14,515)	-	31,827
FUND BALANCES (DEFICIT) - January 1	4,463	2,654	7,521	1,699,346	1,425,374	1,332,800	-	320,395	-	-
FUND BALANCES (DEFICIT) - December 31	\$ 6,369	\$ 3,972	\$ 6,850	\$ 1,809,895	\$ 1,250,340	\$ 1,332,800	\$ 305,880	\$ 31,827	\$ 31,827	\$ -

(Continued)

CITY OF WAUKESHA, WISCONSIN
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2007

		Special Revenue Funds (Continued)									
		Public Works DNR Grants	Park Development Impact Fees	Park and Recreation Sponsorship Program	Library CAFÉ	Home Rental Rehab	Energy Rental Rehab	Cemetery Trust Fund C	Crime Prevention Grant		
REVENUES											
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	700	-	-	-	-	-	-	7,672
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-	-	-	-	-	-	-
Public charges for services	-	30,737	176,452	-	383,541	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-	-	-	-
Investment income	1,426	35,916	-	-	17,607	-	-	3,150	-	101	-
Miscellaneous	-	-	50,580	-	-	-	-	-	-	-	-
Total Revenues	1,426	66,653	227,732	401,148	-	-	-	3,150	-	7,773	-
EXPENDITURES											
Current											
General government	-	-	-	-	-	-	-	321	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	212,034	-	365,852	-	-	-	-	-	-
Conservation and development	-	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	4,364	-	-	-	-	-	-	7,672	-
Total Expenditures	-	-	216,398	365,852	-	-	-	321	-	7,672	-
Excess (Deficiency) of Revenues Over Expenditures	1,426	66,653	11,334	35,296	-	-	-	2,829	-	101	-
OTHER FINANCING SOURCES (USES)											
Long-term debt issued	-	-	-	-	-	-	-	-	-	-	-
Premium on debt issued	-	-	-	-	-	-	-	-	-	-	-
Sale of city property	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	(30,736)	-	-	-	-	-	(19,624)	-	-	-
Total Other Financing Sources (Uses)	-	(30,736)	-	-	-	-	-	(19,624)	-	-	-
Net Changes in Fund Balances	1,426	35,917	11,334	35,296	-	-	-	(16,795)	-	101	-
FUND BALANCES (DEFICIT) - January 1	8,646	218,308	32,386	26,835	63,556	22,400	56,194	3,206			
FUND BALANCES (DEFICIT) - December 31	\$ 10,072	\$ 254,225	\$ 43,720	\$ 62,131	\$ 63,556	\$ 22,400	\$ 39,399	\$ 3,307			

(Continued)

CITY OF WAUKESHA, WISCONSIN
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2007

	Special Revenue Funds (Continued)						Capital Projects Funds		
	Confiscated Property	Paramedics	Sick Leave Conversion	Cable TV Franchise Fees	WP&L	General Improvement Fund	Public Works Improvements	Municipal Facilities	
REVENUES									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	12,980	-	-	-	-	895,687	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Fines, forfeitures and penalties	110,316	-	-	-	-	-	-	-	-
Public charges for services	-	-	-	-	9,435	283,758	-	-	5,000
Special assessments	-	-	-	-	-	99,994	57,045	-	-
Investment income	6,550	401	-	-	12,661	3,805	161,304	138,045	-
Miscellaneous	-	-	-	-	-	-	2,181	298,250	-
Total Revenues	129,846	401	-	-	22,096	1,283,244	220,530	441,295	-
EXPENDITURES									
Current									
General government	-	-	-	-	-	-	-	-	-
Public safety	6,203	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	503	-	-	-	-	-
Conservation and development	-	-	-	-	-	-	-	-	-
Capital Outlay	29,879	7,060	-	-	14,349	1,250,025	2,883,465	3,284,913	-
Total Expenditures	36,082	7,060	-	503	14,349	1,250,025	2,883,465	3,284,913	-
Excess (Deficiency) of Revenues Over Expenditures	93,764	(6,659)	-	(503)	7,747	33,219	(2,662,935)	(2,843,618)	-
OTHER FINANCING SOURCES (USES)									
Long-term debt issued	-	-	-	-	-	-	3,677,290	2,674,234	-
Premium on debt issued	-	-	-	-	-	-	86,377	-	-
Sale of city property	-	-	-	-	-	-	-	798	-
Transfers in	-	-	86,409	-	-	40,000	49,089	35,736	-
Transfers out	-	-	(86,409)	-	-	-	(40,000)	(3,686,000)	-
Total Other Financing Sources (Uses)	-	-	-	-	-	40,000	3,772,756	(975,232)	-
Net Changes in Fund Balances	93,764	(6,659)	-	(503)	7,747	73,219	1,109,821	(3,818,850)	-
FUND BALANCES (DEFICIT) - January 1	95,959	11,846	-	(43,536)	238,957	288,866	1,412,024	5,085,004	-
FUND BALANCES (DEFICIT) - December 31	\$ 189,723	\$ 5,187	\$ -	\$ (44,039)	\$ 246,704	\$ 362,085	\$ 2,521,845	\$ 1,266,154	\$ -

(Continued)

CITY OF WAUKESHA, WISCONSIN
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2007

	Capital Projects Funds (Continued)										Total Nonmajor Governmental Funds
	Permanent Funds										
	Transit and Parking Center	Fleet Replacement	TIF Districts Nos. 9 - 17	Cemetery Lot Maintenance	Cemetery Specific Endowment	Cemetery Trust Fund K	Library Endowment	H. B. Mills Recreation			
REVENUES											
Taxes	\$ -	\$ 176,000	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,568,593
Intergovernmental	-	-	-	-	-	-	-	-	-	-	1,423,360
Licenses and permits	-	-	-	-	-	-	-	-	-	-	700
Fines, forfeitures and penalties	-	-	-	-	-	-	-	-	-	-	110,316
Public charges for services	-	-	-	-	-	-	6,882	-	-	-	1,058,723
Special assessments	-	-	-	-	-	-	-	-	-	-	157,039
Investment income	-	137,676	37,763	75,976	43,558	22,926	6,350	1,358	-	-	773,566
Miscellaneous	115,305	34,795	2,835	12,102	20,987	-	19,451	-	-	-	567,514
Total Revenues	115,305	348,471	70,598	88,078	64,545	22,926	32,683	1,358	-	-	5,659,811
EXPENDITURES											
Current											
General government	-	-	579,562	11,966	6,504	3,180	-	-	-	-	601,533
Public safety	-	-	-	-	-	-	-	-	-	-	16,282
Sanitation	-	-	-	-	-	-	-	-	-	-	1,330,766
Culture and recreation	-	-	-	-	-	-	11,209	-	-	-	620,586
Conservation and development	-	-	1,500,000	-	-	-	-	-	-	-	1,954,153
Capital Outlay	42,150	1,256,527	360,222	-	-	-	-	-	-	-	9,263,605
Total Expenditures	42,150	1,256,527	2,439,784	11,966	6,504	3,180	11,209	-	-	-	13,786,925
Excess (Deficiency) of Revenues Over Expenditures	73,155	(908,056)	(2,369,186)	76,112	58,041	19,746	21,474	1,358	-	-	(8,127,114)
OTHER FINANCING SOURCES (USES)											
Long-term debt issued	-	873,476	2,529,903	-	-	-	-	-	-	-	9,754,903
Premium on debt issued	-	-	8,764	-	-	-	-	-	-	-	95,141
Sale of city property	-	125,011	40,075	-	-	-	-	-	-	-	165,884
Transfers in	-	-	-	-	-	-	-	-	-	-	226,234
Transfers out	(73,155)	-	(159,805)	(64,010)	(30,436)	(14,359)	-	(1,358)	-	-	(4,427,100)
Total Other Financing Sources (Uses)	(73,155)	998,487	2,418,937	(64,010)	(30,436)	(14,359)	-	(1,358)	-	-	5,815,062
Net Changes in Fund Balances	-	90,431	49,751	12,102	27,605	5,387	21,474	-	-	-	(2,312,052)
FUND BALANCES (DEFICIT) - January 1	-	933,445	522,165	1,268,359	736,474	366,313	122,686	28,385	-	-	16,291,031
FUND BALANCES (DEFICIT) - December 31	\$ -	\$ 1,023,876	\$ 571,916	\$ 1,280,461	\$ 764,079	\$ 371,700	\$ 144,160	\$ 28,385	\$ -	\$ -	\$ 13,978,979

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Lighted Dome Special Revenue Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Investment income	\$ -	\$ -	\$ 286	\$ 286
Miscellaneous	-	-	1,620	1,620
Total Revenues	-	-	1,906	1,906
EXPENDITURES				
Culture and recreation	-	-	-	-
Net Change in Fund Balance	-	-	1,906	1,906
FUND BALANCE - January 1	4,463	4,463	4,463	-
FUND BALANCE - December 31	\$ 4,463	\$ 4,463	\$ 6,369	\$ 1,906

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Festival and Special Activities Special Revenue Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Public charges for services	\$ 18,400	\$ 18,400	\$ 17,306	\$ (1,094)
EXPENDITURES				
Culture and recreation	36,355	36,355	30,988	5,367
Excess (Deficiency) of Revenues Over (Under) Expenditures	(17,955)	(17,955)	(13,682)	4,273
OTHER FINANCING SOURCES				
Transfers in	15,000	15,000	15,000	-
Net Change in Fund Balance	(2,955)	(2,955)	1,318	4,273
FUND BALANCE - January 1	2,654	2,654	2,654	-
FUND BALANCE - December 31	\$ (301)	\$ (301)	\$ 3,972	\$ 4,273

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Police Crime Prevention Special Revenue Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Miscellaneous	\$ -	\$ -	\$ 9,408	\$ 9,408
EXPENDITURES				
Public safety	-	-	10,079	(10,079)
Net Change in Fund Balance	-	-	(671)	(671)
FUND BALANCE - January 1	7,521	7,521	7,521	-
FUND BALANCE - December 31	\$ 7,521	\$ 7,521	\$ 6,850	\$ (671)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Community Development Block Grant Special Revenue Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental	\$ 245,000	\$ 493,105	\$ 507,021	\$ 13,916
Investment income	-	-	3,202	3,202
Total Revenues	245,000	493,105	510,223	17,118
EXPENDITURES	245,000	493,105	399,674	93,431
Net Change in Fund Balance	-	-	110,549	110,549
FUND BALANCE - January 1	1,699,346	1,699,346	1,699,346	-
FUND BALANCE - December 31	\$ 1,699,346	\$ 1,699,346	\$ 1,809,895	\$ 110,549

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
WHEDA Loan Program Special Revenue Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Investment income	\$ -	\$ -	\$ 2,424	\$ 2,424
EXPENDITURES				
Conservation and development	-	-	177,458	(177,458)
Net Change in Fund Balance	-	-	(175,034)	(175,034)
FUND BALANCE - January 1	1,425,374	1,425,374	1,425,374	-
FUND BALANCE - December 31	\$ 1,425,374	\$ 1,425,374	\$ 1,250,340	\$ (175,034)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Public Works Impact Fees Special Revenue Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Public charges for services	\$ 275,000	\$ 275,000	\$ 145,612	\$ (129,388)
Investment income	10,000	10,000	61,081	51,081
Total Revenues	285,000	285,000	206,693	(78,307)
EXPENDITURES				
Public works	-	-	-	-
Excess of Revenues Over Expenditures	285,000	285,000	206,693	(78,307)
OTHER FINANCING USES				
Transfers out	(300,000)	(300,000)	(221,208)	78,792
Net Change in Fund Balance	(15,000)	(15,000)	(14,515)	485
FUND BALANCE - January 1	320,395	320,395	320,395	-
FUND BALANCE - December 31	\$ 305,395	\$ 305,395	\$ 305,880	\$ 485

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Garbage Collection Special Revenue Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Taxes	\$ 1,362,593	\$ 1,362,593	\$ 1,362,593	\$ -
EXPENDITURES				
Sanitation	1,362,593	1,362,593	1,330,766	31,827
Net Change in Fund Balance	-	-	31,827	31,827
FUND BALANCE - January 1	-	-	-	-
FUND BALANCE - December 31	\$ -	\$ -	\$ 31,827	\$ 31,827

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Public Works DNR Grant Special Revenue Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Investment income	\$ 250	\$ 250	\$ 1,426	\$ 1,176
EXPENDITURES				
Public works	-	-	-	-
Net Change in Fund Balance	250	250	1,426	1,176
FUND BALANCE - January 1	8,646	8,646	8,646	-
FUND BALANCE - December 31	\$ 8,896	\$ 8,896	\$ 10,072	\$ 1,176

