

# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**INCLUDING AUDITORS' REPORTS**

**For the Fiscal Year Ended  
DECEMBER 31, 2009**



**City of Waukesha, Wisconsin**

# **CITY OF WAUKESHA**

**MAYOR: JEFFREY R. SCRIMA**  
**CITY ADMINISTRATOR: LORI CURTIS LUTHER**

## **COMMON COUNCIL**

**PRESIDENT: PAUL R. YBARRA**

## **ALDERPERSONS**

<b>DISTRICT 1</b>	<b>TERRY D. THIEME</b>
<b>DISTRICT 2</b>	<b>ERIC J. PAYNE</b>
<b>DISTRICT 3</b>	<b>CHRISTOPHER R. HERNANDEZ</b>
<b>DISTRICT 4</b>	<b>JOSEPH M. PIEPER</b>
<b>DISTRICT 5</b>	<b>PAUL R. YBARRA</b>
<b>DISTRICT 6</b>	<b>PAUL J. FURRER</b>
<b>DISTRICT 7</b>	<b>MARGARET F. BULL</b>
<b>DISTRICT 8</b>	<b>VANCE SKINNER</b>
<b>DISTRICT 9</b>	<b>KATHLEEN M. CUMMINGS</b>
<b>DISTRICT 10</b>	<b>STEVE G. JOHNSON</b>
<b>DISTRICT 11</b>	<b>ROGER D. PATTON</b>
<b>DISTRICT 12</b>	<b>CHARLES LICHTIE</b>
<b>DISTRICT 13</b>	<b>RICK P. TORTOMASI</b>
<b>DISTRICT 14</b>	<b>JOAN L. FRANCOEUR</b>
<b>DISTRICT 15</b>	<b>DUANE E. PAULSON</b>

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT  
OF THE  
CITY OF WAUKESHA, WISCONSIN  
INCLUDING AUDITOR'S REPORT  
FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2009**

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

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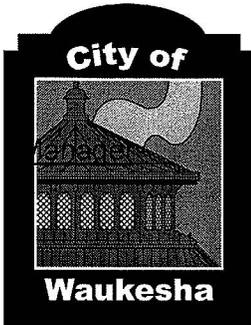
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## **INTRODUCTORY SECTION**



## FINANCE DEPARTMENT

Steve Neaman, Finance

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July 19, 2010

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 fiscal year ending December 31, 2009. 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 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 units and its financial transactions.

Baker Tilly Virchow Krause, LLP, Certified Public Accountants, have issued an unqualified ("clean") opinion on the City of Waukesha's financial statements for the year ended December 31, 2009. The independent auditor's report is located in the front of the financial section of this report.

### 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.

## **Reporting Entity**

This report includes all of the funds and component units of the City of Waukesha. The criteria used in determining the reporting entity are consistent with criteria established by the Governmental Accounting Standards Board (GASB) as outlined in the Codification of Governmental Accounting and Financial Reporting Standards. This report includes the General fund, which accounts for the general administration of the City, and includes Police; Fire; Library; Parks, Recreation and Forestry; and Public Works. Also included are Special Revenue funds relating to festival and recreational activities, grants, loan programs, impact fees, and garbage collection.

The report also includes the City's capital projects, debt service, and enterprise funds that account for water, waste water, transit and parking utilities, and cemetery. Internal service funds provide information on the operations of the self-insured health insurance and dental programs; property and liability insurance; and the Print Shop.

Financial data for the Business Improvement District and Housing Authority is included in the reporting entity by discrete presentation because they are component units of the City. The downtown Business Improvement District accounts for the collection of special assessments from their members for business promotion within the district. The Housing Authority is a non-profit organization providing low income housing through a variety of resources. Both are considered discretely presented component units because the Mayor appoints and the City Council approves a voting majority of both the Business Improvement District Board and Housing Authority Commission.

## **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 21<sup>st</sup> Century.

The City of Waukesha is located in southeastern Wisconsin, approximately 15 miles west of the City of Milwaukee in Waukesha County. The City encompasses an area of over 25 square miles and the County covers an area of 576 square miles and consists of 8 cities, 18 villages and 12 towns.

The City of Waukesha is the most populous municipality in Waukesha County with an estimated 2009 population of 68,800. 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 General Mitchell International Airport is located approximately 20 minutes from the City and a regional airport, Crites Field, is located in the City.

The City of Waukesha provides its residents with services including police and fire, garbage and refuse collection, a downtown system of on-street and off-street parking, a municipal transit system, water and waste water system, and general government services. The City 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.

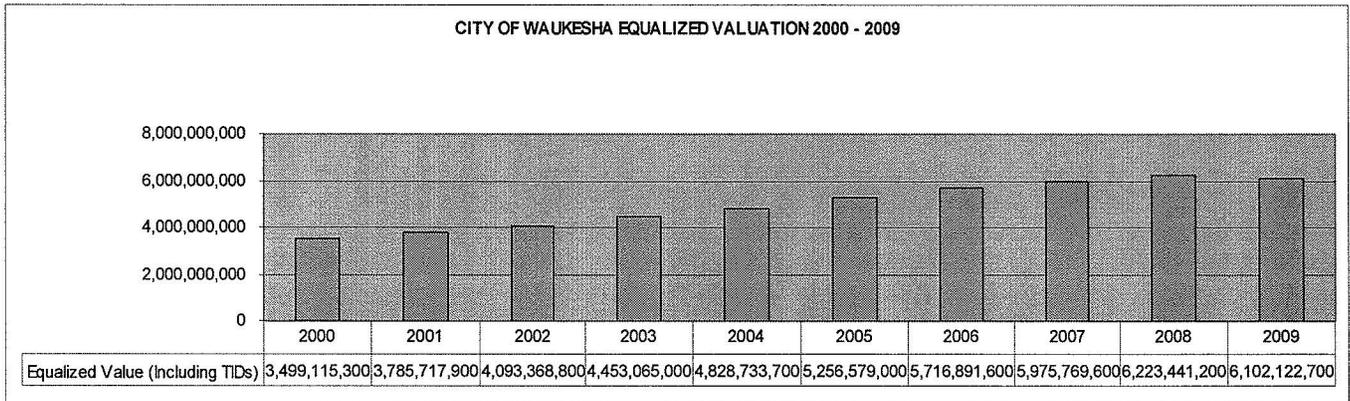
In 1999, the City of Waukesha created the position of City Administrator. The City Administrator is appointed by the Mayor with Common Council confirmation to an indefinite term. The position is responsible to the Common Council for the overall coordination and direction of the day-to-day operations of City government. The position is charged with providing the Council policy information and recommendations, implementation of Council policies, preparation of the executive annual budget for Common Council consideration and supervision of department directors and managers.

The day-to-day administration of the City is the responsibility of the various department heads. Members of the administration are appointed to their positions with the exception of the City Attorney, and part-time Judge who are elected to their four-year term positions. In 2009, by council action, the positions of Assessor and Clerk-Treasurer were changed from elected to appointed.

### ECONOMIC CONDITIONS AND OUTLOOK

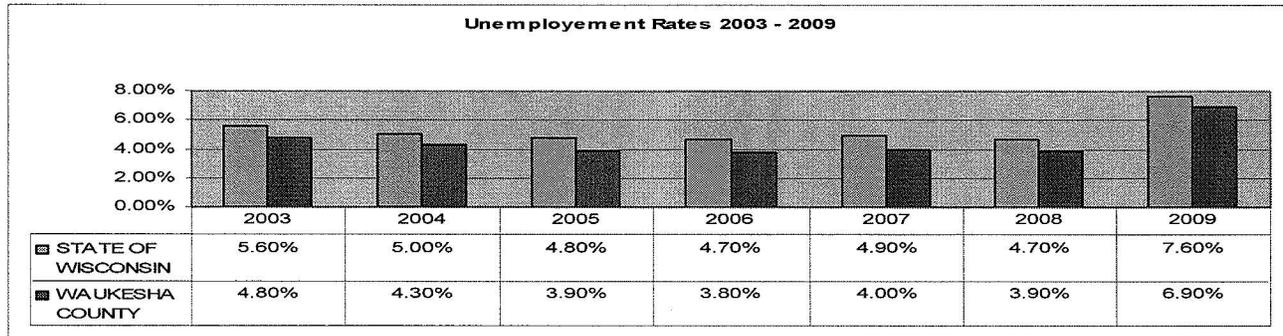
According to the Wisconsin Department of Administration, Demographic Services Center, Waukesha County is the third largest county in the State, with a 2009 population of over 383,190 people. The County has the second highest equalized property tax base and per capita income.

Over the past ten years, the City has experienced excellent growth. In that same ten year period, the City's equalized property value has nearly doubled, growing nearly 74%. Annual increases are shown in the table below:



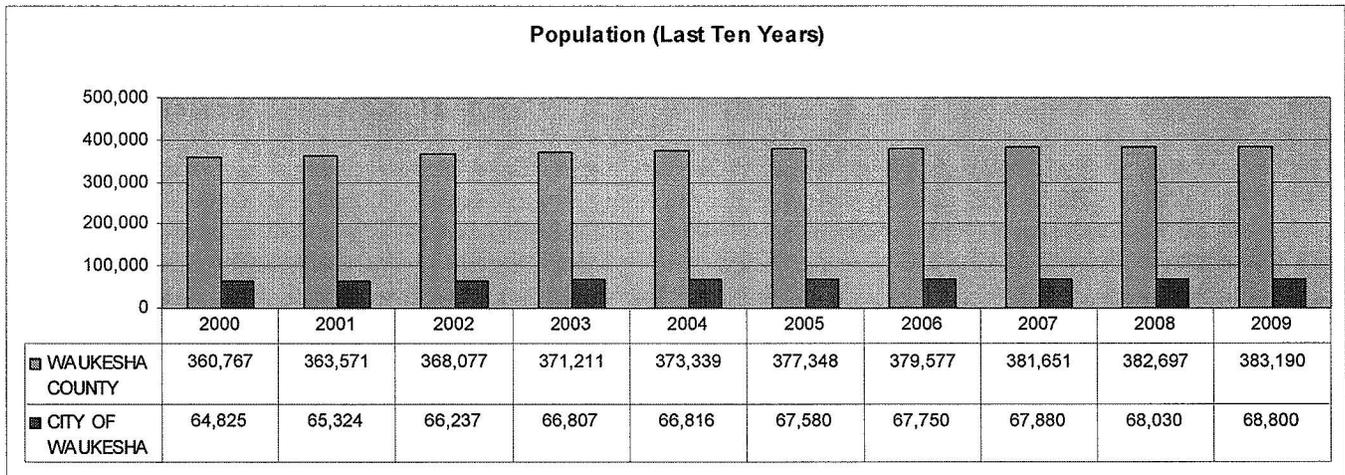
Source: Wisconsin Department of Revenue, Bureau of Property Tax

As the chart below shows, the annual average unemployment rate for Waukesha County is well below the State average.



Source: Wisconsin Department of Workforce Development

Population has continued to increase. The 2009 estimated City population of 68,800 is an increase of over 6.0% from 2000.



Source: Wisconsin Demographic Services Center, Wisconsin Department of Administration

Redevelopment projects increase the City's tax base and provide increased employment. 2009 saw the approval and completion of several large redevelopment projects that will have long lasting positive effects on the City's economic development.

The Shoppes at Fox River, a 54 acre, 500,000 square-foot retail redevelopment of a former grocery distribution facility, opened Phase I in 2009. Upon completion, the Shoppes will be the sixth largest retail center in the Milwaukee area and the largest in the City.

Two of the development's anchor tenants, a 132,000 square-foot Target retail store and a 60,000 square-foot Pick 'N Save grocery are the highlights of the completion of Phase I. In addition, eight retailers opened in Phase I. They include a 14,000 square-foot CVS Pharmacy on a 1.9 acre out-lot, a 5,000 square-foot Chili's restaurant on a 1.3 acre out-lot, Buffalo Wild Wings, Subway, GNC, Verizon, GameStop and Noodles & Company.

Construction also began in 2009 for a 13,500 square-foot Petco store, Maurice's and Famous Footwear which have since opened early in 2010. The Shoppes will offer another 250,000 square feet of development in Phase II, including space for anchor tenants, as well as space for mid-box, junior and small-space tenants.

The City expects that the assessed valuation of the site will increase from \$7,500,000 to \$62,000,000 upon completion. In addition, a significant number of jobs will be created as the stores and restaurants open for business.

Other significant retail projects include an \$8.3 million, 184,100 square-foot Super Wal-Mart at the corner of South West Avenue and Highway 59, the site, a former concrete manufacturing facility. The combined supermarket and retail center is expected to create 350 jobs, about 210 of which will be full-time positions.

2010 will see the start of a \$70 million expansion to Waukesha Electric Systems. The expansion will add 140,000 square feet to the existing factory at S. Prairie Avenue, increasing its size by about 50%. The expansion will enable the firm to build some of the largest power transformers available, which can cost up to \$10 million each and weigh hundreds of tons.

The project will take 18 months to complete and will result in the addition of 100 permanent full-time jobs beginning in late 2011 and about 250 jobs in three years. Currently, the company has 520 employees in Waukesha and 320 at other locations.

## **LONG TERM FINANCIAL PLANNING**

In planning for the future, the City annually reviews and approves a five year capital improvement program. Capital items not identified as major or long-term are part of the debt service program wherein capital expenditures are scheduled to assure that debt service payments remain at a relatively steady level.

Long-term projects identified as major are considered stand-alone projects. Funding for these projects is done with longer-term borrowing and is considered to be additions to the planned debt service.

The City has completed a comprehensive five-year strategic plan for the City, with the initial plan covering the years 2009 – 2013. The strategic plan will be used to set organizational direction and guide future decision-making. The strategic plan has been incorporated into the annual budget process and includes performance measures. Multi-year operational budget forecasts will be implemented and will focus on the following objectives – diversify funding sources, enhance existing long term financial planning, maintain or improve the City's bond rating, maintain sufficient reserve fund, maintain stable debt service payments and maximize the recovery of costs.

## **MAJOR INITIATIVES**

The following were among the many activities that City staff and officials undertook in 2009:

### **Municipal Facilities**

During the year, the City began construction on a \$1.575 million expansion and renovation of the Public Library's Children's area. The area will include an early learning center for children, birth to three years old and their families.

Future capital plans include the relocation of Fire Stations 2 and 3. The plans are a continuation of a long range initiative to improve response times for the City's Fire and EMS calls.

### **City Water Supply**

In 2008, the City had negotiated a settlement with the Department of Justice, which will allow the City until 2018 to come into final compliance with the radium standards for its water supply. In 2009, the City continued with plans to apply for diversion of Great Lakes water. However, application for the diversion is a lengthy process, with approval uncertain. Meanwhile, the City is exploring other options ranging from multiple ground water aquifers to treatment processes.

### **Redevelopment**

In 2009, the City, in partnership with the County, acquired the YWCA building located at 306 N. West Avenue. The YWCA, vacant since it closed six years ago, was acquired using a portion of a \$904,000 federal Neighborhood Stabilization Program. The building will be demolished in 2010, using tax incremental financing from Tax Incremental District 17 to cover the \$147,400 cost. The demolition will make way for 11 lots to be developed for affordable housing.

### **Tax Incremental District 14**

In 2008, the project plan and boundaries for Tax Incremental District 14 (TID 14) were amended to include the former Fleming site and authorize \$3,592,000 in development incentives to underwrite certain redevelopment costs, including cost for demolition, environmental remediation and road, intersection and utility improvements. In March 2009, a second amendment authorized an additional \$1,370,515 to finance additional infrastructure costs. These improvements enabled the development of the Shoppes at Fox River, described above.

## **Tax Incremental District 15**

Early in 2009, the City closed Tax Incremental District Number 15 (TID 15), 3 years after its creation. TID 15 was created in 2006 to finance upgrades to the existing booster pumping station infrastructure and to increase water availability to the City's northwest quadrant. These upgrades were necessary to address a deficiency and increase water supply to accommodate development of Life Care Hospital, which was completed in the fall of 2007. The development provided health care opportunities, employment and an increased tax base of approximately \$18 million, excellent examples on how Tax Incremental Financing can promote economic development.

## **Tax Incremental District 16**

Tax Incremental District Number 16 (TID 16) was created in 2007 to promote redevelopment of the downtown central city. The Waukesha Planning Department is working on redevelopment projects in the district that may be completed in 2010. The City established a low or no interest loan program in the District in 2008, using tax incremental financing, to provide loans to residential property owners to make improvements to their properties. The District has a considerable amount of aging housing stock and this program is vital to increasing property values and to stabilize the neighborhoods. Improvements 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 purpose of the District is to stimulate redevelopment activities and improvements within the District. The first redevelopment project was completed in 2008. This \$9,649,900 project remediated a former rubber factory site. The final development project is to build a taxable building, Pioneer Hall, to act as student housing for Carroll University. The second phase of that development will begin in 2010 and the third phase will begin in 2017. The YWCA project described above is also in the District.

## **Tax Incremental District 18**

Tax Incremental District Number 18 (TID 18) was approved by the Common Council during 2008 and certified by the State of Wisconsin as of January 1, 2008. The purpose of the district is to stimulate redevelopment activities and improvements within the district. The first two redevelopment projects were completed in 2009. These projects were a new Waukesha State Bank branch and a Kwik Trip gas station and convenience store. Additional development is expected on this site in the form of additional commercial and residential uses.

## **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 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.

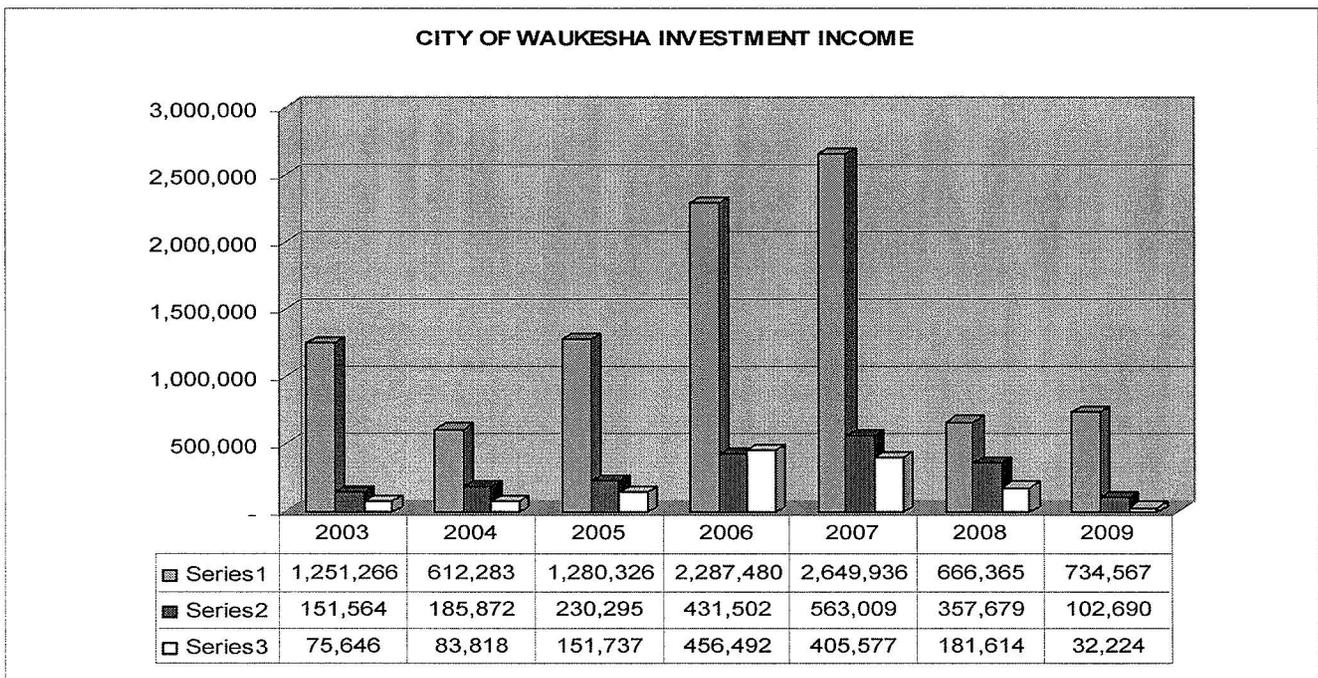
All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

## 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.



## Risk Management

On January 1, 2003, the City became a member of Community Insurance Corporation, which has since grown to 114 Cities, Villages, Towns and Special Districts. 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 \$28,448 of its self-insured retention level from January 1, 2003 through December 31, 2009.