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Park Development Impact Fees Special Revenue Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Public charges for services	\$ 365,000	\$ 365,000	\$ 30,737	\$ (334,263)
Investment income	6,000	6,000	35,916	29,916
Total Revenues	371,000	371,000	66,653	(304,347)
EXPENDITURES				
Culture and recreation	-	-	-	-
Excess of Revenues Over (Under) Expenditures	371,000	371,000	66,653	(304,347)
OTHER FINANCING USES				
Transfers out	(365,000)	(365,000)	(30,736)	334,264
Net Change in Fund Balance	6,000	6,000	35,917	29,917
FUND BALANCE - January 1	218,308	218,308	218,308	-
FUND BALANCE - December 31	\$ 224,308	\$ 224,308	\$ 254,225	\$ 29,917

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Park and Recreation Sponsorship Program Special Revenue Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Licenses and permits	\$ 800	\$ 800	\$ 700	\$ (100)
Public charges for services	216,400	216,400	176,452	(39,948)
Miscellaneous	44,200	44,200	50,580	6,380
Total Revenues	261,400	261,400	227,732	(33,668)
EXPENDITURES				
Culture and recreation	248,984	248,984	212,034	36,950
Capital outlay	10,000	10,000	4,364	5,636
Total Expenditures	258,984	258,984	216,398	42,586
Net Change in Fund Balance	2,416	2,416	11,334	8,918
FUND BALANCE - January 1	32,386	32,386	32,386	-
FUND BALANCE - December 31	\$ 34,802	\$ 34,802	\$ 43,720	\$ 8,918

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Library Cafe Special Revenue Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Public charges for services	\$ 401,266	\$ 401,266	\$ 383,541	\$ (17,725)
Investment income	-	-	17,607	17,607
Total Revenues	401,266	401,266	401,148	(118)
EXPENDITURES				
Culture and recreation	466,213	466,213	365,852	100,361
Net Change in Fund Balance	(64,947)	(64,947)	35,296	100,243
FUND BALANCE - January 1	26,835	26,835	26,835	-
FUND BALANCE - December 31	\$ (38,112)	\$ (38,112)	\$ 62,131	\$ 100,243

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Cemetery Trust Fund C Special Revenue Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Investment income	\$ 10,000	\$ 10,000	\$ 3,150	\$ (6,850)
EXPENDITURES				
General government	1,000	1,000	321	679
Excess of Revenues Over Expenditures	9,000	9,000	2,829	(6,171)
OTHER FINANCING USES				
Transfers out	(15,000)	(15,000)	(19,624)	(4,624)
Net Change in Fund Balance	(6,000)	(6,000)	(16,795)	(10,795)
FUND BALANCE - January 1	56,194	56,194	56,194	-
FUND BALANCE - December 31	\$ 50,194	\$ 50,194	\$ 39,399	\$ (10,795)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Crime Prevention Grant Special Revenue Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental	\$ 27,000	\$ 27,000	\$ 7,672	\$ (19,328)
Investment income	-	-	101	101
Total Revenues	27,000	27,000	7,773	(19,227)
EXPENDITURES				
Capital outlay	-	-	7,672	(7,672)
Net Change in Fund Balance	27,000	27,000	101	(26,899)
FUND BALANCE - January 1	3,206	3,206	3,206	-
FUND BALANCE - December 31	\$ 30,206	\$ 30,206	\$ 3,307	\$ (26,899)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Confiscated Property Special Revenue Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 12,980	\$ 12,980
Fines, forfeitures and penalties	20,000	20,000	110,316	90,316
Investment income	-	-	6,550	6,550
Total Revenues	20,000	20,000	129,846	109,846
EXPENDITURES				
Public safety	-	-	6,203	(6,203)
Capital outlay	-	-	29,879	(29,879)
Total Expenditures	-	-	36,082	(36,082)
Net Change in Fund Balance	20,000	20,000	93,764	73,764
FUND BALANCE - January 1	95,959	95,959	95,959	-
FUND BALANCE - December 31	\$ 115,959	\$ 115,959	\$ 189,723	\$ 73,764

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Paramedics Special Revenue Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Investment income	\$ 1,000	\$ 1,000	\$ 401	\$ (599)
EXPENDITURES				
Capital outlay	-	-	7,060	(7,060)
Net Change in Fund Balance	1,000	1,000	(6,659)	(7,659)
FUND BALANCE - January 1	11,846	11,846	11,846	-
FUND BALANCE - December 31	\$ 12,846	\$ 12,846	\$ 5,187	\$ (7,659)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Cable TV Franchise Fees Special Revenue Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Culture and recreation	-	-	503	(503)
Net Change in Fund Balance	-	-	(503)	(503)
FUND BALANCE - January 1	(43,536)	(43,536)	(43,536)	-
FUND BALANCE - December 31	\$ (43,536)	\$ (43,536)	\$ (44,039)	\$ (503)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
WP & L Special Revenue Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Public charges for services	\$ -	\$ -	\$ 9,435	\$ 9,435
Investment income	-	-	12,661	12,661
Total Revenues	-	-	22,096	22,096
EXPENDITURES				
Capital outlay	-	-	14,349	(14,349)
Net Change in Fund Balance	-	-	7,747	7,747
FUND BALANCE - January 1	238,957	238,957	238,957	-
FUND BALANCE - December 31	\$ 238,957	\$ 238,957	\$ 246,704	\$ 7,747

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Debt Service Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Taxes	\$ 7,288,576	\$ 7,288,576	\$ 7,288,576	\$ -
Intergovernmental	112,001	112,001	21,985	(90,016)
Investment income	120,000	120,000	193,906	73,906
Total Revenues	7,520,577	7,520,577	7,504,467	(16,110)
EXPENDITURES				
Principal retirement	7,498,804	7,498,804	7,498,804	-
Interest and fiscal charges	2,640,864	2,640,864	2,598,013	42,851
Total Expenditures	10,139,668	10,139,668	10,096,817	42,851
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,619,091)	(2,619,091)	(2,592,350)	26,741
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	2,915,000	2,915,000	3,014,597	99,597
Premium on debt issued	-	-	48,336	48,336
Transfers in	-	-	73,155	73,155
Transfers out	(462,739)	(462,739)	(462,739)	-
Total Other Financing Sources (Uses)	2,452,261	2,452,261	2,673,349	221,088
Net Change in Fund Balance	(166,830)	(166,830)	80,999	247,829
FUND BALANCE - January 1	1,022,711	1,022,711	1,022,711	-
FUND BALANCE - December 31	\$ 855,881	\$ 855,881	\$ 1,103,710	\$ 247,829

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
TIF District Debt Service Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Taxes	\$ 1,860,661	\$ 1,860,661	\$ 1,820,530	\$ (40,131)
Intergovernmental	34,021	34,021	33,299	(722)
Special assessments	-	-	2,497	2,497
Investment income	29,500	29,500	72,856	43,356
Total Revenues	1,924,182	1,924,182	1,929,182	5,000
EXPENDITURES	5,084,390	5,084,390	5,048,110	36,280
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,160,208)	(3,160,208)	(3,118,928)	41,280
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	2,875,000	2,875,000	2,870,500	(4,500)
Premium on debt issued	-	-	45,098	45,098
Transfers in	-	-	159,805	159,805
Total Other Financing Sources (Uses)	2,875,000	2,875,000	3,075,403	200,403
Net Change in Fund Balance	(285,208)	(285,208)	(43,525)	241,683
FUND BALANCE - January 1	67,265	67,265	67,265	-
FUND BALANCE - December 31	\$ (217,943)	\$ (217,943)	\$ 23,740	\$ 241,683

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Improvement Capital Projects Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental	\$ 896,287	\$ 896,287	\$ 895,687	\$ (600)
Public charges for services	355,453	355,453	283,758	(71,695)
Special assessments	100,000	100,000	99,994	(6)
Investment income	-	-	3,805	3,805
Total Revenues	1,351,740	1,351,740	1,283,244	(68,496)
EXPENDITURES				
Capital outlay	1,391,740	1,720,741	1,250,025	470,716
Excess (Deficiency) of Revenues Over (Under) Expenditures	(40,000)	(369,001)	33,219	402,220
OTHER FINANCING SOURCES				
Transfers in	-	40,000	40,000	-
Net Change in Fund Balance	(40,000)	(329,001)	73,219	402,220
FUND BALANCE - January 1	288,866	288,866	288,866	-
FUND BALANCE - December 31	\$ 248,866	\$ (40,135)	\$ 362,085	\$ 402,220

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Public Works Improvements Capital Projects Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ 386,460	\$ -	\$ (386,460)
Special assessments	75,000	75,000	57,045	(17,955)
Public charges for services	300,000	300,000	-	(300,000)
Investment income	-	-	161,304	161,304
Miscellaneous	-	-	2,181	2,181
Total Revenues	375,000	761,460	220,530	(540,930)
EXPENDITURES				
Capital outlay	4,226,557	6,462,894	2,883,465	3,579,429
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,851,557)	(5,701,434)	(2,662,935)	3,038,499
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	3,851,557	4,591,214	3,677,290	(913,924)
Premium on debt issued	-	-	86,377	86,377
Transfers in	-	-	49,089	49,089
Transfers out	-	(40,000)	(40,000)	-
Total Other Financing Sources (Uses)	3,851,557	4,551,214	3,772,756	(778,458)
Net Change in Fund Balance	-	(1,150,220)	1,109,821	2,260,041
FUND BALANCE - January 1	1,412,024	1,412,024	1,412,024	-
FUND BALANCE - December 31	\$ 1,412,024	\$ 261,804	\$ 2,521,845	\$ 2,260,041

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Municipal Facilities Capital Projects Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ 25,000	\$ -	\$ (25,000)
Public charges for services	120,000	788,846	5,000	(783,846)
Investment income	-	-	138,045	138,045
Miscellaneous	-	-	298,250	298,250
Total Revenues	120,000	813,846	441,295	(372,551)
EXPENDITURES				
Capital outlay	5,046,480	11,042,800	3,284,913	7,757,887
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,926,480)	(10,228,954)	(2,843,618)	7,385,336
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	4,926,480	8,453,111	2,674,234	(5,778,877)
Sale of City property	-	-	798	798
Transfers in	-	-	35,736	35,736
Transfers out	-	-	(3,686,000)	(3,686,000)
Total Other Financing Sources (Uses)	4,926,480	8,453,111	(975,232)	(9,428,343)
Net Change in Fund Balance	-	(1,775,843)	(3,818,850)	(2,043,007)
FUND BALANCE - January 1	5,085,004	5,085,004	5,085,004	-
FUND BALANCE - December 31	\$ 5,085,004	\$ 3,309,161	\$ 1,266,154	\$ (2,043,007)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Fleet Replacement Capital Projects Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Taxes	\$ 176,000	\$ 176,000	\$ 176,000	\$ -
Investment income	105,000	105,000	137,676	32,676
Miscellaneous	-	-	34,795	34,795
Total Revenues	281,000	281,000	348,471	67,471
EXPENDITURES				
Capital outlay	1,356,676	1,777,153	1,256,527	520,626
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,075,676)	(1,496,153)	(908,056)	588,097
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	1,060,676	1,060,676	873,476	(187,200)
Sale of City property	75,000	75,000	125,011	50,011
Transfers out	(60,000)	(60,000)	-	60,000
Total Other Financing Sources (Uses)	1,075,676	1,075,676	998,487	(77,189)
Net Change in Fund Balance	-	(420,477)	90,431	510,908
FUND BALANCE - January 1	933,445	933,445	933,445	-
FUND BALANCE - December 31	\$ 933,445	\$ 512,968	\$ 1,023,876	\$ 510,908

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
TIF Districts Nos. 9 - 17 Capital Projects Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Taxes	\$ 30,000	\$ 30,000	\$ 30,000	\$ -
Investment income	-	-	37,763	37,763
Miscellaneous	-	-	2,835	2,835
Total Revenues	30,000	30,000	70,598	40,598
EXPENDITURES	6,708	2,383,208	2,439,784	(56,576)
Excess (Deficiency) of Revenues Over (Under) Expenditures	23,292	(2,353,208)	(2,369,186)	(15,978)
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	-	2,536,300	2,529,903	(6,397)
Premium on debt issued	-	-	8,764	8,764
Sale of City property	-	-	40,075	40,075
Transfers out	-	(159,800)	(159,805)	(5)
Total Other Financing Sources (Uses)	-	2,376,500	2,418,937	42,437
Net Change in Fund Balance	23,292	23,292	49,751	26,459
FUND BALANCE - January 1	522,165	522,165	522,165	-
FUND BALANCE - December 31	\$ 545,457	\$ 545,457	\$ 571,916	\$ 26,459

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Cemetery Lot Maintenance Permanent Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Investment income	\$ 50,000	\$ 50,000	\$ 75,976	\$ 25,976
Miscellaneous	20,000	20,000	12,102	(7,898)
Total Revenues	70,000	70,000	88,078	18,078
EXPENDITURES				
General government	5,000	5,000	11,966	(6,966)
Excess of Revenues Over Expenditures	65,000	65,000	76,112	11,112
OTHER FINANCING USES				
Transfers out	(45,000)	(45,000)	(64,010)	(19,010)
Net Change in Fund Balance	20,000	20,000	12,102	(7,898)
FUND BALANCE - January 1	1,268,359	1,268,359	1,268,359	-
FUND BALANCE - December 31	\$ 1,288,359	\$ 1,288,359	\$ 1,280,461	\$ (7,898)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Cemetery Specific Endowment Permanent Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Investment income	\$ 30,000	\$ 30,000	\$ 43,558	\$ 13,558
Miscellaneous	20,000	20,000	20,987	987
Total Revenues	50,000	50,000	64,545	14,545
EXPENDITURES				
General government	3,500	3,500	6,504	(3,004)
Excess of Revenues Over Expenditures	46,500	46,500	58,041	11,541
OTHER FINANCING USES				
Transfers out	(15,000)	(15,000)	(30,436)	(15,436)
Net Change in Fund Balance	31,500	31,500	27,605	(3,895)
FUND BALANCE - January 1	736,474	736,474	736,474	-
FUND BALANCE - December 31	\$ 767,974	\$ 767,974	\$ 764,079	\$ (3,895)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Cemetery Trust Fund K Permanent Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Investment income	\$ 10,000	\$ 10,000	\$ 22,926	\$ 12,926
EXPENDITURES				
General government	5,000	5,000	3,180	1,820
Excess of Revenues Over Expenditures	5,000	5,000	19,746	14,746
OTHER FINANCING USES				
Transfers out	(15,000)	(15,000)	(14,359)	641
Net Change in Fund Balance	(10,000)	(10,000)	5,387	15,387
FUND BALANCE - January 1	366,313	366,313	366,313	-
FUND BALANCE - December 31	\$ 356,313	\$ 356,313	\$ 371,700	\$ 15,387

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Library Endowment Permanent Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Public charges for services	\$ -	\$ -	\$ 6,882	\$ 6,882
Investment income	3,000	3,000	6,350	3,350
Miscellaneous	20,100	20,100	19,451	(649)
Total Revenues	23,100	23,100	32,683	9,583
EXPENDITURES				
Culture and recreation	28,200	28,200	11,209	16,991
Net Change in Fund Balance	(5,100)	(5,100)	21,474	26,574
FUND BALANCE - January 1	122,686	122,686	122,686	-
FUND BALANCE - December 31	\$ 117,586	\$ 117,586	\$ 144,160	\$ 26,574

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
H. B. Mills Recreation Permanent Fund
Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Investment income	\$ 400	\$ 400	\$ 1,358	\$ 958
EXPENDITURES				
Culture and recreation	-	-	-	-
Excess of Revenues Over Expenditures	400	400	1,358	958
OTHER FINANCING USES				
Transfers out	(400)	(400)	(1,358)	(958)
Net Change in Fund Balance	-	-	-	-
FUND BALANCE - January 1	28,385	28,385	28,385	-
FUND BALANCE - December 31	\$ 28,385	\$ 28,385	\$ 28,385	-

CITY OF WAUKESHA, WISCONSIN
Combining Statement of Net Assets
Internal Service Funds
December 31, 2007

	Dental/Life Vision Insurance	Health Insurance	Property and Liability Insurance	Printing	Totals
ASSETS					
Current Assets					
Cash and investments	\$ 33,178	\$ 3,268,837	\$ 6,792	\$ 87,772	\$ 3,396,579
Accounts receivable	-	119,859	-	-	119,859
Inventories	-	-	-	13,423	13,423
Prepaid items	-	-	1,404	-	1,404
Total Current Assets	33,178	3,388,696	8,196	101,195	3,531,265
Equipment	-	-	-	259,727	259,727
Less: Accumulated depreciation	-	-	-	(75,565)	(75,565)
Net Equipment	-	-	-	184,162	184,162
Total Assets	33,178	3,388,696	8,196	285,357	3,715,427
CURRENT LIABILITIES					
Accounts payable	-	647	901	166	1,714
Accrued liabilities	-	-	-	1,175	1,175
Claims payable	13,007	607,670	-	-	620,677
Compensated absences	-	-	-	22,950	22,950
Unearned revenue	914	19,557	-	-	20,471
Total Current Liabilities	13,921	627,874	901	24,291	666,987
NET ASSETS					
Invested in capital assets, net of related debt	-	-	-	184,162	184,162
Restricted for					
Unpaid claims and restricted deposits	19,257	2,760,822	7,295	-	2,787,374
Unrestricted	-	-	-	76,904	76,904
TOTAL NET ASSETS	\$ 19,257	\$ 2,760,822	\$ 7,295	\$ 261,066	\$ 3,048,440

CITY OF WAUKESHA, WISCONSIN
Combining Statement of Revenues, Expenses
and Changes in Fund Net Assets
Internal Service Funds
Year Ended December 31, 2007

	Dental/Life/ Vision Insurance	Health Insurance	Property and Liability Insurance	Printing	Totals
OPERATING REVENUES					
Charges for services	\$ 567,901	\$ 9,704,744	\$ 1,015,728	\$ 209,590	\$11,497,963
Other revenues	128	491,083	128,138	-	619,349
Total Operating Revenues	568,029	10,195,827	1,143,866	209,590	12,117,312
OPERATING EXPENSES					
Operation and maintenance	561,149	9,320,738	1,144,949	158,444	11,185,280
Depreciation	-	-	-	30,600	30,600
Total Operating Expenses	561,149	9,320,738	1,144,949	189,044	11,215,880
Operating Income (Loss)	6,880	875,089	(1,083)	20,546	901,432
Other Financing Sources					
Property taxes	-	100,000	-	-	100,000
Transfers in	-	1,236,409	-	-	1,236,409
CHANGES IN NET ASSETS	6,880	2,211,498	(1,083)	20,546	2,237,841
NET ASSETS - January 1	12,377	549,324	8,378	240,520	810,599
NET ASSETS - December 31	\$ 19,257	\$ 2,760,822	\$ 7,295	\$ 261,066	\$ 3,048,440

CITY OF WAUKESHA, WISCONSIN
Combining Statement of Cash Flows
Internal Service Funds
Year Ended December 31, 2007

	Dental/Life/ Vision Insurance	Health Insurance
Cash Flows from Operating Activities		
Cash received from interfund services provided	\$ 558,761	\$ 10,126,160
Cash paid to suppliers	(545,912)	(9,498,037)
Cash paid to employees	-	-
Net Cash Provided (Used) by Operating Activities	<u>12,849</u>	<u>628,123</u>
Cash Flows from Noncapital Financing Activities		
Transfers in	-	1,236,409
General property taxes	-	100,000
Net Cash Provided by Noncapital Financing Activities	<u>-</u>	<u>1,336,409</u>
Cash Flows from Capital and Related Financing Activities		
Acquisition of capital assets	-	-
Increase (Decrease) in Cash and Cash Equivalents	12,849	1,964,532
Cash and Cash Equivalents - January 1	<u>20,329</u>	<u>1,304,305</u>
Cash and Cash Equivalents - December 31	<u>\$ 33,178</u>	<u>\$ 3,268,837</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities		
Operating income (loss)	\$ 6,880	\$ 875,089
Adjustments to reconcile operating income (loss) to net cash provided by operations		
Depreciation	-	-
Changes in assets and liabilities		
Accounts receivable	619	(54,806)
Inventories	-	-
Prepaid items	16,553	32,602
Accounts payable	-	(328)
Due to other funds	(9,887)	-
Claims payable	(2,230)	(209,573)
Compensated absences	-	-
Deferred revenue	914	(14,861)
Other accrued liabilities	-	-
Net Cash Provided by Operating Activities	<u>\$ 12,849</u>	<u>\$ 628,123</u>

Property and Liability Insurance	Printing	Total
\$ 1,143,866	\$ 209,590	\$ 12,038,377
(1,144,079)	(115,657)	(11,303,685)
-	(40,714)	(40,714)
(213)	53,219	693,978
-	-	1,236,409
-	-	100,000
-	-	1,336,409
-	(42,976)	(42,976)
(213)	10,243	1,987,411
7,005	77,529	1,409,168
\$ 6,792	\$ 87,772	\$ 3,396,579

\$ (1,083)	\$ 20,546	\$ 901,432
-	30,600	30,600
-	-	(54,187)
-	(628)	(628)
-	-	49,155
870	166	708
-	-	(9,887)
-	-	(211,803)
-	2,298	2,298
-	-	(13,947)
-	237	237
\$ (213)	\$ 53,219	\$ 693,978

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

**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 City Council
City of Waukesha
Waukesha, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Waukesha, Wisconsin, as of and for the year ended December 31, 2007, which collectively comprise the City of Waukesha's basic financial statements and have issued our report thereon dated June 24, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Waukesha, Wisconsin's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion of the effectiveness of the City of Waukesha, Wisconsin's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Waukesha, Wisconsin's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Waukesha, 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 basic 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*.

We noted certain matters that we reported to management of the City of Waukesha, Wisconsin in a separate letter dated June 24, 2008.

This report is intended solely for the information and use of the Mayor and City Council, and is not intended to be and should not be used by anyone other than these specified parties.

Schmidt SC

Certified Public Accountants
Green Bay, Wisconsin
June 24, 2008

STATISTICAL SECTION

FINANCIAL TRENDS – TABLES 1-4

These schedules contain trend information to help the reader understand how the City's financial performance and position has changed over time.

Table 1 – Information about net assets of the City.

Table 2 – Information about changes in net assets of the City.

Table 3 – Year End Fund Balances – Governmental Funds

Table 4 – Changes in Fund Balances

REVENUE CAPACITY – TABLES 5-9

These schedules contain information to help the reader assess the City's most significant local revenue – the property tax.

Table 5 – Assessed Value and Estimated Fair Market Value of Taxable Property

Table 6 – Property Tax Rates

Table 7 – Information about Principal Revenue Payers

Table 8 – Property Tax Levies and Collections

Table 9 – Tax Incremental Financing Districts

DEBT CAPACITY – TABLES 10-14

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's capacity to issue additional debt in the future.

Table 10 – Ratios of Outstanding Debt by Type

Table 11 – Ratios of General Obligation Debt Outstanding

Table 12 – Direct and Overlapping Debt

Table 13 – Legal Debt Margin Information

Table 14 – Pledged Revenue Coverage for Revenue Debt

DEMOGRAPHIC AND ECONOMIC INFORMATION – TABLES 15-16

These schedules detail demographic and economic indicators to help the reader understand the population which the City serves.