The City's workers' compensation coverage is with Liberty Mutual Insurance Company. Through a strong partnership with Liberty's risk management program, the City has maintained a very favorable experience modification factor, which was .66 in 2009. This favorable modification factor saved the City \$206,071 in premiums during 2009.

## 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, Baker Tilly Virchow Krause, LLP, 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 year ending December 31, 2009 were also completed by the independent auditors. These reports are available under separate cover.

## REPORTING ACHIEVEMENT

### GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Waukesha for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2008. In order to receive a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

## 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 accounting staff: Vicki Krueger, Keith Yahn, Bonnie Ehrendreich, Nancy Lovejoy, and Laura Szecsy, who assisted in 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, Baker Tilly Virchow Krause, LLP, Certified Public Accountants.

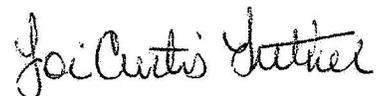
Respectfully Submitted,



Stephen Neaman  
Finance Manager



Jeffery Scrima  
Mayor



Lori Curtis Luther  
City Administrator

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Waukesha  
Wisconsin

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2008

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



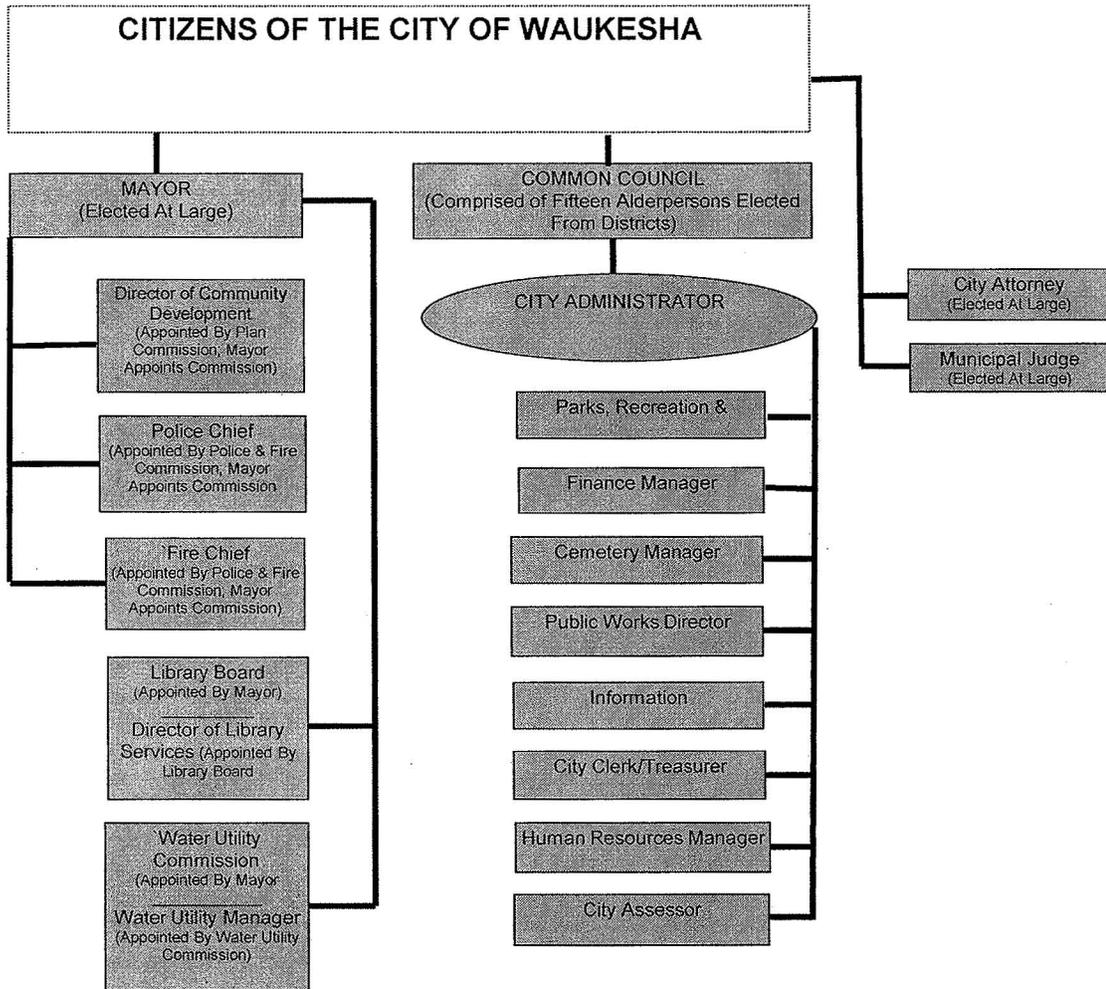
A stylized, handwritten signature in black ink, appearing to be "J.R. Emer".

President

A handwritten signature in black ink, reading "Jeffrey R. Emer".

Executive Director

# ORGANIZATIONAL CHART CITY OF WAUKESHA, WISCONSIN



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

**Elected Officials**

		<b>Term Begins</b>	<b>Term Expires</b>
District 1	Terry D. Thieme	April 2010	April 2013
District 2	Eric J. Payne	April 2008	April 2011
District 3	Christopher R. Hernandez	April 2008	April 2011
District 4	Joseph M. Pieper	April 2010	April 2013
District 5	Paul R. Ybarra	April 2010	April 2013
District 6	Paul J. Furrer	April 2008	April 2011
District 7	Margaret F. Bull	April 2008	April 2011
District 8	Vance Skinner	April 2010	April 2013
District 9	Kathleen M. Cummings	April 2010	April 2013
District 10	Steve G. Johnson	April 2008	April 2011
District 11	Roger D. Patton	April 2010	April 2013
District 12	Charles Lichtie	April 2010	April 2013
District 13	Rick P. Tortomasi	April 2008	April 2011
District 14	Joan L. Francoeur	April 2010	April 2013
District 15	Duane E. Paulson	April 2010	April 2013
Mayor	Jeffrey R. Scrima	April 2010	April 2014
Attorney	Curt Meitz	April 2010	April 2014
Municipal Judge	Joseph Cook	April 2010	April 2014

**Appointed Officials**

Lori Curtis Luther.....	City Administrator
Fred Abadi.....	Director of Public Works
Jane Ameel.....	Library Director
David Brenner.....	Cemetery Director
Steven Crandell.....	Director of Community Development
Ron Grall.....	Director of Parks, Recreation & Forestry
Russell P. Jack.....	Chief of Police
Paul Klauck.....	Assessor
Allen LaConte.....	Chief of Fire Department
Bret Mantey.....	Information Technology Director
Stephen Neaman.....	Finance Manager
Thomas Neill .....	Clerk/Treasurer

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**INDEPENDENT AUDITORS' REPORT  
ON  
BASIC FINANCIAL STATEMENTS**

## INDEPENDENT AUDITORS' REPORT

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 units, 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, 2009, 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 financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Waukesha, Wisconsin, as of December 31, 2009, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Housing Authority of the City of Waukesha is included as a discretely presented component unit for the first time.

In accordance with *Government Auditing Standards*, we have also issued a report dated July 19, 2010, on our consideration of the City of Waukesha's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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.

To the City Council  
City of Waukesha

The management's discussion and analysis, budgetary comparison schedules, schedule of funding progress and schedule of employer contributions as listed in the table of contents are not a required part of the basic financial statements but are supplementary 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 required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Waukesha's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The "Introductory Section" and "Statistical Section" listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the City of Waukesha. The 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 such information.

A handwritten signature in black ink that reads "Baker Tilly Virchow Krause, LLP". The signature is written in a cursive, flowing style.

Milwaukee, Wisconsin  
July 19, 2010

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

City of Waukesha, Wisconsin  
Management's Discussion and Analysis  
(Unaudited)

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, 2009 in comparison with the year ended December 31, 2008. Please consider it in conjunction with the City's financial statements, which begin on page 12, 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. These financial statements also contain 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, 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 Business Improvement District and Housing Authority for which the City is accountable (*component units*). 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 24 through 26 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 two categories: *governmental funds and proprietary 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 36 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 33 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 27 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 System Utility, Parking Utility and the city's only non-major enterprise fund (Prairie Home 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, vision 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 31 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 43 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 and internal service funds, along with budget to actual comparison schedules for all governmental funds. This supplementary information section of the report begins on page 99.

## FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The Statement of Nets Assets and the Summary Statement of Activities presented below are designed to provide a broad overview of the City's financial position. The information is presented in comparison with the previous year to allow for further analysis.

The City of Waukesha's statement of net assets is summarized in the table below. The City's assets exceeded liabilities by \$207.6 million at the close of 2009. This was a decrease of \$5.5 million over last year. The decrease was due in part to the recognition of the current OPEB Liability (\$1.5 million).