Table 15 – Demographic and Economic Statistics

Table 16 – Principal Employers

OPERATING INFORMATION – TABLES 17-20

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Table 17 – Number of employees of the City by Function

Table 18 – Demand and Level of City Services

Table 19 - Capital Asset Statistics by Function

Table 20 - Insurance Coverages

City of Waukesha

Table 1
Net Assets By Component
Last Five Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year				
	2003	2004	2005	2006	2007
Governmental Activities					
Invested in Capital Assets, Net of Related Debt	\$ 67,327,053	\$ 76,147,710	\$ 79,061,271	\$ 83,986,097	\$ 82,268,340
Restricted	9,987,627	1,738,134	1,312,199	1,089,976	1,127,450
Unrestricted	(10,179,153)	(12,949,817)	(13,307,112)	(4,695,703)	(5,282,662)
Total Governmental Activities of Net Assets	<u>\$ 67,135,527</u>	<u>\$ 64,936,027</u>	<u>\$ 67,066,358</u>	<u>\$ 80,380,370</u>	<u>\$ 78,113,128</u>
Business - Type Activities					
Invested in Capital Assets, Net of Related Debt	\$ 87,480,806	\$ 104,828,220	\$ 108,092,234	\$ 112,056,622	\$ 116,908,403
Restricted	4,195,191	3,683,582	3,686,105	6,841,986	5,608,935
Unrestricted	12,983,982	10,207,666	13,246,156	11,026,392	11,870,263
Total Business - Type Activities of Net Assets	<u>\$ 104,659,979</u>	<u>\$ 118,719,468</u>	<u>\$ 125,024,495</u>	<u>\$ 129,925,000</u>	<u>\$ 134,387,601</u>
Primary Government (In Total)					
Invested in Capital Assets, Net of Related Debt	\$ 154,807,859	\$ 180,975,930	\$ 187,153,505	\$ 196,042,719	\$ 199,176,743
Restricted	14,182,818	5,421,716	4,998,304	7,931,962	6,736,385
Unrestricted	2,804,829	(2,742,151)	(60,956)	6,330,689	6,587,601
Total Primary Government Net Assets	<u>\$ 171,795,506</u>	<u>\$ 183,655,495</u>	<u>\$ 192,090,853</u>	<u>\$ 210,305,370</u>	<u>\$ 212,500,729</u>

City of Waukesha

Table 2
Changes in Net Assets
Last Five Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year				
	2003	2004	2005	2006	2007
Expenses					
Governmental Activities					
General Government	\$ 7,749,323	\$ 7,478,978	\$ 7,171,272	8,355,210	9,187,580
Public Safety	22,728,584	23,853,107	25,018,063	26,139,258	27,621,969
Highways and Streets	11,620,755	15,235,397	11,017,532	13,575,809	14,163,612
Sanitation	1,809,402	1,958,663	1,960,635	2,070,610	2,111,547
Culture and Recreation	8,668,439	8,299,713	10,375,323	10,379,313	10,856,358
Conservation and Development	2,296,550	683,873	710,042	305,725	1,958,871
Interest and Fiscal Charges	3,082,186	2,797,495	3,189,687	3,530,573	3,684,246
Total Government Activities Expenses	57,955,239	60,307,226	59,442,554	64,356,498	69,584,183
Business - Type Activities					
Water Utility	\$ 4,776,301	\$ 4,432,772	\$ 4,805,332	5,439,271	5,956,426
Wastewater Utility	8,067,680	8,566,074	8,510,188	9,047,169	9,687,032
Transit System Utility	4,511,362	9,015,608	9,349,101	9,492,306	9,926,045
Parking Utility	528,402	801,036	904,590	934,438	955,564
Cemetery	797,553	815,167	724,509	628,501	753,079
Total Business - Type Activities	18,681,298	23,630,657	24,293,720	25,541,685	27,278,146
Total Primary Government Expenses	\$ 76,636,537	\$ 83,937,883	\$ 83,736,274	\$ 89,898,183	\$ 96,862,329
Program Revenues					
Governmental Activities					
General Government	\$ 2,224,129	\$ 586,825	\$ 339,050	\$ 604,831	\$ 480,305
Public Safety	2,049,883	3,024,020	2,761,504	2,817,684	2,917,362
Highways and Streets	632,701	953,914	970,324	781,942	651,916
Sanitation	4,262	-	-	27,220	43,311
Culture and Recreation	1,183,930	1,551,782	1,199,379	1,386,376	1,466,954
Conservation and Development	217,615	195	408	204	-
Interest and Fiscal Charges	-	-	-	-	-
Operating Grants and Contributions					
General Government	775	-	100	78,555	-
Public Safety	668,148	486,978	496,373	330,937	455,308
Highways and Streets	2,283,334	2,661,967	2,590,219	2,836,445	2,778,314
Sanitation	157,429	-	12,040	-	-
Culture and Recreation	1,199,082	1,223,801	1,656,520	1,591,480	1,639,447
Conservation and Development	409,735	431,334	474,524	409,603	534,058
Interest and Fiscal Charges	-	-	-	-	-
Capital Grants and Contributions					
Public Safety	40,192	-	-	-	2,500
Highways and Streets	5,430,548	2,456,694	2,552,179	2,775,473	1,362,851
Culture and Recreation	35,474	29,649	324,723	50,848	35,737
Conservation and Development	292,838	-	-	-	-
Total Government Activities Program Revenues	\$ 16,830,075	\$ 13,407,159	\$ 13,377,343	\$ 13,691,598	\$ 12,368,063

(Continued)

City of Waukesha
Table 2 (Continued)
Changes in Net Assets
Last Five Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year				
	2003	2004	2005	2006	2007
Business-type Activities					
Charges for Services					
Water Utility	\$ 6,327,236	\$ 6,245,108	\$ 6,466,825	\$ 6,865,990	\$ 7,657,850
Wastewater Utility	9,554,699	9,492,288	9,707,092	9,131,030	9,138,257
Transit System Utility	635,159	1,575,164	1,594,018	1,733,448	1,805,058
Parking Utility	525,039	487,117	510,500	535,435	515,163
Cemetery	415,200	451,650	425,984	387,893	321,696
Operating Grants and Contributions					
Transit System Utility	2,402,444	5,794,138	5,819,378	5,768,473	5,975,788
Capital Grants and Contributions					
Water Utility	1,562,884	2,266,395	2,882,232	2,354,473	2,873,605
Wastewater Utility	2,504,032	1,124,293	1,003,810	1,731,171	611,306
Transit System Utility	2,895,926	9,349,165	455,960	466,706	1,003,821
Parking Utility	1,164,569	879,624	-	-	-
Total Business-type Activities Program Revenues	<u>\$ 27,987,188</u>	<u>\$ 37,664,942</u>	<u>\$ 28,865,799</u>	<u>\$ 28,974,619</u>	<u>\$ 29,902,544</u>
Total Primary Government Program Revenues	<u>\$ 44,817,263</u>	<u>\$ 51,072,101</u>	<u>\$ 42,243,142</u>	<u>\$ 42,666,217</u>	<u>\$ 42,270,607</u>
Net (Expense) Revenue					
Government Activities	\$(41,125,164)	\$(46,900,067)	\$(46,065,211)	\$(50,664,900)	\$(57,216,120)
Business-Type Activities	\$ 9,305,890	\$ 14,034,285	\$ 4,572,079	\$ 3,432,934	\$ 2,624,398
Total Primary Government Net Expense	<u>\$(31,819,274)</u>	<u>\$(32,865,782)</u>	<u>\$(41,493,132)</u>	<u>\$(47,231,966)</u>	<u>\$(54,591,722)</u>
General Revenues and Other Changes in Net Assets					
Government Activities					
Property Taxes	\$ 37,409,133	\$ 38,696,030	\$ 41,364,912	\$ 42,552,959	\$ 44,976,412
Other Taxes	651,857	719,477	1,472,178	1,693,361	1,705,736
Intergovernmental Revenues Not Restricted					
For Specific Programs	5,009,441	3,123,420	2,738,815	3,856,858	4,553,754
Investment Income	1,251,266	612,283	1,280,326	2,287,480	2,649,936
Miscellaneous	70,630	716,295	553,179	5,355,421	322,612
Gain on Sale of Assets	-	-	65,291	204,991	165,884
Transfers	494,291	776,400	720,841	125,163	159,009
Total Governmental Activities	<u>\$ 44,886,618</u>	<u>\$ 44,643,905</u>	<u>\$ 48,195,542</u>	<u>\$ 56,076,233</u>	<u>\$ 54,533,343</u>
Business-Type Activities					
Property Taxes	\$ 770,503	\$ 734,287	\$ 1,135,106	\$ 885,484	\$ 1,028,530
Investment Income	227,210	269,690	382,032	887,994	968,586
Miscellaneous	816,375	(202,373)	30,671	35,126	96
Gain on Sale of Assets	-	-	-	-	-
Transfers	(494,291)	(776,400)	(720,841)	(125,163)	(159,009)
Total Business-Type Activities	<u>1,319,797</u>	<u>25,204</u>	<u>\$ 826,968</u>	<u>\$ 1,683,441</u>	<u>\$ 1,838,203</u>
Total Primary Government	<u>\$ 46,206,415</u>	<u>\$ 44,669,109</u>	<u>\$ 49,022,510</u>	<u>\$ 57,759,674</u>	<u>\$ 56,371,546</u>
Change in Net Assets					
Government Activities	\$ 3,761,454	\$ (2,256,162)	\$ 2,130,331	\$ 5,411,333	\$ (2,682,777)
Business-Type Activities	\$ 10,625,687	\$ 14,059,489	\$ 5,399,047	\$ 5,116,375	\$ 4,462,601
Total Primary Government Net Expense	<u>\$ 14,387,141</u>	<u>\$ 11,803,327</u>	<u>\$ 7,529,378</u>	<u>\$ 10,527,708</u>	<u>\$ 1,779,824</u>

City of Waukesha
Table 3
Fund Balances of Governmental Funds
Last Five Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year				
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General Fund					
Reserved	\$ 570,266	\$ 251,143	\$ 197,180	\$ 255,082	\$ 252,798
Unreserved and Designated, Reported In					
General Fund	19,879	-	-	-	-
Special Projects Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Unreserved and Undesignated, Reported In					
General Fund	4,264,055	4,367,103	4,569,023	5,331,916	8,547,185
Special Projects Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Total General Fund	<u>\$ 4,854,200</u>	<u>\$ 4,618,246</u>	<u>\$ 4,766,203</u>	<u>\$ 5,586,998</u>	<u>\$ 8,799,983</u>
All Other Governmental Funds					
Reserved	\$24,531,627	\$ 8,862,429	\$ 8,102,088	\$ 8,238,898	\$ 8,398,560
Unreserved and Designated, Reported In					
Special Revenue Funds	421,709	-	-	-	-
Capital Projects Funds	4,989,509	-	-	-	-
Unreserved and Undesignated, Reported In					
Special Revenue Funds	(115,221)	1,177,254	795,922	663,729	858,653
Capital Projects Funds	(1,801,890)	3,299,705	3,453,077	8,478,380	5,849,216
Total All Other Governmental Funds	<u>\$28,025,734</u>	<u>\$13,339,388</u>	<u>\$12,351,087</u>	<u>\$17,381,007</u>	<u>\$15,106,429</u>
Total Fund Balances - Governmental Funds	<u>\$32,879,934</u>	<u>\$17,957,634</u>	<u>\$17,117,290</u>	<u>\$22,968,005</u>	<u>\$23,906,412</u>

Note: All Other Governmental Funds 2003 Reserved Fund Balance includes Defeased Debt; Due to an Accounting Change 2004 2005 2006 and 2007 do not include Defeased Debt

City of Waukesha
Table 4
Changes in Fund Balances
Governmental Funds
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	1998	1999	2000	2001	2002
REVENUES					
Taxes	30,828,497	32,787,508	33,332,506	33,284,976	37,042,669
Intergovernmental	9,210,520	9,615,403	9,620,517	9,603,877	10,107,805
Licenses and Permits	513,830	624,516	1,736,510	1,886,740	1,565,992
Fines, Forfeitures and Penalties	637,861	750,929	670,274	701,700	675,871
Public Charges for Services	2,692,081	2,633,212	1,957,074	1,662,270	2,368,102
Interdepartment Charges	1,326,050	1,127,526	1,257,975	1,420,812	1,446,362
Special Assessments	397,392	502,947	546,305	183,770	311,792
Investment Income	2,664,549	2,307,477	2,554,853	1,915,787	1,263,083
Miscellaneous	1,937,419	963,098	1,032,902	1,330,185	317,829
Total Revenues	50,208,199	51,312,616	52,708,916	51,990,117	55,099,505
EXPENDITURES					
Current					
General Government	4,885,547	4,891,600	5,489,865	7,193,923	6,337,653
Public Safety	17,129,691	18,256,723	19,343,524	19,664,169	21,398,048
Highways and Streets	6,794,010	7,081,069	6,811,249	7,052,892	7,427,007
Sanitation	1,610,149	1,660,683	1,520,055	1,649,266	1,731,046
Culture And Recreation	5,777,159	5,991,551	6,178,083	6,552,683	7,072,111
Conservation and Development	-	-	-	-	587,393
Community Development	3,325,272	4,675,856	700,434	441,836	-
Capital Outlay	9,149,950	3,689,996	9,721,501	14,543,061	11,904,125
Debt Service					
Principal	8,737,680	6,796,093	11,091,328	7,681,084	5,611,747
Interest and Fiscal Charges	3,294,434	3,109,876	2,835,260	2,596,248	3,098,889
Other	-	-	-	-	-
Total Expenditures	60,703,892	56,153,447	63,691,299	67,375,162	65,168,019
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,495,693)	(4,840,831)	(10,982,383)	(15,385,045)	(10,068,514)
OTHER FINANCING SOURCES (USES)					
Long-Term Debt Issued	8,321,650	6,464,304	-	24,921,055	14,000,000
Premium on Bonds	-	-	-	109,764	93,062
Payment to Refunding Escrow Agent	-	-	-	-	-
Discount and Issuance Costs	(144,638)	(69,800)	-	(97,035)	(91,147)
Sale of City Property	-	236,654	175,393	432,425	111,301
Refunds to Other Districts	-	-	(503,656)	-	-
Transfers In	2,797,523	1,852,282	2,971,444	2,954,874	1,655,723
Transfers Out	(2,900,778)	(1,832,373)	(2,248,971)	(3,040,668)	(1,941,766)
Total Other Financing Sources (Uses)	8,073,757	6,651,067	394,210	25,280,415	13,827,173
NET CHANGES IN FUND BALANCE	(2,421,936)	1,810,236	(10,588,173)	9,895,370	3,758,659
Debt Service As A Percentage of Noncapital Expenditures					
	23.339%	18.882%	25.804%	19.453%	16.354%

(Continued)

City of Waukesha
Table 4
Changes in Fund Balances
Governmental Funds
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2003	2004	2005	2006	2007
REVENUES					
Taxes	38,060,990	39,415,507	42,205,920	43,030,745	45,862,444
Intergovernmental	9,976,038	9,816,714	9,731,619	9,477,774	9,630,351
Licenses and Permits	1,811,415	1,952,927	2,219,627	2,041,650	1,700,404
Fines, Forfeitures and Penalties	559,444	629,834	1,288,192	763,981	807,893
Public Charges for Services	2,592,655	3,561,051	2,999,948	3,557,417	4,112,151
Interdepartment Charges	1,879,999	1,692,263	1,143,504	1,063,537	792,952
Special Assessments	174,736	219,283	205,392	200,453	159,536
Investment Income	1,251,264	612,283	1,280,324	2,287,133	2,650,342
Miscellaneous	750,934	367,780	265,538	5,802,323	661,962
Total Revenues	57,057,475	58,267,642	61,340,064	68,225,013	66,378,035
EXPENDITURES					
Current					
General Government	6,266,880	6,573,408	6,599,033	7,182,305	7,928,148
Public Safety	21,874,357	22,853,636	23,619,054	24,805,391	26,324,946
Highways and Streets	7,507,712	7,625,220	7,404,333	7,565,959	8,206,322
Sanitation	1,811,016	1,958,663	1,960,635	2,070,610	2,111,547
Culture And Recreation	7,408,298	7,846,388	9,285,514	9,177,156	9,451,167
Conservation and Development	2,964,506	679,170	723,489	273,192	1,997,933
Community Development	-	-	-	-	-
Capital Outlay	9,782,773	17,899,709	19,252,583	14,076,164	9,263,605
Debt Service					
Principal	12,840,102	11,559,531	5,389,115	4,822,981	11,338,804
Interest and Fiscal Charges	3,322,552	2,643,733	3,059,795	3,636,320	3,734,215
Other	113,201	-	-	-	-
Total Expenditures	73,891,397	79,639,458	77,293,551	73,610,078	80,356,687
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,833,922)	(21,371,816)	(15,953,487)	(5,385,065)	(13,978,652)
OTHER FINANCING SOURCES (USES)					
Long-Term Debt Issued	15,140,000	31,565,174	19,760,546	20,740,000	15,640,000
Premium on Bonds	78,621	1,080,956	203,943	231,076	188,575
Payment to Refunding Escrow Agent	-	(18,884,788)	(5,641,882)	(9,900,000)	-
Discount and Issuance Costs	(48,361)	-	-	-	-
Sale of City Property	366,564	91,638	116,786	75,822	165,884
Refunds to Other Districts	-	-	-	-	-
Transfers In	2,042,894	2,309,302	3,173,944	1,329,498	3,913,848
Transfers Out	(1,610,701)	(1,932,052)	(2,500,194)	(1,240,616)	(4,991,248)
Total Other Financing Sources (Uses)	15,969,017	14,230,230	15,113,143	11,235,780	14,917,059
NET CHANGES IN FUND BALANCE	(864,905)	(7,141,586)	(840,344)	5,850,715	938,407
 Debt Service As A Percentage of Noncapital Expenditures	 26.474%	 21.506%	 14.554%	 14.477%	 20.753%

Note: 2001 Long-Term Debt Issued total of \$24,921,055 includes net proceeds of \$12,800,854 to the debt service fund to advance refund \$12,580,000 of outstanding bonds and notes and net proceeds of \$4,240,249 on behalf of the Water Utility to advance refund \$4,205,000 of outstanding bonds

City of Waukesha
Table 5
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
Totals Reported Net of Tax-Exempt Property

Fiscal Year Ended December 31	<u>Real Property</u>					<u>Total Real Property</u>
	<u>Total Assessed Valuation Residential</u>	<u>Total Assessed Valuation Commercial</u>	<u>Total Assessed Valuation Manufacturing</u>	<u>Total Assessed Valuation Agriculture</u>	<u>Total Assessed Valuation Other</u>	
1998	1,942,728,800	734,357,500	132,579,100	413,900	196,100	2,810,275,400
1999	1,987,098,900	767,088,500	137,294,400	344,000	303,600	2,892,129,400
2000	2,047,292,200	811,218,800	156,089,100	146,800	303,600	3,015,050,500
2001***	2,495,121,500	942,609,100	185,963,500	156,900	364,000	3,624,215,000
2002	2,569,279,850	943,445,300	192,793,300	149,600	749,000	3,706,417,050
2003	2,638,855,600	980,314,600	188,830,100	65,800	339,600	3,808,405,700
2004	2,707,433,720	997,786,800	179,360,800	67,100	599,800	3,885,248,220
2005***	3,600,583,400	1,283,659,500	216,966,500	96,000	815,600	5,102,121,000
2006	3,713,641,700	1,294,564,500	202,341,900	29,800	498,300	5,211,076,200
2007	3,814,561,300	1,296,502,500	203,246,700	60,900	369,000	5,314,740,400

Source: Wisconsin Department of revenue, Bureau of Property Tax

*** Indicates Reassessment

a) - Per \$1,000 of Assessed Valuation

Total Personal Property	Total Direct City Tax Rate (a)	Total Taxable Assessed Valuation	Estimated Actual Value of Taxable Property	Ratio
142,153,440	\$9.93	2,952,428,840	3,089,711,500	96.284%
111,840,860	\$9.88	3,003,970,260	3,265,205,000	91.318%
106,589,490	\$9.80	3,121,639,990	3,499,115,300	89.217%
128,354,490	\$9.13	3,752,569,490	3,785,717,900	99.078%
128,371,550	\$9.45	3,834,788,600	4,093,368,800	93.680%
130,034,540	\$9.67	3,938,440,240	4,453,065,000	88.440%
121,464,420	\$10.26	4,006,712,640	4,828,733,700	82.980%
142,345,430	\$8.16	5,244,466,430	5,256,579,000	99.770%
140,119,930	\$8.41	5,351,196,130	5,716,891,600	93.600%
141,713,110	\$8.73	5,456,453,510	5,975,769,600	91.310%

**City of Waukesha
Table 6
Property Tax Rates
Direct and Overlapping Governments
Rate Per \$1,000 of Assessed Valuation
Last Ten Fiscal Years**

	<u>Overlapping Rates</u>						Total Direct & Overlapping Rates
	<u>Total City Tax Rate</u>	<u>Total State Tax Rate</u>	<u>Total School Tax Rate</u>	<u>Total County Tax Rate</u>	<u>Total Technical College Tax Rate</u>	<u>Total State Tax Credit Rate</u>	
1998	9.93	0.21	12.65	2.81	1.40	(2.19)	24.81
1999	9.88	0.22	12.20	2.81	1.56	(2.14)	24.53
2000	9.80	0.23	11.72	2.76	1.60	(1.89)	24.22
2001**	9.13	0.20	10.37	2.44	1.47	(1.57)	22.04
2002	9.45	0.21	10.04	2.47	1.50	(1.50)	22.17
2003	9.67	0.23	10.44	2.50	1.51	(1.43)	22.92
2004	10.26	0.24	10.77	2.54	1.52	(1.39)	23.94
2005**	8.16	0.19	7.80	1.97	1.17	(1.04)	18.25
2006	8.41	0.19	8.31	1.96	1.19	(1.28)	18.78
2007	8.73	0.19	8.76	1.95	1.19	(1.40)	19.42

** Reassessment Year

**City of Waukesha
Table 7
Principal Taxpayers
Current Year and Nine Years Ago
December 31, 2007**

		<u>2007</u>			
<u>Taxpayer</u>	<u>Type of Business</u>	Taxable Assessed Value	Equalized Valuation	Rank	Percentage of Total Taxable Assessed Value
Harmony Homes	Real Estate, Apartments	105,301,000	115,293,538	1	1.93%
General Electric Company	Medical Equipment	66,155,600	72,433,435	2	1.21%
Bielinski Development, Inc.	Apartments	52,987,840	58,016,121	3	0.97%
Thomas Thompson	Real Estate, Apartments	43,375,660	47,491,793	4	0.79%
Westgrove Woods LLP, Sunburst III	Real Estate, Apartments Hotel and Conference	25,579,020	28,006,341	5	0.47%
CIP Equity LLC (Country Springs Inn)	Center	22,671,830	24,823,273	6	0.42%
Moreland Medical Building	Medical Facility	21,163,370	23,171,668	7	0.39%
WHC Limited Partnership, Oak Hill Terrace	Real Estate	20,271,490	22,195,153	8	0.37%
Pebble Valley Housing Partners, Inc.	Apartments	17,067,220	18,686,814	9	0.31%
Cooper / RTE Industries	Manufacturer of Power Transformers	15,402,000	16,863,573	10	0.28%
Thomson & Polzin	Real Estate, Apartments				
Fleming Companies	Food Wholesale Distribution				
The Laureate Group, Incorporated	Real Estate, Apartments				
Dresser Industries	Foundry				
		389,975,030	426,981,709		

Source: City of Waukesha Assessor

1998

Taxable Assessed Value	Equalized Valuation	Rank	Percentage of Total Taxable Assessed Value
33,253,960	34,537,425	2	1.13%
42,220,200	43,849,724	1	1.43%
23,049,970	23,939,603	4	0.78%
15,902,100	16,515,855	8	0.54%
12,356,680	12,833,596	10	0.42%
20,984,700	21,794,622	5	0.71%
25,036,950	26,003,272	3	0.85%
20,348,790	21,134,169	6	0.69%
15,679,760	16,284,934	9	0.53%
16,097,200	16,718,485	7	0.55%
224,930,310	233,611,685		

**City of Waukesha
Table 8
Property Tax Levies and Collections
Last Ten Years**

Fiscal Year Ended December 31	Total Tax To Fund Current Year	Tax Increment Collections	Total Tax Levy	Collected Within Current Year	
				Amount Collected Prior to August Settlement	Percentage of Levy
1998	28,045,120	3,449,240	31,494,360	31,262,416	99.264%
1999	28,380,551	3,485,335	31,865,886	31,622,530	99.236%
2000	29,654,214	2,513,759	32,167,973	31,878,336	99.100%
2001	33,137,492	2,889,064	36,026,556	35,613,588	98.854%
2002	35,035,895	2,958,372	37,994,267	37,493,713	98.683%
2003	37,108,216	2,462,049	39,570,265	39,172,678	98.995%
2004	40,017,560	2,638,422	42,655,982	42,318,983	99.210%
2005	42,110,616	1,594,868	43,705,484	43,217,913	98.884%
2006	44,245,011	1,850,530	46,095,541	45,478,397	98.661%
2007	46,760,293	2,142,851	48,903,144	In Process of Collection	

(1) On or before August 15 of each year Waukesha County pays the City for all delinquent Real Estate taxes including the City portion and assumes collection

<u>Subsequent Collections</u>		<u>Total Collections to Date</u>	
<u>County Settlement (1)</u>	<u>Collections in Subsequent Years</u>	<u>Amount</u>	<u>Percentage of Levy</u>
206,892	18,974	31,488,282	99.981%
217,182	15,899	31,855,611	99.968%
257,908	20,957	32,157,201	99.967%
370,749	31,202	36,015,539	99.969%
474,703	20,342	37,988,758	99.985%
370,922	18,187	39,561,787	99.979%
312,660	16,825	42,648,468	99.982%
459,597	19,883	43,697,393	99.981%
584,583	494	46,063,474	99.930%