### City of Waukesha, Wisconsin Summary Statement of Net Assets

	Governmental Activities		Business-Type Activities		Totals	
	2009	2008	2009	2008	2009	2008
	Current and Other Assets	\$ 162,125,892	\$ 159,005,779	\$ 23,029,456	\$ 25,675,024	\$ 185,155,348
Capital Assets (net)	\$ 150,408,025	\$ 152,933,820	\$ 147,730,616	\$ 146,347,847	\$ 298,138,641	\$ 299,281,667
<b>Total Assets</b>	<b>\$ 312,533,917</b>	<b>\$ 311,939,599</b>	<b>\$ 170,760,072</b>	<b>\$ 172,022,871</b>	<b>\$ 483,293,989</b>	<b>\$ 483,962,470</b>
Current Liabilities	\$ 137,102,658	\$ 129,746,549	\$ 5,446,491	\$ 5,164,043	\$ 142,549,149	\$ 134,910,592
Non-current Liabilities	\$ 107,160,452	\$ 108,312,095	\$ 25,968,361	\$ 27,649,734	\$ 133,128,813	\$ 135,961,829
<b>Total Liabilities</b>	<b>\$ 244,263,110</b>	<b>\$ 238,058,644</b>	<b>\$ 31,414,852</b>	<b>\$ 32,813,777</b>	<b>\$ 275,677,962</b>	<b>\$ 270,872,421</b>
<b>Net Assets:</b>						
Invested in Capital, Net of Debt	\$ 70,596,955	\$ 88,972,632	\$ 124,139,736	\$ 120,709,077	\$ 194,736,691	\$ 209,681,709
Restricted	\$ 3,265,872	\$ 956,413	\$ 6,994,934	\$ 8,856,311	\$ 10,260,806	\$ 9,812,724
Unrestricted (deficit)	\$ (5,592,020)	\$ (16,048,090)	\$ 8,210,550	\$ 9,643,706	\$ 2,618,530	\$ (6,404,384)
<b>Total Net Assets</b>	<b>\$ 68,270,807</b>	<b>\$ 73,880,955</b>	<b>\$ 139,345,220</b>	<b>\$ 139,209,094</b>	<b>\$ 207,616,027</b>	<b>\$ 213,090,049</b>
<b>Total Net Assets as a % of Total Liabilities</b>	<b>28%</b>	<b>31%</b>	<b>444%</b>	<b>424%</b>	<b>75%</b>	<b>79%</b>
<b>Unrestricted Nets Assets as a % of Total Liabilities</b>	<b>-2%</b>	<b>-7%</b>	<b>26%</b>	<b>29%</b>	<b>1%</b>	<b>-2%</b>

The vast majority of these net assets, \$194.7 million or 94% of the total, 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.

A portion of the City's net assets, \$10.3 million (5%) represents resources that are subject to external restrictions as to how they may be used. Those restriction include debt service, developer impact fees and required equipment replacement funding.

The Unrestricted Net Assets of the Governmental Activities increased by \$10.5 million from 2008, while unrestricted Net Assets from Business Activities decreased by \$1.4 million from 2008. The unrestricted net assets represent the amount of assets that are neither related to capital assets nor restricted for specific use.

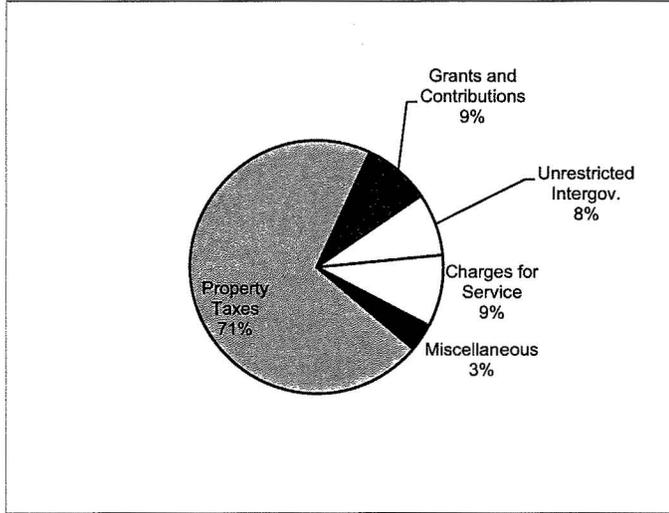
**City of Waukesha, Wisconsin  
Summary Statement of Activities**

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
<b>Revenues</b>						
<b>Program Revenues</b>						
Charges for service	\$ 6,488,151	\$ 5,465,291	\$ 21,007,692	\$ 19,733,018	\$ 27,495,843	\$ 25,198,309
Operating grants and contributions	\$ 4,728,248	\$ 5,716,460	\$ 5,258,616	\$ 6,267,265	\$ 9,986,864	\$ 11,983,725
Capital grants and contributions	\$ 1,297,034	\$ 1,617,421	\$ 500,610	\$ 5,785,709	\$ 1,797,644	\$ 7,403,130
<b>General Revenues</b>						
Property taxes	\$ 50,124,296	\$ 47,448,481	\$ 1,798,409	\$ 1,415,730	\$ 51,922,705	\$ 48,864,211
Other taxes	\$ 1,612,652	\$ 1,831,921			\$ 1,612,652	\$ 1,831,921
Intergovernmental revenues	\$ 5,673,564	\$ 4,951,903			\$ 5,673,564	\$ 4,951,903
Investment earnings	\$ 733,155	\$ 666,365	\$ 134,914	\$ 539,293	\$ 868,069	\$ 1,205,658
Miscellaneous	\$ 125,940	\$ 518,924	\$ 1,213	\$ 9,713	\$ 127,153	\$ 528,637
<b>Total Revenues</b>	<b>\$ 70,783,040</b>	<b>\$ 68,216,766</b>	<b>\$ 28,701,454</b>	<b>\$ 33,750,728</b>	<b>\$ 99,484,494</b>	<b>\$ 101,967,494</b>
<b>Expenses</b>						
General government	\$ 8,756,841	\$ 7,715,578			\$ 8,756,841	\$ 7,715,578
Public safety	\$ 28,903,936	\$ 30,189,386			\$ 28,903,936	\$ 30,189,386
Highways and streets	\$ 16,737,532	\$ 13,433,437			\$ 16,737,532	\$ 13,433,437
Sanitation	\$ 2,463,240	\$ 2,334,667			\$ 2,463,240	\$ 2,334,667
Culture and recreation	\$ 10,378,229	\$ 11,033,570			\$ 10,378,229	\$ 11,033,570
Conservation and development	\$ 5,274,651	\$ 4,330,430			\$ 5,274,651	\$ 4,330,430
Interest and fiscal charges	\$ 4,143,242	\$ 3,733,260			\$ 4,143,242	\$ 3,733,260
Water			\$ 7,063,897	\$ 6,889,948	\$ 7,063,897	\$ 6,889,948
Wastewater			\$ 9,627,296	\$ 9,577,051	\$ 9,627,296	\$ 9,577,051
Transit			\$ 10,031,069	\$ 10,530,371	\$ 10,031,069	\$ 10,530,371
Parking			\$ 894,691	\$ 894,062	\$ 894,691	\$ 894,062
Other			\$ 713,019	\$ 716,414	\$ 713,019	\$ 716,414
<b>Total Expenses</b>	<b>\$ 76,657,671</b>	<b>\$ 72,770,328</b>	<b>\$ 28,364,972</b>	<b>\$ 28,607,846</b>	<b>\$ 105,022,643</b>	<b>\$ 101,378,174</b>
Changes in Net Assets Before Transfers	\$ (5,874,631)	\$ (4,553,562)	\$ 336,482	\$ 5,142,882	\$ (5,538,149)	\$ 589,320
Transfers	\$ 264,483	\$ 321,389	\$ (264,483)	\$ (321,389)	\$ -	\$ -
Change in Net Assets	\$ (5,610,148)	\$ (4,232,173)	\$ 71,999	\$ 4,821,493	\$ (5,538,149)	\$ 589,320
NET ASSETS - Beginning of Year	\$ 73,880,955	\$ 78,113,128	\$ 139,273,221	\$ 134,387,601	\$ 213,154,176	\$ 212,500,729
Prior Period Adjustment	\$ -	\$ -	\$ -	\$ 64,127	\$ -	\$ 64,127
<b>NET ASSETS - End of Year</b>	<b>\$ 68,270,807</b>	<b>\$ 73,880,955</b>	<b>\$ 139,345,220</b>	<b>\$ 139,273,221</b>	<b>\$ 207,616,027</b>	<b>\$ 213,154,176</b>

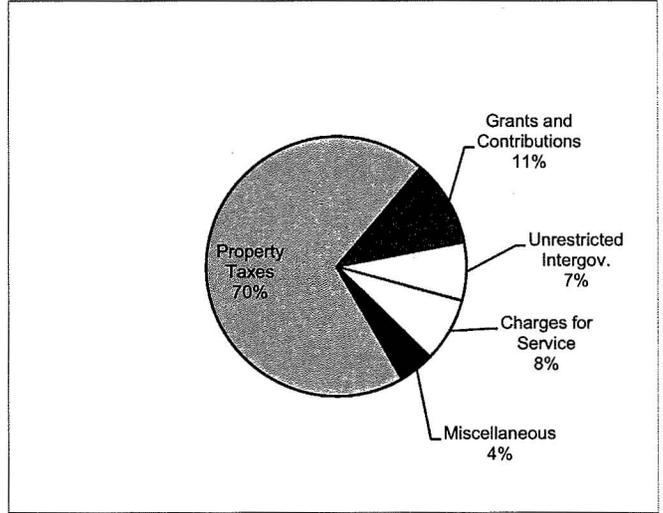
An examination of the statement of activities can provide a concise picture of how the various activities of the City are funded. The following pie charts draw data from the statement of activities. For governmental services, the City is highly dependent upon property taxes for funding, deriving 71% in 2009 and 70% in 2008 of its revenue from this single source. Operating and capital grants and contributions along with unrestricted intergovernmental revenues comprise another 17% in 2009 and 18% in 2008. Charges for services increased to 9% of revenues in 2009 from 8% in 2008.