CITY OF WAUKEHSA

TABLE 9
TAX INCREMENT DISTRICTS
Last Ten Fiscal Years

	Year Created	1998	1999	2000	2001	2002	2003
TID #4 Equalized Valuation	1983						
Base		16,450,800	16,450,800	16,450,800	16,450,800	16,450,800	16,450,800
Yearly Value		43,509,500	45,466,000	46,002,800	47,737,300	48,085,100	49,888,400
Increment		27,058,700	29,015,200	29,552,000	31,286,500	31,634,300	33,437,600
Total TID #4		27,058,700	29,015,200	29,552,000	31,286,500	31,634,300	33,437,600
TID #6 Equalized Valuation	1988						
Base		390,300	390,300				
Yearly Value		53,835,700	45,115,200				
Increment		53,445,400	44,724,900				
Total TID #6		53,445,400	44,724,900	0	0	0	0
TID #7 Equalized Valuation	1989						
Base		21,380,800	21,380,800	21,380,800	21,380,800	21,380,800	21,380,800
Yearly Value		43,538,500	43,492,300	43,342,500	44,699,500	45,676,100	46,877,100
Increment		22,157,700	22,111,500	21,961,700	23,318,700	24,295,300	25,496,300
Total TID #7		22,157,700	22,111,500	21,961,700	23,318,700	24,295,300	25,496,300
TID #8 Equalized Valuation	1989						
Base		4,260,200	4,260,200	4,260,200	4,260,200	4,260,200	
Yearly Value		23,523,800	31,181,200	37,142,600	39,863,600	43,032,200	
Increment		19,263,600	26,921,000	32,882,400	35,603,400	38,772,000	
Total TID #8		19,263,600	26,921,000	32,882,400	35,603,400	38,772,000	0
TID #9 Equalized Valuation	1994						
Base		2,025,300	2,025,300	2,025,300	2,025,300	2,025,300	2,025,300
Yearly Value		2,886,200	2,984,400	3,923,000	6,623,700	10,097,400	12,373,200
Increment		860,900	959,100	1,897,700	4,598,400	8,072,100	10,347,900
Total TID #9		860,900	959,100	1,897,700	4,598,400	8,072,100	10,347,900
TID #10 Equalized Valuation	1994						
Base		3,195,800	3,195,800	3,195,800	3,195,800	3,195,800	3,195,800
Yearly Value		10,947,500	14,725,800	16,186,700	18,565,200	19,171,300	20,857,400
Increment		7,751,700	11,530,000	12,990,900	15,369,400	15,975,500	17,661,600
Total TID #10		7,751,700	11,530,000	12,990,900	15,369,400	15,975,500	17,661,600
TID #11 Equalized Valuation	1997						
Base		37,524,600	37,524,600	37,524,600	37,524,600	37,524,600	37,524,600
Yearly Value		41,730,700	45,523,000	47,073,600	51,859,100	53,282,100	61,190,300
Increment		4,206,100	7,998,400	9,549,000	14,334,500	15,757,500	23,665,700
Total TID #11		4,206,100	7,998,400	9,549,000	14,334,500	15,757,500	23,665,700
TID #12 Equalized Valuation	2001						
Base						107,700	107,700
Yearly Value						483,500	4,948,400
Increment						375,800	4,840,700
Total TID #12		0	0	0	0	375,800	4,840,700
TID #13 Equalized Valuation	2003						
Base							
Yearly Value							
Increment							
Total TID #13		0	0	0	0	0	0
TID #14 Equalized Valuation	2003						
Base							
Yearly Value							
Increment							
Total TID #14		0	0	0	0	0	0
TID #15 Equalized Valuation	2006						
Base							
Yearly Value							
Increment							
Total TID #15		0	0	0	0	0	0
ALL PROPERTY							
All Property Without TIDs		2,869,739,600	3,036,717,100	3,305,444,100	3,576,369,500	3,873,541,100	4,256,930,200
Base Valuation - TIDs		85,227,800	85,227,800	84,837,500	84,837,500	84,945,200	80,685,000
All Property Without TID							
Increment		2,954,967,400	3,121,944,900	3,390,281,600	3,661,207,000	3,958,486,300	4,337,615,200
Increment Valuation - TIDs		134,744,100	143,260,100	108,833,700	124,510,900	134,882,500	115,449,800
Equalized Valuation - All Property		3,089,711,500	3,265,205,000	3,499,115,300	3,785,717,900	4,093,368,800	4,453,065,000

Note: The City Closed TIF #6 in November 2000
 Note: The City closed TIF #8 in May 2003
 Note: The City dissolved TIF #4 and #10 in 2005

Note: TID 13 created 05/21/03 and certified 03/03/04
 Note: TID 14 created 03/26/03 and certified 05/18/04
 Note: TID 15 created 06/15/06 and certified 05/09/07

CITY OF WAUKEHSA

TABLE 9 (CONTINUED)
TAX INCREMENT DISTRICTS
Last Ten Fiscal Years

	2004	2005	2006	2007
TID #4 Equalized Valuation				
Base	16,450,800			
Yearly Value	51,232,200			
Increment	34,781,400			
Total TID #4	34,781,400	0	0	0
TID #6 Equalized Valuation				
Base				
Yearly Value				
Increment				
Total TID #6	0	0	0	0
TID #7 Equalized Valuation				
Base	21,380,800	21,380,800	21,380,800	21,380,800
Yearly Value	48,131,900	50,339,600	52,226,500	53,627,900
Increment	26,751,100	28,958,800	30,845,700	32,247,100
Total TID #7	26,751,100	28,958,800	30,845,700	32,247,100
TID #8 Equalized Valuation				
Base				
Yearly Value				
Increment				
Total TID #8	0	0	0	0
TID #9 Equalized Valuation				
Base	2,025,300	2,025,300	2,025,300	2,025,300
Yearly Value	13,644,100	14,609,800	15,552,200	17,035,700
Increment	11,618,800	12,584,500	13,526,900	15,010,400
Total TID #9	11,618,800	12,584,500	13,526,900	15,010,400
TID #10 Equalized Valuation				
Base	3,195,800			
Yearly Value	21,602,900			
Increment	18,407,100			
Total TID #10	18,407,100	0	0	0
TID #11 Equalized Valuation				
Base	37,524,600	37,524,600	37,524,600	37,524,600
Yearly Value	66,540,400	68,451,800	74,061,700	80,655,400
Increment	29,015,800	30,927,200	36,537,100	43,130,800
Total TID #11	29,015,800	30,927,200	36,537,100	43,130,800
TID #12 Equalized Valuation				
Base	107,700	107,700	107,700	107,700
Yearly Value	6,206,800	7,692,700	13,533,900	14,709,100
Increment	6,099,100	7,585,000	13,426,200	14,601,400
Total TID #12	6,099,100	7,585,000	13,426,200	14,601,400
TID #13 Equalized Valuation				
Base	481,800	481,800	481,800	481,800
Yearly Value	323,400	2,452,100	2,944,800	2,961,100
Increment	0	1,970,300	2,463,000	2,479,300
Total TID #13	0	1,970,300	2,463,000	2,479,300
TID #14 Equalized Valuation				
Base	1,898,300	1,898,300	1,898,300	1,898,300
Yearly Value	1,955,200	3,554,700	4,607,900	4,750,600
Increment	56,900	1,656,400	2,709,600	2,852,300
Total TID #14	56,900	1,656,400	2,709,600	2,852,300
TID #15 Equalized Valuation				
Base				4,068,300
Yearly Value				7,467,500
Increment				3,399,200
Total TID #15	0	0	0	3,399,200
ALL PROPERTY				
All Property Without TIDs	4,618,938,400	5,109,478,300	5,553,964,600	5,794,562,300
Base Valuation - TIDs	83,065,100	63,418,500	63,418,500	67,486,800
All Property Without TID	4,702,003,500	5,172,896,800	5,617,383,100	5,862,049,100
Increment Valuation - TIDs	126,730,200	83,682,200	99,508,500	113,720,500
Equalized Valuation - All Property	4,828,733,700	5,256,579,000	5,716,891,600	5,975,769,600

City of Waukesha
Table 10
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Business Type Activities						Total Primary Government	Percentage of Debt to Personal Income (2)	Per Capita
	General Obligation Debt	Bond & Note Anticipation Notes	General Obligation Debt	Bond & Note Anticipation Notes	WasteWater Enterprise Fund Revenue Bonds	Water Utility Enterprise Fund Revenue Bonds	Cemetery Revenue Bonds				
1998	55,631,070		863,930	33,258,601	7,585,000	85,834	97,424,435	4.71%	1,566.38		
1999	55,299,554		778,250	31,510,816	7,000,000		94,588,620	4.08%	1,500.76		
2000	44,258,410		665,396	29,089,879	6,390,000		80,403,685	3.20%	1,240.32		
2001	61,438,928		2,898,728	26,559,350	5,910,000		96,807,006	3.90%	1,481.95		
2002	69,827,181		2,594,622	23,945,597	5,215,000		101,582,400	4.05%	1,533.62		
2003	53,982,079	18,145,000	2,245,231	21,709,835	4,490,000		104,917,145	4.05%	1,570.45		
2004	68,395,821	1,875,000	6,495,350	19,378,114	3,860,000		100,004,285	3.54%	1,496.71		
2005	67,784,859	10,775,000	6,061,023	16,946,315	3,195,000		104,762,197	3.38%	1,550.20		
2006	78,836,878	5,740,000	5,540,855	14,410,144	10,375,000		114,902,877	3.24%	1,695.98		
2007	87,073,075	1,805,000	5,029,695	11,765,120	9,740,000		115,412,890	*	1,700.25		

* Information Not Yet Available

Sources:

(1) Demographic Services Center, Wisconsin Department of Administration

(2) Personal Income Shown in Table 15

City of Waukesha

Table 11

Ratios of General Bonded Debt Outstanding To Equalized Valuation
And Debt Per Capita
Last Ten Fiscal Years

Fiscal Year	General Obligation Debt	Less: Amounts Available in Debt Service Fund	Total	Equalized Valuation (TID Out)	Percentage of Estimated Actual Taxable Value of Property	Population (1)	Per Capita
1998	56,495,000	3,265,051	53,229,949	2,954,967,400	1.801%	62,197	855.83
1999	56,077,804	2,466,305	53,611,499	3,121,944,900	1.717%	63,027	850.61
2000	44,923,806	1,343,957	43,579,849	3,390,281,600	1.285%	64,825	672.27
2001	64,337,656	2,127,718	62,209,938	3,661,207,000	1.699%	65,324	952.33
2002	72,421,803	2,568,354	69,853,449	3,958,486,300	1.765%	66,237	1,054.60
2003	56,227,310	1,835,466	54,391,844	4,337,615,200	1.254%	66,807	814.16
2004	74,891,171	1,738,134	73,153,037	4,702,003,500	1.556%	66,816	1,094.84
2005	73,845,882	1,312,199	72,533,683	5,172,896,800	1.402%	67,580	1,073.30
2006	84,377,733	1,089,976	83,287,757	5,617,383,100	1.483%	67,750	1,229.34
2007	92,102,770	1,127,450	90,975,320	5,862,049,100	1.552%	67,880	1,340.24

Sources:
(1) Demographic Services Center, Wisconsin Department of Administration

City of Waukesha

Table 12

Computation of Direct and Overlapping Governmental Activities Debt
December 31, 2007

<u>Governmental Unit</u>	<u>Debt Outstanding as of December 31, 2007</u>	<u>Percent Chargeable to City</u>	<u>Outstanding Debt Chargeable to City</u>
Waukesha County Technical College District	35,405,000	11.249%	3,982,553
Waukesha County	88,180,000	11.494%	10,135,409
Waukesha School District	35,375,000	60.800%	21,508,000
City of Waukesha Direct Debt			<u>88,878,075</u>
Total Direct and Overlapping Debt			124,504,037

Source:

Waukesha County Debt - Waukesha County Final Official Statement Dated 04/08/08

Waukesha County Technical College - Per Survey Dated 05/27/08

Waukesha School District - Per Survey Dated 05/27/08

City of Waukesha
Table 13
Legal Debt Margin Information
Last Ten Fiscal Years

	1998	1999	2000	2001
Debt Limit	\$ 154,485,575	\$ 163,260,250	\$ 174,955,765	\$ 189,285,895
Debt Applicable to Limit	56,495,000	56,077,804	44,923,806	64,337,656
Less Amount Available for Financing General Obligation Debt - Debt Service Fund Outstanding General Obligation Debt Applicable to Debt Limitation	3,265,051	2,466,305	1,343,957	2,127,718
Legal Debt Margin	101,255,626	109,648,751	131,375,916	127,075,957
Total net debt applicable to the limit as a percentage of debt limit	34.456%	32.838%	24.909%	32.866%
Equalized valuation as Certified by Wisconsin Department of Revenue (TID in)	3,089,711,500	3,265,205,000	3,499,115,300	3,785,717,900
Legal Debt percentage Allowed	5.00%	5.00%	5.00%	5.00%
Legal Debt Limit	154,485,575	163,260,250	174,955,765	189,285,895
Ratio	96.28%	91.32%	89.22%	99.08%

**City of Waukesha
Table 13 (Continued)
Legal Debt Margin Information
Last Ten Fiscal Years**

2002	2003	2004	2005	2006	2007
\$ 204,668,440	\$ 222,653,250	\$ 241,436,685	\$ 262,828,950	\$ 285,844,580	\$ 298,788,480
72,421,803	56,227,310	74,891,171	73,845,882	84,377,733	92,102,770
2,568,354	1,835,466	1,738,134	1,312,199	1,089,976	1,127,450
69,853,449	54,391,844	73,153,037	72,533,683	83,287,757	90,975,320
134,814,991	168,261,406	168,283,648	190,295,267	202,556,823	207,813,160
34.130%	24.429%	30.299%	27.597%	29.137%	30.448%
4,093,368,800	4,453,065,000	4,828,733,700	5,256,579,000	5,716,891,600	5,975,769,600
5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
204,668,440	222,653,250	241,436,685	262,828,950	285,844,580	298,788,480
93.68%	88.44%	82.98%	99.77%	93.60%	91.31%

Legal Debt Margin Calculation for Fiscal Year 2007

Equalized Value	5,975,769,600
Debt Limit (5% of Equalized Valuation (TID in))	298,788,480
Total Outstanding General Obligation Debt Applicable to Debt Limitation	92,102,770
Less Amount Available for Financing General Obligation Debt	(1,127,450)
Net Outstanding General Obligation Debt Applicable to Debt Limitation	90,975,320
Legal Debt Margin For New Debt	207,813,160

**City of Waukesha
Table 14
Pledged-Revenue Coverage
Last Ten Years**

Wastewater Revenue Bonds							
Fiscal Year	Sewer Charges and Other	Investment Income	Less Operating Expenditures Excluding Depreciation	Net Available Revenue	Debt Service		Coverage
					Principal	Interest	
1998	7,961,969	689,216	3,809,254	4,841,931	2,194,665	1,484,814	131.5928%
1999	7,790,780	506,564	4,167,990	4,129,354	2,310,721	1,401,011	111.2514%
2000	7,649,889	674,752	4,408,486	3,916,155	2,420,937	1,307,850	105.0249%
2001	7,706,757	506,978	4,410,058	3,803,677	2,530,529	1,199,004	101.9880%
2002	9,466,572	409,847	4,527,449	5,348,970	2,613,752	1,085,500	144.5960%
2003	9,554,699	151,564	4,769,857	4,936,406	2,235,762	979,766	153.5177%
2004	9,492,288	185,872	5,293,156	4,385,004	2,331,721	881,747	136.4570%
2005	9,707,092	230,295	5,207,444	4,729,943	2,431,799	779,522	147.2896%
2006	9,131,030	431,502	5,819,214	3,743,318	2,536,172	672,910	116.6477%
2007	\$ 9,138,257	\$ 563,009	\$ 6,544,621	\$ 3,156,645	\$ 2,645,024	\$ 561,721	98.4377%
Cemetery Revenue Bonds							
Fiscal Year	Charges and Other	Investment Income	Less Operating Expenditures Excluding Depreciation	Net Available Revenue	Debt Service		Coverage
					Principal	Interest	
1998	337,700	8,628	409,682	(63,354)	21,399	7,289	-220.8367%
1999	\$ 483,136	\$ -	\$ 533,301	\$ (50,165)	\$ 85,834	\$ 4,835	-55.3279%
2000				NA	NONE	NONE	
2001				NA	NONE	NONE	
2002				NA	NONE	NONE	
2003				NA	NONE	NONE	
2004				NA	NONE	NONE	
2005				NA	NONE	NONE	
2006				NA	NONE	NONE	
2007				NA	NONE	NONE	

**City of Waukesha
Table 14 (Continued)
Pledged-Revenue Coverage
Last Ten Years**

Water Utility Revenue Bonds						
				Debt Service		
Charges and Other	Investment Income	Less Operating Expenditures Excluding Depreciation	Net Available Revenue	Principal	Interest	Coverage
5,565,962	358,983	2,789,568	3,135,377	560,000	381,313	333.0855%
5,665,109	339,336	2,960,662	3,043,783	585,000	369,715	318.8159%
5,838,004	383,868	2,908,339	3,313,533	610,000	345,235	346.8814%
5,725,487	252,021	2,976,923	3,000,585	680,000	265,137	317.4762%
6,471,580	88,780	3,312,323	3,248,037	695,000	259,285	340.3634%
6,327,236	62,459	3,206,529	3,183,166	725,000	227,841	334.0711%
6,245,108	77,804	3,050,236	3,272,676	630,000	194,605	396.8780%
6,466,825	151,666	3,479,441	3,139,050	665,000	167,965	376.8526%
6,865,990	\$ 443,463	3,752,072	3,557,381	\$ 685,000	\$ 305,866	359.0174%
\$ 7,657,850	\$ 387,493	\$ 4,088,058	\$ 3,957,285	\$ 635,000	\$ 466,719	359.1919%

**City of Waukesha
Table 15
Demographic and Economic Statistics
Last Ten Fiscal Years**

Fiscal Year	City of Waukesha				Waukesha County				Per Capita Personal Income (3)
	Population (1)	Per Return Adjusted Gross Income (2)	Per Capita Personal Income (3)	Unemployment Rate (4)	Waukesha County Population (1)	Per Return Adjusted Gross Income	Personal Income (3)		
1998	62,197	41,301	37,026	2.20%	345,440	54,662	13,071,150,000	37,026	
1999	63,027	44,610	38,674	2.10%	350,273	58,730	13,838,661,000	38,674	
2000	64,825	45,289	41,030	2.70%	360,767	60,908	14,859,799,000	41,030	
2001	65,324	45,172	40,701	3.60%	363,571	60,666	14,881,031,000	40,701	
2002	66,237	44,876	41,003	4.60%	368,077	60,778	15,177,744,000	41,003	
2003	66,807	44,425	41,471	4.80%	371,211	61,987	15,497,641,000	41,471	
2004	66,816	43,925	43,797	4.30%	373,339	64,012	16,478,494,000	43,797	
2005	67,580	46,328	45,454	3.90%	377,348	67,954	\$17,218,196,000	45,454	
2006	67,750	\$49,262	\$49,219	3.80%	379,577	\$72,581	\$18,523,185,000	\$49,219	
2007	67,880	*	*	3.70%	381,651	*	*	*	

* Information Not Yet Available

Sources:

- (1) Demographic Services Center, Wisconsin Department of Administration
- (2) Wisconsin Department of Revenue, Division of Research and Policy
- (3) Regional Economic Information System, Bureau of Economic Analysis, U. S. Department of Commerce
- (4) Wisconsin Department of Workforce Development

**City of Waukesha
Table 16
Principal Employers
Current Year and Nine Years Prior**

Employer	2007			1998		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
General Electric Medical Systems	3,976	1	10.4742%	3,000	1	8.5068%
Waukesha Memorial Hospital	2,076	2	5.4689%	2,800	2	7.9397%
Prohealth	2,045	3	5.3872%			
School District of Waukesha	1,700	4	4.4784%	1,448	4	4.1059%
Cooper Power Systems	1,500	5	3.9515%	1,100	5	3.1192%
Waukesha County	1,402	6	3.6934%	1,500	3	4.2534%
Waukesha Engine	800	7	2.1075%	968	6	2.7449%
Waukesha Health System Inc.	734	8	1.9336%			
Husco Internation Inc.	550	9	1.4489%			
City of Waukesha	534	10	1.4067%			
Waukesha Electric Systems	530	11	1.3962%	500	12	1.4178%
Generac Corp.	500	12	1.3172%	600	9	1.7014%
Fleming Companies				800	7	2.2685%
Milwaukee Electric Tool Corp.				790	8	2.2401%
Hein-Werner Corp.				585	10	1.6588%
Beatrice Cheese, Inc.				525	11	1.4887%
Total	<u>16,347</u>		<u>43.0638%</u>	<u>14,616</u>		<u>41.4450%</u>

Source:

1998: Waukesha County Economic Development Corporation, 1998 Classified Directory of Wisconsin Manufacturers
1998: Robert W. Baird & Co. Employer Contacts March 1999.

2007: Robert W. Baird & Co. Employer Contacts February 2006, June 2006, and April 2007.

City of Waukesha
Table 17
Full - Time Equivalent City Government Employees By Function
Last Ten Fiscal Years

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Full Time Equivalent Employees as of December 31										
General Government										
Municipal Court	4	3.5	3.5	3.5	4.5	4.5	4	4	4	4
Mayor's Office/City Administrator	2	3	3	3	3	3	3	3	3	3
Personnel	3.75	3.75	3.75	3.75	3.75	3.75	2.7	2.7	2.7	2.2
Attorney's Office	4.8	4.85	5.3	5.3	5.3	5.3	5.3	5.3	5.125	5.125
Assessor	7	7	7	7	7	7	7	7	7	7
Clerk-Treasurer's Office	7	7	7	7	7	7	6.88	6.75	6	6
Finance	5.63	5.63	5.63	5.63	4.63	4.63	5.63	5.63	5.63	5.63
Information Systems	13	11.5	13	13	13	13	13	12	12	12
Planning	8	8	8	8	8	8.25	8.25	8.25	8.25	8.25
Building Inspection	8	8	8	8	8	8.25	8.25	8.25	8.25	7.75
Total General Government	63.18	62.23	64.18	64.18	65.18	64.68	64.01	62.88	61.955	60.955
Public Safety										
Police	106	106	106	106	107	107	113	113	113	113
Officers	36	36	36	36	37	37	37.5	37.5	38	37
Civilians										
Fire	91	91	91	91	91	91	92	92	92	92
Firefighters and Officers	7	7	7	7	7	7	6	6	5	5.5
Civilians										
Highways and Streets										
Engineering	25	25	27	27	29	29	29	29	29	28
Maintenance	56	56	56	56	56	56	56.75	56.75	55.75	55.75
Culture and Recreation										
Parks and Recreation	40	40	40	40	41	42	43	43.5	42.5	43.9
Library	43	43	43	43	45	46	48.6	48.11	46.73	45.5
Parking	5.2	5.2	5.2	5.2	5.7	5.7	5.7	5.7	5.7	5.82
Waste Water Treatment Utility	30	30	30	30	30	32	27	27	25	25
Cemetery	5.5	6.5	6.5	6.5	6.5	6.5	5.5	6	4.5	4.8
TOTAL	507.88	507.93	511.88	511.88	520.38	523.88	528.06	527.44	519.135	517.225