**Governmental Activities**  
Revenues by Source

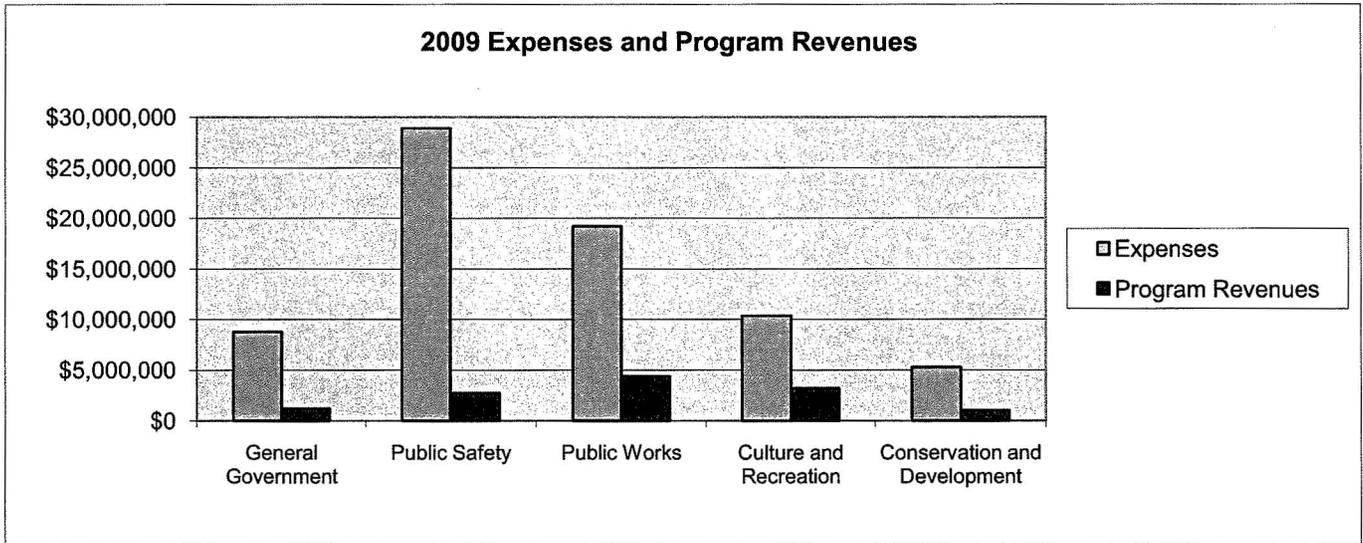
2009



2008

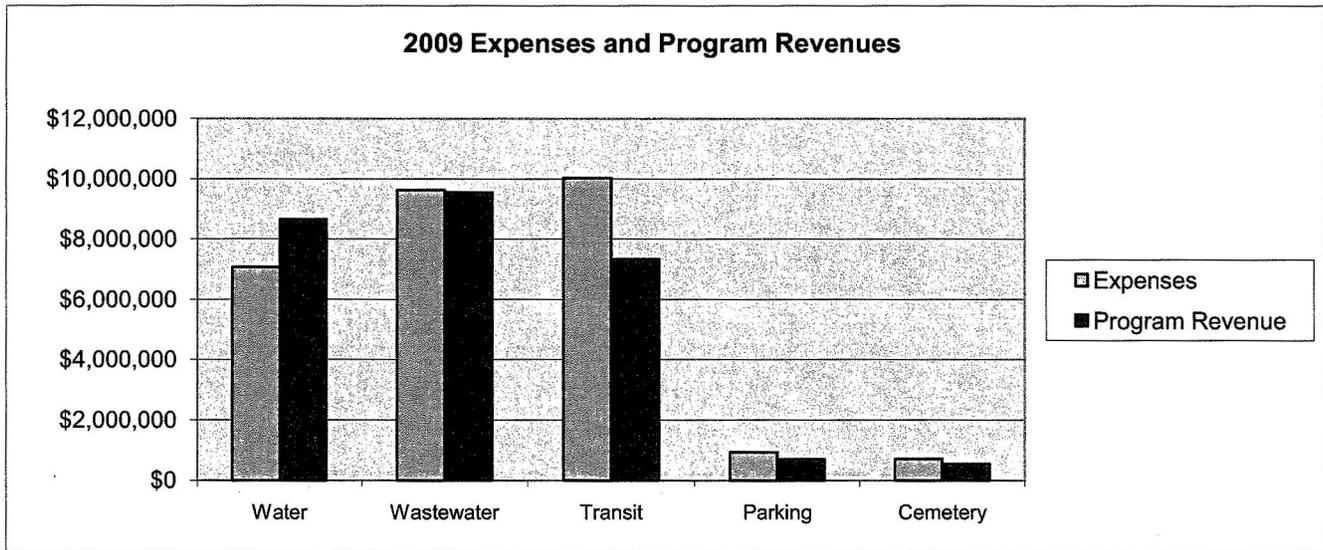
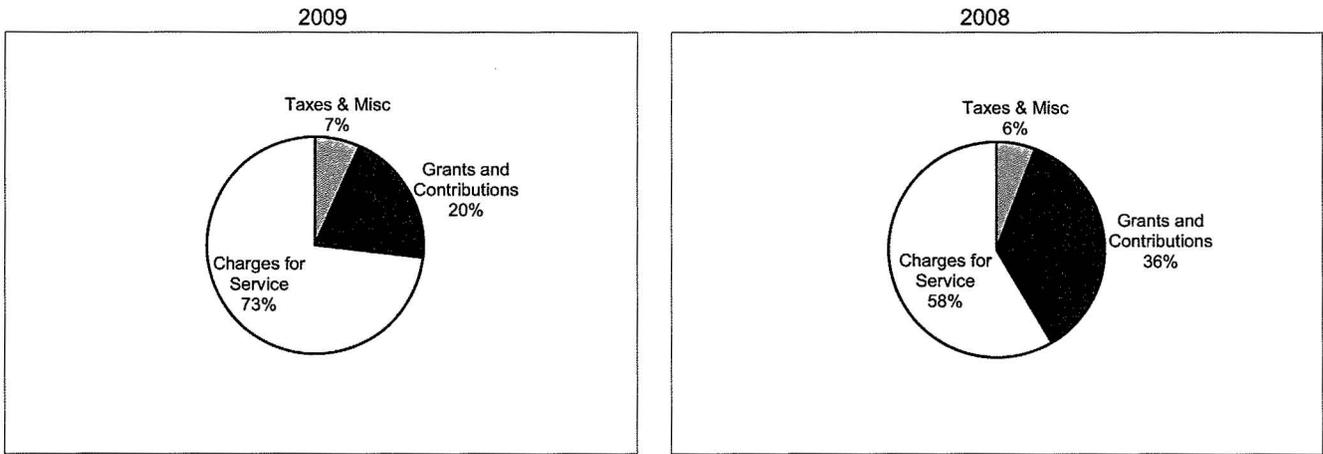


**2009 Expenses and Program Revenues**



In the case of business-type activities, the data shows a considerably different picture. Charges for services (73% 2009, 58% 2008) 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 20% in 2009 and 36% in 2008 of business type revenues. Changes in the amount of developer contributions from year to year account for most of the changes in revenue percentages.

**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, 2009, the City of Waukesha's governmental funds reported combined ending fund balances of approximately \$22 million, a decrease of \$3.76 million from the previous year. This was from spending to construct or acquire capital assets from funds accumulated in the previous year. Of the total fund balance for 2009, \$8.66 million is reserved for specific legal requirements and other commitments, leaving total unreserved governmental fund balances of \$13.7 million available for spending at the discretion of the City's common council. This is a decrease of \$4.7 million from 2008 as a result of capital spending.

General Fund: The general fund is the primary governmental fund of the city. As of December 31, 2009 the fund balance for the general fund was approximately \$9.98 million. This is an increase of \$1.1 million over the ending fund balance from the previous year. The increase was the result of favorable operations during the year.

With the economic slow down that took place early in 2009, the city moved to slow expenditures with the anticipation that certain revenues would most likely be reduced. A hiring freeze for non-public safety positions was instituted during the first quarter of the year along with warnings on discretionary spending. Revenues such as building permits, interest income, room taxes and other public charges for services were expected to be much lower than budgeted. In addition to the savings realized by the measures mentioned above, the City saw large savings in fuel costs as the price of gasoline and diesel remained low throughout the year. The City also saw favorable variances in other revenues that were not directly tied to the economy.

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 2009 was \$795,292. This was a decrease of \$42,221 from the 2008 balance. The City had budgeted for a \$104,172 reduction of the fund balance.

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 nine open tax incremental districts of the city. The TIF debt service fund balance fell in aggregate by \$348,430 from the previous year to a deficit balance of \$229,530. The decrease was due to incremental tax revenues not keeping pace with debt service.

Other Governmental Funds: 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 \$4.5 million during 2009 primarily as a result of expenditures for capital construction or acquisition of assets.

### **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 2009 totaled \$139 million, which is the same as what it was at the end of last year. The combined increase in net assets for 2009 was \$71,999.

The net assets of the City's internal service-type proprietary funds fell during the year by \$322,013. The decrease was attributable to the City's self insured health insurance program. Claims exceeded revenues during the year by \$379,926.

### **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 2009 general fund budget authorized expenditures and transfers out of approximately \$55.4 million, funded by anticipated revenues and transfers in of \$55.4 million. During the year, the Common Council increased expenditure appropriations by \$485,739 to accommodate carryovers from the previous year, payment of a tax refund settlement and additional capital grants. The revenue budget was increased by \$444,657 for a short term loan to fund a tax refund and additional revenues associated with new grants.

The City ended the year with a favorable general fund budget variance for expenses and an unfavorable one for revenues . Revenues were \$75,719 or 0.136% below the final amended budget while expenditures came in \$1.2 million or 2% below the final budget amount. Overall the General Fund ended the year on a positive note, with revenues and transfers in exceeding expenditures and transfers out by \$1,117,558.

Despite the overall slowdown of the local and national economy during 2009 the general fund of the city had a positive year. As mentioned earlier in this document the city enacted several measures in the first quarter of 2009 to keep expenditures down. In addition to that we experienced favorable variances in several expense categories. The price of gasoline and diesel fell dramatically at the very end of 2008 and remained reasonable during 2009. This was not anticipated during the formulation of the 2009 budget. The positive variation in general property taxes of \$302,523 was due to lower diesel costs for the city's transit utility which returned unspent tax levy funds back to the general fund. This along with other higher than anticipated revenues (Intergovernmental aids and Interdepartmental charges) were almost enough to cover the expected shortfalls in economically sensitive revenues (Room tax, building permits, engineering inspection fees and interest income).