City of Waukesha
Table 18
Operating Indicators By Function
Last Ten Fiscal Years

FUNCTION	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<u>Court</u>										
Traffic Citations	10,097	10,471	8,177	7,536	7,545	6,958	6,892	8,047	8,112	6,982
Ordinance Violations	1,555	3,580	4,046	3,417	3,456	2,472	2,370	1,848	1,881	2,161
Juvenile	NA	NA	NA	NA	NA	931	913	796	816	848
Building	NA	NA	NA	NA	NA	43	114	197	152	145
<u>Assessor</u>										
Number of Parcels	17,557	17,876	18,224	18,881	18,948	19,326	19,567	20,170	20,375	20,946
Personal Property	2,370	2,322	2,443	2,424	2,433	2,447	2,414	2,406	2,387	2,364
Assessment Appeals	4	1	2	53	12	6	4	61	6	11
<u>Treasurer</u>										
Tax Bills Issued	20,883	21,094	21,468	21,934	22,384	21,615	21,909	22,430	22,620	23,167
Tax Refunds Issued	4,100	2,600	2,000	1,750	1,100	687	375	475	1,525	440
Licenses Issued (excluding dog and cat)	900	925	800	975	786	887	775	975	800	920
<u>IT</u>										
Workstations Supported	265	368	374	404	410	425	443	463	463	482
Software supported	46	51	59	62	70	150	158	160	160	162
Persons Trained	80	352	300	260	480	499	525	525	525	536
<u>Police</u>										
Calls for Service	77,215	77,215	74,738	78,188	77,479	78,223	75,093	77,796	74,264	70,057
Self-Initiated	51,176	51,388	47,434	48,597	47,855	49,273	47,202	47,924	46,444	42,968
Incident Reports	7,548	7,483	7,022	7,051	6,839	6,301	6,323	6,517	6,375	6,536
Accident Reports	1,610	1,823	2,714	2,392	2,381	2,453	2,477	2,642	2,272	2,396
Citations	9,133	9,459	8,106	7,324	6,869	6,585	6,729	7,597	7,225	6,685
Alarms Responses	1,098	1,192	1,268	943	977	865	872	793	827	805
<u>Fire</u>										
EMS Responses	3,476	3,557	3,711	3,793	3,834	3,769	4,022	4,205	4,461	4,478
Fire Responses	771	769	868	847	869	854	860	875	874	1,027
Fire Inspections	6,333	5,481	4,582	5,063	5,120	5,483	5,655	5,643	5,578	5,489
<u>Building Inspection</u>										
Building Permits	1,231	1,188	1,281	1,367	1,199	1,155	1,123	1,019	1,033	996
Electric Permits	1,910	1,796	1,956	1,963	1,893	1,993	1,778	1,735	1,731	1,642
Plumbing Permits	1,910	1,253	1,592	1,546	1,405	1,521	1,497	1,468	1,200	1,038
Heating Permits	1,448	1,059	1,073	1,077	1,096	1,064	1,159	1,094	927	867
Sign Permits	297	405	405	272	267	240	203	189	192	114
Heating Licenses	93	176	173	170	175	247	114	226	184	91
Electric Licenses	264	242	260	253	262	293	286	288	318	266
<u>Engineering</u>										
Erosion Control Permits	112	139	108	81	68	66	78	68	55	59
Digger's Hotline Tickets Received	9,711	9,935	11,374	9,010	9,705	9,906	9,781	9,193	8,697	8,017
Sidewalk Replacement (Square Feet)	38,000	70,000	54,000	58,500	38,000	37,500	42,900	40,750	49,527	47,446
Miles of Paving	3	2	4	2	4	4	3	3	3	2
<u>Planning</u>										
Final Plats & CSMs	8	38	7	2	3	36	41	36	2	25
Rezoning	41	25	20	16	26	28	20	24	21	17
Residential PUD	19	14	5	10	18	9	11	16	11	5
Commercial PUD	46	49	8	16	12	4	31	0	3	0
Annexations	18	13	27	27	32	20	8	21	20	32
Site Plan Architectural Review	NA	NA	NA	NA	NA	79	98	84	47	49
Conditional Uses	NA	NA	NA	NA	NA	NA	23	25	23	19
Preliminary Plats	NA	NA	NA	NA	NA	NA	14	28	3	3
<u>Public Works Department</u>										
Catch Basins Repaired	45	52	76	24	26	19	85	130	60	85
Sewer Flushing (Miles)	231	234	235	235	236	236	259	285	280	212
Street Maintenance (Grinding/Paving)(Miles)	4	5	6	4	7	3	0	0	3	4
Snow Plowing and Salting (Miles)	231	242	247	247	264	264	287	287	295	253
Salting (Tons Per Year)	3,813	4,333	6,900	5,400	6,400	7,100	8,010	8,250	10,700	9,600
Street Light Repair - Knockdowns	10	45	44	36	66	26	51	67	62	75
Street Light Repair - Replacement Bulbs	101	125	150	126	132	120	242	360	300	500
Street Light Repair - Fuses and Ballasts	12	45	40	125	225	161	196	190	125	280
Signal Repair	12	24	33	41	61	36	63	91	35	80
Tarring (Miles)	6	2	2	2	25	2	2	2	1	1
Street Repair - Paving (Miles)	2	4	4	3	4	1	3	5	1	6
Land Terracing (Miles)	1	2	3	2	2	1	2	3	1	4
Mason Repair Work	57	115	121	21	51	20	22	56	86	105

(Continued)

City of Waukesha
Table 18
Operating Indicators By Function
Last Ten Fiscal Years

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Public Works Department (Continued)										
Signs Installed/Repaired	401	503	575	527	630	737	1,041	980	1,125	285
Drop Off Center Rubbish (Tons)	2,037	2,065	2,214	2,184	2,176	2,318	2,554	1,909	1,914	1,981
Drop Off Center Rubbish (Containers)	510	569	531	522	562	590	586	533	516	497
Metal Salvage (Tons)	128	135	102	102	113	109	112	103	91	86
Drop Off Center Traffic Volume	55,541	57,540	51,704	52,900	52,753	54,008	53,794	51,796	47,805	39,109
Leaves/Yard Waste (Tons)	2,738	1,354	1,141	2,541	2,926	2,357	3,812	3,043	4,672	3,019
Fall Leaf Pickup Equipment Hours	1,264	1,520	1,144	4,472	4,216	4,376	5,048	5,680	4,280	3,928
Curbside Households - rec.	17,872	18,129	18,335	18,613	18,878	19,200	19,529	19,716	19,885	20,042
Curbside Recyclables (Tons)	5,012	5,267	4,846	4,722	4,914	4,979	5,341	5,313	5,523	5,429
Drop Off Center Oil (Gallons)	21,175	17,990	16,060	15,275	16,390	16,460	15,980	14,035	11,300	9,375
Drop Off Center Antifreeze (Gallons)	805	935	825	850	650	880	750	715	440	385
Recycling Bins Sold (1)	220	307	265	328	274	290	331	168	7	1
Library										
Number of Visitors	495,982	473,336	468,168	480,464	491,537	515,112	505,647	480,452	469,017	479,294
Number of Items Circulated	1,208,564	1,144,983	1,139,510	1,348,837	1,504,452	1,575,406	1,640,292	1,565,404	1,471,793	1,413,122
Number of Questions Answered	154,636	147,278	134,352	140,446	135,953	140,428	128,902	130,910	132,327	132,816
Number of Cardholders (2)	73,309	71,637	69,051	67,292	75,391	81,294	83,253	76,497	70,934	68,680
Number of Children's Programs	276	285	540	525	543	544	515	465	493	503
Number Attending Children's Programs	14,701	15,510	15,770	17,909	19,094	24,249	23,522	20,208	22,495	21,254
Number Registrants Summer Reading Program	2,796	2,401	2,502	2,670	2,614	2,513	2,936	3,003	2,798	3,373
Number of Items in the Collection	260,015	267,118	280,998	286,052	302,754	315,667	336,093	332,062	333,162	339,998
Number of Circulations to the Homebound	16,957	16,541	19,505	23,256	26,417	22,492	24,831	25,354	28,318	30,672
Number of Hours Open	NA	NA	NA	3,527	3,513	3,562	3,516	3,424	3,481	3,479
Number of Personal Computers	NA	NA	NA	63	64	64	64	74	74	88
Parks, Recreation, and Forestry										
Pool Passes	1,188	1,175	1,130	1,241	1,166	1,017	895	985	1,225	1,471
Swim Lesson Enrollments	NA	NA	NA	NA	1,977	2,218	2,202	2,014	2,018	2,127
Recreation Program Enrollments	NA	NA	NA	NA	12,532	15,156	15,996	14,996	15,178	15,930
Park Acreage Mowed	510	540	560	573	573	603	610	610	580	582
Trees Planted	1,083	517	825	750	743	602	666	568	488	537
Trees Removed	NA	NA	NA	NA	NA	167	185	303	380	306
Stumps Removed	NA	NA	NA	NA	NA	NA	165	303	380	306
Trees Pruned	NA	NA	NA	NA	6,599	4,033	3,819	3,783	5,365	4,134
Service Requests	NA	NA	NA	NA	NA	NA	456	483	478	488
Waste Water Treatment Plant										
Gallons Treated (Millions)	3,337	3,242	3,368	3,648	3,822	3,035	3,656	3,194	3,619	3,902
Flow (Million Gals/Day Avg)	9	9	9	10	10	8	10	9	10	11
BOD5 (Thousands removed)	5,413	5,095	4,976	4,825	5,972	5,942	5,602	5,570	5,150	5,935
BOD5 (Thousands Discharged)	22	4	4	1	1	8	8	2	0	0
Suspended Solids (Thousands Discharged)	29	18	22	21	21	7	12	9	15	12
Biosolids Produced (Dry Metric Tons)	1,415	1,691	1,636	1,750	1,506	1,958	2,088	1,946	1,297	1,679
Parking Utility										
Ramp Parking - Number of Vehicles	NA	NA	80,437	76,394	68,365	58,199	46,042	48,382	56,235	47,484
Surface Lots - Number of Permits	1,809	1,875	1,922	1,875	2,125	1,995	1,869	1,877	1,854	1,599
Transit Center Permits	NA	942	1,045							
Tickets Issued	NA	36,854	31,266	29,970	30,644	18,319	18,222	17,005	17,731	14,875
Overnight Permits Issued	NA	NA	NA	3,709	4,008	3,492	3,053	3,013	3,675	3,580

Source: City of Waukesha Budget Documents

(1) Starting in 2005, Recycling Bins are Distributed at No Charge

(2) Decrease due to Efforts of CAFÉ Libraries to Eliminate Duplicate Customer Records

**City of Waukesha
Table 19
Capital Asset Statistics By Function
Last Ten Fiscal Years**

FUNCTION	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Public Safety										
Police										
Police Stations/Substations	2	2	2	2	2	2	2	2	2	2
Patrol Units/Squads	Unavailable	Unavailable	Unavailable	24	24	25	25	25	25	21
Unmarked Vehicles	Unavailable	Unavailable	Unavailable	30	30	30	30	30	30	32
Fire										
Number of Stations	4	4	4	4	4	4	4	4	4	4
Fire Engines/Trucks	8	8	8	8	8	8	8	8	8	8
Ambulances	5	5	5	5	5	5	5	5	5	5
Highways and Streets (1)										
Acres - Public Right of Way	1207.22	1234.86	1286.98	1293.56	1322.37	1349.25	1356.3	1381.3	1406.79	1,414.64
Miles of Streets	200.04	205.1	216.56	223.51	238.95	242	247.07	249.25	252.12	253.10
Sidewalks - Miles	246.22	253.09	259.61	266.14	272.66	278.91	287.85	294.47	301.82	301.82
Traffic Signals - Number	54	55	56	58	58	59	60	60	61	61
Bridges - Number	7	7	7	7	7	7	7	7	7	7
Culture and Recreation										
Park Acreage	782	785	818	828	854	975	1,014	1,017	1,055	1,079
Restroom Facilities	NA	NA	NA	27	27	27	27	29	29	29
Baseball/Softball Fields	23	23	23	24	24	24	24	27	27	27
Tennis Courts	NA	NA	NA	NA	39	39	41	41	42	42
Playgrounds	NA	NA	NA	25	25	25	26	26	26	27
Swimming Pools	2	2	2	2	2	2	2	2	2	2
Sewers										
Sanitary Sewer - Miles	231.2	233.5	234.5	234.5	235.5	235.5	259.1	285.0	288.1	289.1

Source:
(1) Annual Fixed Asset Records Submitted by Engineering Department

CITY OF WAUKEHSA

**Table 20
INSURANCE COVERAGES
December 31, 2007**

TYPE	COVERAGE
Public Entity Liability Insurance Community Insurance Corporation	Limit Per Occurrence: \$10,000,000 \$10,000 Deductible per Occurrence \$75,000 Aggregate Deductible
Equipment Breakdown Hartford Steam and Boiler Inspection & Insurance Company	Limit: \$50,000,000 \$5,000 Deductible
Government Crime Policy Fidelity & Deposit Companies	\$100,000 Limit Per Loss - Employee Theft \$1,000 Deductible \$100,000 Forgery/Alteration Limit Per Occurrence \$250 Deductible \$20,000 Limit - Theft of Money and Securities - Inside or Outside the Premises \$250 Deductible
Worker Compensation Policy Wausau Insurance Companies	Limit: Statutory Employer Liability Insurance Bodily Injury by Accident: \$100,000 Each Accident Bodily Injury by Disease: \$500,000 Policy Limit Bodily Injury by Disease: \$100,000 Each Employee
Buildings, Personal Property, Inland Marine Floater, Property in the Open, and Builders' Risk Local Government Property Insurance Fund	Coverage: \$241,852,173 Deductible: \$5,000
Contractors Equipment Coverage (Replacement Cost) Local Government Property Insurance Fund	Coverage: \$7,322,733 Deductible: \$500
Motor Vehicle Comprehensive Coverage Local Government Property Insurance Fund	Coverage: \$9,933,542 Deductible: 500
Motor Vehicle Collision Coverage Local Government Property Insurance Fund	Coverage: \$9,933,542 Deductible: 500
Business Interruption Local Government Property Insurance Fund	Coverage: 750,000; Deductible: \$5 000
Accounts Receivable Local Government Property Insurance Fund	Coverage: 720,000; Deductible: \$500
Loss of Rents Local Government Property Insurance Fund	Coverage: 20,000; Deductible: \$5,000