## 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. 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, 2009 totaled over \$298 million.

Total accumulated depreciation at the end of the year was \$199.8 million, or approximately 40% of the historical asset cost.

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

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$ 27,326,729	\$ 25,945,460	\$ 2,933,098	\$ 2,975,579	\$ 30,259,827	\$ 28,921,039
Improvements	\$ 5,154,145	\$ 4,829,444			\$ 5,154,145	\$ 4,829,444
Buildings	\$ 51,690,282	\$ 50,315,315	\$ 74,328,792	\$ 75,431,606	\$ 126,019,074	\$ 125,746,921
Machinery and Equipment	\$ 37,314,997	\$ 35,897,374	\$ 46,265,420	\$ 44,963,815	\$ 83,580,417	\$ 80,861,189
Infrastructure	\$ 155,443,488	\$ 149,773,676	\$ 94,133,603	\$ 88,791,132	\$ 249,577,091	\$ 238,564,808
Construction in Progress	\$ 522,762	\$ 1,070,015	\$ 2,810,659	\$ 3,922,357	\$ 3,333,421	\$ 4,992,372
Sub-total	\$ 277,452,403	\$ 267,831,284	\$ 220,471,572	\$ 216,084,489	\$ 497,923,975	\$ 483,915,773
Less: Accumulated Depreciation	\$ (127,044,378)	\$ (114,897,464)	\$ (72,740,956)	\$ (69,736,642)	\$ (199,785,334)	\$ (184,634,106)
Net Capital Assets	\$ 150,408,025	\$ 152,933,820	\$ 147,730,616	\$ 146,347,847	\$ 298,138,641	\$ 299,281,667

Some of the most significant additions to the City's capital assets during 2009 included:

• Acquisition land for redevelopment	\$0.85 million
• Library Children's Services Addition	\$1.38 million
• Street network additions	\$5.6 million
• Traffic Signal Additions	\$1.1 million
• Water mains and distribution assets	\$5.2 million
• Sanitary sewer collection system additions	\$0.8 million
• Sanitary Sewer Plant Electrical System Upgrade	\$1.3 million
• Fleet and heavy Equipment	\$0.7 million

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

### Long-Term Debt

On December 31, 2009, the City of Waukesha had \$121,300,228 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>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
	General Obligation Bonds and Notes	\$ 95,804,000	\$ 97,877,992	\$ 6,141,602	\$ 4,578,599	\$ 101,945,602
Revenue Bonds	\$ -	\$ -	\$ 19,354,626	\$ 23,031,571	\$ 19,354,626	\$ 23,031,571
Total	\$ 95,804,000	\$ 97,877,992	\$ 25,496,228	\$ 27,610,170	\$ 121,300,228	\$ 125,488,162

It is anticipated that the outstanding bond anticipation notes will be refinanced with long-term bonds sometime over the next two 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. The net applicable debt of the City totaled \$101,090,056 which is 33% of the maximum legal limit of \$305,106,135. This is an increase of 5% of maximum legal limit over 2008. Part of the increase was due to the fact that the City's equalized property values fell for the first time in over 30 years by 1.9%. During 2009, the City issued new debt for the following amounts and purposes:

#### City of Waukesha, Wisconsin Long-Term Debt Issued during 2009

<u>Date</u>	<u>Type of Debt</u>	<u>Amount</u>	<u>Moody's Rating</u>
07/07/2009	General Obligation Promissory Notes	\$ 6,980,000	Aa2
07/07/2009	General Obligation Refunding Bonds	\$ 6,260,000	Aa2
07/07/2009	Taxable General Obligation Refunding Bonds	\$ 1,865,000	Aa2
		\$ 15,105,000	

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

## **CURRENTLY KNOWN FACTS**

The adoption of the 2010 general fund budget resulted in an expenditure increase of 3.47% over the previous year. The general fund property tax levy increased by 6.09%, while other revenue sources declined by 2.2%. A large portion of the reduction in other revenue is a result of reduced interest income and declining aids from the State of Wisconsin. The tax levy increase for all funds in 2010 was 6.42%, however the assessed tax rate increased by only 1.34%.

During the early part of 2010, the City settled all of its union contracts for the next three years. The contracts all call for a wage freeze during 2010 and an increase of 1% on January 1st and July 1st for 2011 and 2012. The contracts also call for increases in health insurance premium contributions from employees over the life of the contract.

During 2010, Waukesha Electric Systems is planning a \$70 million dollar expansion to their existing manufacturing plant in the city. The City plans to create a new tax incremental district for the expansion and contribute \$9 million dollars towards the project. The new facility will be used to manufacture large electrical transformers and is expected to create around 250 new jobs once full production begins.

## **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](mailto:Finance@ci.waukesha.wi.us).

## **BASIC FINANCIAL STATEMENTS**

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**CITY OF WAUKESHA, WISCONSIN**  
**Statement of Net Assets**  
**December 31, 2009**

	Primary Government			Component Units
	Governmental Activities	Business- Type Activities	Totals	
<b>ASSETS</b>				
Cash and investments	\$ 89,780,593	\$ 4,503,831	\$ 94,284,424	\$ 1,523,461
Receivables (net of allowance for uncollectibles)				
Taxes	63,675,063	-	63,675,063	22,942
Accounts	911,981	6,384,893	7,296,874	48,148
Special assessments	112,268	-	112,268	141,934
Accrued interest	27,923	-	27,923	7,138
Long-Term loans	4,995,852	-	4,995,852	-
Prepaid items and inventories	480,142	1,370,633	1,850,775	28,292
Other assets	309,961	660,743	970,704	-
Internal balances	169,585	(169,585)	-	-
Due from other governmental units	1,439,485	-	1,439,485	-
Restricted Assets				
Cash and investments	1,895,062	8,606,588	10,501,650	714,354
Interest receivable	-	330	330	-
Advances	(1,672,023)	1,672,023	-	-
Capital Assets				
Land	27,326,729	2,933,098	30,259,827	1,950,378
Construction in progress	522,762	2,810,659	3,333,421	-
Buildings	51,690,282	214,727,815	266,418,097	13,533,776
Improvements other than buildings	5,154,145	-	5,154,145	1,219,532
Machinery and equipment	37,314,997	-	37,314,997	294,478
Infrastructure	155,443,488	-	155,443,488	-
Less: Accumulated depreciation	(127,044,378)	(72,740,956)	(199,785,334)	(9,628,865)
<b>Total Assets</b>	<b>312,533,917</b>	<b>170,760,072</b>	<b>483,293,989</b>	<b>9,855,568</b>
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	5,836,216	5,087,536	10,923,752	68,493
Due to other governmental units	74,408,040	-	74,408,040	95,870
Unearned revenues	56,545,913	325,475	56,871,388	203,565
Deposits	312,489	33,480	345,969	-
Liabilities payable from restricted assets				
Tenant deposits	-	-	-	131,989
Noncurrent Liabilities				
Due within one year	11,343,744	4,457,643	15,801,387	-
Due in more than one year	95,816,708	21,510,718	117,327,426	-
<b>Total Liabilities</b>	<b>244,263,110</b>	<b>31,414,852</b>	<b>275,677,962</b>	<b>499,917</b>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	70,596,955	124,139,736	194,736,691	7,369,299
Restricted				
Debt service	394,400	2,758,964	3,153,364	-
Impact fees	610,619	-	610,619	-
Collateral on short-term credit agreement	-	-	-	550,000
Housing assistance payments	-	-	-	32,365
Trust donations	371,849	-	371,849	-
Library	157,343	-	157,343	-
Cemetery	1,731,661	-	1,731,661	-
Equipment replacement	-	4,235,970	4,235,970	-
Unrestricted (deficit)	(5,592,020)	8,210,550	2,618,530	1,403,987
<b>TOTAL NET ASSETS</b>	<b>\$ 68,270,807</b>	<b>\$ 139,345,220</b>	<b>\$ 207,616,027</b>	<b>\$ 9,355,651</b>

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

**CITY OF WAUKESHA, WISCONSIN**  
**Statement of Activities**  
**Year Ended December 31, 2009**

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government</b>				
Governmental Activities				
General government	\$ 8,756,841	\$ 1,205,679	\$ -	\$ -
Public safety	28,903,936	1,974,351	626,056	114,683
Highways and streets	16,737,532	1,198,782	2,652,451	316,682
Sanitation	2,463,240	11,152	219,005	-
Culture and recreation	10,378,229	1,934,872	1,230,736	15,669
Conservation and development	5,274,651	163,315	-	850,000
Interest and fiscal charges	4,143,242	-	-	-
<b>Total Governmental Activities</b>	<b>76,657,671</b>	<b>6,488,151</b>	<b>4,728,248</b>	<b>1,297,034</b>
Business-type Activities				
Water Utility	7,063,897	8,301,523	-	342,226
Wastewater Utility	9,627,296	9,544,590	-	-
Transit System Utility	10,031,069	1,917,247	5,258,616	158,384
Parking Utility	929,691	699,123	-	-
Cemetery	713,019	545,209	-	-
<b>Total Business-type Activities</b>	<b>28,364,972</b>	<b>21,007,692</b>	<b>5,258,616</b>	<b>500,610</b>
<b>Total Primary Government</b>	<b>\$ 105,022,643</b>	<b>\$ 27,495,843</b>	<b>\$ 9,986,864</b>	<b>\$ 1,797,644</b>
<b>Component Units</b>				
Business Improvement District	\$ 255,019	\$ 234,090	\$ -	\$ -
Housing Authority of the City of Waukesha	6,214,739	962,368	4,331,523	-
<b>Total Component Units</b>	<b>\$ 6,469,758</b>	<b>\$ 1,196,458</b>	<b>\$ 4,331,523</b>	<b>\$ -</b>

**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

Transfers

Total General Revenue and Transfers

Change in Net Assets

NET ASSETS - Beginning of Year (as restated)

NET ASSETS - End of Year

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

Government Activities	Business-type Activities	Totals	Component Units
\$ (7,551,162)	\$ -	\$ (7,551,162)	\$ -
(26,188,846)	-	(26,188,846)	-
(12,569,617)	-	(12,569,617)	-
(2,233,083)	-	(2,233,083)	-
(7,196,952)	-	(7,196,952)	-
(4,261,336)	-	(4,261,336)	-
(4,143,242)	-	(4,143,242)	-
(64,144,238)	-	(64,144,238)	-
-	1,579,852	1,579,852	-
-	(82,706)	(82,706)	-
-	(2,696,822)	(2,696,822)	-
-	(230,568)	(230,568)	-
-	(167,810)	(167,810)	-
-	(1,598,054)	(1,598,054)	-
(64,144,238)	(1,598,054)	(65,742,292)	-
-	-	-	(20,929)
-	-	-	(920,848)
-	-	-	(941,777)
38,222,646	1,798,409	40,021,055	-
11,689,230	-	11,689,230	-
212,420	-	212,420	-
1,612,652	-	1,612,652	-
5,673,564	-	5,673,564	-
733,155	134,914	868,069	30,285
125,940	1,213	127,153	85,332
264,483	(264,483)	-	-
58,534,090	1,670,053	60,204,143	115,617
(5,610,148)	71,999	(5,538,149)	(826,160)
73,880,955	139,273,221	213,154,176	10,181,811
\$ 68,270,807	\$ 139,345,220	\$ 207,616,027	\$ 9,355,651

**CITY OF WAUKESHA, WISCONSIN**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2009**

	General	Debt Service - General	Debt Service- TIF Districts	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and investments	\$ 72,824,012	\$ 460,655	\$ 698,595	\$ 13,546,052	\$ 87,529,314
Receivables					
Taxes	50,802,119	9,882,649	2,990,295	-	63,675,063
Accounts	764,678	-	1,881	106,583	873,142
Special assessments	-	-	-	112,268	112,268
Loans	-	335,000	-	4,660,852	4,995,852
Accrued interest	25,493	-	-	2,430	27,923
Other	-	-	-	-	-
Due from other governmental units	1,419,756	-	-	19,731	1,439,487
Due from other funds	1,838,409	-	-	-	1,838,409
Inventories	231,511	-	-	-	231,511
Prepaid items	129,715	-	-	61,615	191,330
<b>TOTAL ASSETS</b>	<b>\$ 128,035,693</b>	<b>\$ 10,678,304</b>	<b>\$ 3,690,771</b>	<b>\$ 18,509,531</b>	<b>\$ 160,914,299</b>
<b>LIABILITIES AND FUND BALANCE</b>					
Liabilities					
Accounts payable	\$ 778,612	\$ 363	\$ 470	\$ 1,185,111	\$ 1,964,556
Other accrued liabilities	1,254,518	-	-	3,261	1,257,779
Compensated absences	591,063	-	-	-	591,063
Due to other governmental units	74,408,040	-	-	-	74,408,040
Due to other funds	644,158	-	929,455	70,157	1,643,770
Deposits	40,913	-	-	271,576	312,489
Advance due to other funds	-	-	-	1,672,023	1,672,023
Deferred revenue	40,340,049	9,882,649	2,990,376	3,482,146	56,695,220
<b>Total Liabilities</b>	<b>118,057,353</b>	<b>9,883,012</b>	<b>3,920,301</b>	<b>6,684,274</b>	<b>138,544,940</b>
Fund Balances (Deficit)					
Reserved	361,226	795,292	-	7,277,347	8,433,865
Designated	229,530	-	-	-	229,530
Unreserved and undesignated, reported in:					
General Fund	9,387,584	-	-	-	9,387,584
Debt Service Fund	-	-	(229,530)	-	(229,530)
Special Revenue Funds	-	-	-	737,376	737,376
Capital Projects Funds	-	-	-	3,810,534	3,810,534
<b>Total Fund Balances (Deficit)</b>	<b>9,978,340</b>	<b>795,292</b>	<b>(229,530)</b>	<b>11,825,257</b>	<b>22,369,359</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 128,035,693</b>	<b>\$ 10,678,304</b>	<b>\$ 3,690,771</b>	<b>\$ 18,509,531</b>	<b>\$ 160,914,299</b>

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

CITY OF WAUKESHA, WISCONSIN  
 Balance Sheet  
 Governmental Funds  
 December 31, 2009

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

Fund balance from previous page:		\$ 22,369,359
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds (less internal service fund assets of \$204,000)		150,204,027
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 and grant drawdowns		149,307
Internal service funds are reported in the statement of net assets as governmental funds		3,716,803
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	\$ (95,804,000)	
Accrued interest	(1,318,198)	
Compensated absences	(6,514,321)	
OPEB liability	(3,324,500)	
Long-term disability payable	(548,714)	
Issuance costs on debt issued	309,961	
(Premium)/discount on debt issued	(968,917)	
	(108,168,689)	
<b>NET ASSETS OF GOVERNMENTAL ACTIVITIES</b>		<b><u>\$ 68,270,807</u></b>

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, 2009**

	General	Debt Service- General	Debt Service - TIF Districts	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Taxes	\$ 39,013,429	\$ 8,833,716	\$ 2,855,514	\$ 228,307	\$ 50,930,966
Intergovernmental	9,016,216	15,669	43,089	2,462,026	11,537,000
Licenses and permits	1,714,429	-	-	520	1,714,949
Fines, forfeitures and penalties	571,463	-	-	32,180	603,643
Public charges for services	2,571,627	-	-	1,167,283	3,738,910
Interdepartment charges	1,153,811	-	-	-	1,153,811
Special assessments	-	-	2,014	112,406	114,420
Investment income	273,758	28,074	3,874	428,861	734,567
Miscellaneous	145,838	-	-	299,530	445,368
<b>Total Revenues</b>	<b>54,460,571</b>	<b>8,877,459</b>	<b>2,904,491</b>	<b>4,731,113</b>	<b>70,973,634</b>
<b>EXPENDITURES</b>					
Current					
General government	7,509,390	-	18,680	30,062	7,558,132
Public safety	27,364,367	-	-	68,545	27,432,912
Highways and streets	8,175,127	-	-	-	8,175,127
Sanitation	2,477,748	-	-	10,025	2,487,773
Culture and recreation	8,806,412	-	-	754,407	9,560,819
Conservation and development	-	-	-	394,962	394,962
Capital Outlay	-	-	-	13,065,183	13,065,183
Debt Service					
Principal retirement	-	6,282,419	3,090,000	-	9,372,419
Interest and fiscal charges	-	2,568,196	1,600,420	-	4,168,616
<b>Total Expenditures</b>	<b>54,333,044</b>	<b>8,850,615</b>	<b>4,709,100</b>	<b>14,323,184</b>	<b>82,215,943</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	127,527	26,844	(1,804,609)	(9,592,071)	(11,242,309)
<b>OTHER FINANCING SOURCES (USES)</b>					
Long-term debt issued	350,854	6,260,000	1,865,000	4,900,000	13,375,854
Premium on bonds	-	96,791	13,640	39,971	150,402
Payment to refunding escrow agent	-	(6,257,625)	-	-	(6,257,625)
Sale of City property	-	-	-	75,585	75,585
Transfers in	1,032,017	302,195	78,726	639,330	2,052,268
Transfers out	(392,840)	(470,426)	(501,187)	(546,330)	(1,910,783)
<b>Total Other Financing Sources (Uses)</b>	<b>990,031</b>	<b>(69,065)</b>	<b>1,456,179</b>	<b>5,108,556</b>	<b>7,485,701</b>
<b>Net Changes in Fund Balances</b>	<b>1,117,558</b>	<b>(42,221)</b>	<b>(348,430)</b>	<b>(4,483,515)</b>	<b>(3,756,608)</b>
<b>FUND BALANCES - Beginning of Year</b>	<b>8,860,782</b>	<b>837,513</b>	<b>118,900</b>	<b>16,308,772</b>	<b>26,125,967</b>
<b>FUND BALANCES - End of Year</b>	<b>\$ 9,978,340</b>	<b>\$ 795,292</b>	<b>\$ (229,530)</b>	<b>\$ 11,825,257</b>	<b>\$ 22,369,359</b>

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, 2009**

Net change in fund balances - from previous page \$ (3,756,608)

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	\$ 13,065,183	
Some capital outlay is not capitalized	(1,732,924)	
Depreciation reported in the government-wide statements	(13,863,371)	
Capital assets contributed	198,652	
Net book value of assets retired	<u>(190,003)</u>	(2,522,463)

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. (18,232)

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	\$(13,375,854)	
Principal repaid	<u>15,449,846</u>	2,073,992

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	\$ 534,673	
Long-term disability	20,144	
OPEB liability	(1,504,750)	
Accrued interest on debt	<u>(96,845)</u>	(1,046,778)

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	\$ (4,100)	
Amortization	<u>(13,946)</u>	(18,046)

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. (322,013)

**CHANGES IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ (5,610,148)**

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, 2009**

	Business-type Enterprise Funds		
	Water Utility	Wastewater Utility	Transit System Utility
<b>ASSETS</b>			
Current Assets			
Cash and investments	\$ 2,100,857	\$ 1,845,276	\$ -
Restricted Assets			
Redemption account	446,231	-	-
Accounts receivable	2,797,088	525,915	1,333,521
Unbilled revenue	1,171,117	-	-
Due from other funds	-	2,117,894	644,155
Inventories	338,862	-	110,995
Prepaid items	90,958	1,866	61,884
Total Current Assets	<u>6,945,113</u>	<u>4,490,951</u>	<u>2,150,555</u>
Noncurrent Assets			
Restricted Assets			
Revenue bond redemption	-	2,041,830	-
Revenue bond reserve	1,391,094	-	-
Depreciation	491,463	-	-
Equipment replacement	-	4,235,970	-
Interest receivable	-	330	-
Total Restricted Assets	<u>1,882,557</u>	<u>6,278,130</u>	<u>-</u>
Utility Plant			
Land	455,569	31,107	1,683,701
Utility plant in service (at cost)	88,870,303	93,053,755	21,280,735
Construction work in progress	2,771,159	39,500	-
Total Utility Plant	<u>92,097,031</u>	<u>93,124,362</u>	<u>22,964,436</u>
Equipment	-	-	-
Less: Accumulated depreciation	(21,422,247)	(37,518,756)	(8,632,131)
Net Plant/Equipment	<u>70,674,784</u>	<u>55,605,606</u>	<u>14,332,305</u>
Other Assets			
Preliminary survey and investigation	546,909	-	-
Unamortized debt issuance costs	45,396	19,841	-
Advance to other funds	-	1,672,023	-
Total Other Assets	<u>592,305</u>	<u>1,691,864</u>	<u>-</u>
Total Noncurrent Assets	<u>73,149,646</u>	<u>63,575,600</u>	<u>14,332,305</u>
Total Assets	<u>80,094,759</u>	<u>68,066,551</u>	<u>16,482,860</u>

(Continued)

			Governmental Activities - Internal Service Funds
Parking Utility	Non-Major Prairie Home Cemetery	Totals	
\$ 232,906	\$ 324,792	\$ 4,503,831	\$ 4,146,341
-	-	446,231	-
33,590	523,662	5,213,776	38,839
-	-	1,171,117	-
-	-	2,762,049	-
-	765,459	1,215,316	14,525
609	-	155,317	42,776
267,105	1,613,913	15,467,637	4,242,481
-	-	2,041,830	-
-	-	1,391,094	-
-	-	491,463	-
-	-	4,235,970	-
-	-	330	-
-	-	8,160,687	-
668,744	93,977	2,933,098	-
10,936,640	586,382	214,727,815	-
-	-	2,810,659	-
11,605,384	680,359	220,471,572	-
-	-	-	285,286
(4,784,506)	(383,316)	(72,740,956)	(81,286)
6,820,878	297,043	147,730,616	204,000
-	-	546,909	-
31,008	17,589	113,834	-
-	-	1,672,023	-
31,008	17,589	2,332,766	-
6,851,886	314,632	158,224,069	204,000
7,118,991	1,928,545	173,691,706	4,446,481

**CITY OF WAUKESHA, WISCONSIN**  
**Statement of Net Assets (Continued)**  
**Proprietary Funds**  
**December 31, 2009**

	Business-type Enterprise Funds		
	Water Utility	Wastewater Utility	Transit System Utility
<b>LIABILITIES</b>			
Current Liabilities			
Accounts payable	851,582	373,779	676,415
Accrued liabilities	768,086	30,841	119,854
Claims payable	-	-	-
Accrued interest	-	-	-
Current portion of long-term debt	-	3,214,209	-
Due to other funds	2,117,894	-	-
Unearned revenue	-	-	-
Compensated absences	88,864	566,538	336,902
Other current liabilities	-	-	629,687
Current liabilities payable from restricted assets			
Current portion of revenue bonds	920,000	-	-
Accrued interest	145,385	75,505	-
<b>Total Current Liabilities</b>	<b>4,891,811</b>	<b>4,260,872</b>	<b>1,762,858</b>
Noncurrent Liabilities			
Revenue bonds	12,305,000	3,129,202	-
Unamortized debt (discount)/premium	66,940	29,459	-
Customer advances for construction	33,480	-	-
OPEB liability	172,303	87,560	-
General obligation debt	-	2,340,985	-
<b>Total Noncurrent Liabilities</b>	<b>12,577,723</b>	<b>5,587,206</b>	<b>-</b>
<b>Total Liabilities</b>	<b>17,469,534</b>	<b>9,848,078</b>	<b>1,762,858</b>
<b>NET ASSETS</b>			
Invested in capital assets net of related debt	58,819,334	46,911,592	14,332,305
Restricted For:			
Equipment replacement	-	4,235,970	-
Debt service	792,309	1,966,655	-
Unpaid claims and restricted deposits	-	-	-
Unrestricted (Deficit)	3,013,582	5,104,256	387,697
<b>TOTAL NET ASSETS</b>	<b>\$ 62,625,225</b>	<b>\$ 58,218,473</b>	<b>\$ 14,720,002</b>

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

Parking Utility	Non-Major Prairie Home Cemetery	Totals	Governmental Activities Internal Service Funds
43,795	195,743	2,141,314	712
1,130	4,858	924,769	-
-	-	-	676,749
33,134	8,242	41,376	-
280,860	42,574	3,537,643	-
-	813,740	2,931,634	25,054
-	325,475	325,475	-
58,527	78,669	1,129,500	27,163
-	-	629,687	-
-	-	920,000	-
-	-	220,890	-
417,446	1,469,301	12,802,288	729,678
-	-	15,434,202	-
104,503	11,367	212,269	-
-	-	33,480	-
-	-	259,863	-
2,704,650	558,749	5,604,384	-
2,809,153	570,116	21,544,198	-
3,226,599	2,039,417	34,346,486	729,678
3,761,873	314,632	124,139,736	204,000
-	-	4,235,970	-
-	-	2,758,964	-
-	-	-	3,361,243
130,519	(425,504)	8,210,550	151,560
\$ 3,892,392	\$ (110,872)	\$ 139,345,220	\$ 3,716,803

**CITY OF WAUKESHA, WISCONSIN**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Proprietary Funds**  
**Year Ended December 31, 2009**

	Business-type Enterprise Funds		
	Water Utility	Wastewater Utility	Transit System Utility
<b>OPERATING REVENUES</b>			
Charges for services	\$ 7,947,522	\$ 9,489,941	\$ 1,750,180
Parking fines	-	-	-
Sales of crypts and niches	-	-	-
Sales of lots	-	-	-
Other revenue	354,001	54,649	167,067
Total Operating Revenues	<u>8,301,523</u>	<u>9,544,590</u>	<u>1,917,247</u>
<b>OPERATING EXPENSES</b>			
Operation and maintenance	4,641,544	6,834,003	8,914,796
Depreciation	1,954,104	2,446,131	1,112,413
Total Operating Expenses	<u>6,595,648</u>	<u>9,280,134</u>	<u>10,027,209</u>
Operating Income (Loss)	<u>1,705,875</u>	<u>264,456</u>	<u>(8,109,962)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment income (loss)	35,587	102,690	-
Miscellaneous	(15,056)	5,923	-
Interest and fiscal charges	(452,401)	(353,085)	-
General property taxes	-	-	1,798,409
Amortization of debt discount	(792)	-	-
Sale of capital assets	-	1,100	(3,860)
Intergovernmental revenue	-	-	5,258,616
Total Nonoperating	<u>(432,662)</u>	<u>(243,372)</u>	<u>7,053,165</u>
Income (Loss) Before Transfers and Contributions	<u>1,273,213</u>	<u>21,084</u>	<u>(1,056,797)</u>
Transfers in	-	39,112	-
Transfers out	(972,370)	-	(59,476)
Capital contributions	342,226	-	145,602
Capital contributions - municipality	-	-	12,782
	<u>(630,144)</u>	<u>39,112</u>	<u>98,908</u>
Changes in Net Assets	643,069	60,196	(957,889)
<b>TOTAL NET ASSETS - Beginning of Year (as restated)</b>	<u>61,982,156</u>	<u>58,158,277</u>	<u>15,677,891</u>
<b>TOTAL NET ASSETS - End of Year</b>	<u>\$ 62,625,225</u>	<u>\$ 58,218,473</u>	<u>\$ 14,720,002</u>

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

			Governmental Activities - Internal Service Funds
Parking Utility	Nonmajor Prairie Home Cemetery	Totals Current Year	
\$ 281,441	\$ 241,015	\$ 19,710,099	\$ 10,025,607
417,682	-	417,682	-
-	122,044	122,044	-
-	112,342	112,342	-
-	69,808	645,525	310,258
699,123	545,209	21,007,692	10,335,865
534,249	660,698	21,585,290	10,747,037
277,150	25,925	5,815,723	33,838
811,399	686,623	27,401,013	10,780,875
(112,276)	(141,414)	(6,393,321)	(445,010)
1,582	(4,945)	134,914	-
-	-	(9,133)	-
(118,292)	(26,396)	(950,174)	-
-	-	1,798,409	-
-	-	(792)	-
93	20	(2,647)	-
-	-	5,258,616	-
(116,617)	(31,321)	6,229,193	-
(228,893)	(172,735)	(164,128)	(445,010)
400,000	328,251	767,363	122,997
-	-	(1,031,846)	-
-	-	487,828	-
-	-	12,782	-
400,000	328,251	236,127	122,997
171,107	155,516	71,999	(322,013)
3,721,285	(266,388)	139,273,221	4,038,816
\$ 3,892,392	\$ (110,872)	\$ 139,345,220	\$ 3,716,803

CITY OF WAUKESHA, WISCONSIN  
Statement of Cash Flows  
Proprietary Funds  
Year Ended December 31, 2009

	Business-type Enterprise Funds		
	Water Utility	Wastewater Utility	Transit System Utility
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers	\$ 8,312,343	\$ 8,815,432	\$ 1,619,117
Cash received from interfund services provided	-	-	-
Cash paid to suppliers for goods and services	(2,483,891)	(4,856,085)	(6,566,735)
Cash payments to employees	(1,889,621)	(1,988,554)	(2,233,945)
Net Cash Flows From Operating Activities	<u>3,938,831</u>	<u>1,970,793</u>	<u>(7,181,563)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>			
General property taxes	-	-	975,668
Operating grants received	-	-	6,298,579
Repayments of advances	-	26,065	-
Tax equivalent paid	(942,317)	-	(59,476)
Transfers in	-	39,112	-
Net Cash Flows From Non-Capital Financing Activities	<u>(942,317)</u>	<u>65,177</u>	<u>7,214,771</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment income (loss)	<u>35,587</u>	<u>152,270</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Debt issued	-	2,080,000	-
Principal payments	(800,000)	(3,080,041)	-
Interest paid	(699,308)	(353,891)	-
Debt issuance costs	-	(20,828)	-
Salvage on retirement of plant	135,276	-	-
Capital contributions	628,461	647,315	91,207
Acquisition and construction of capital assets	(5,631,717)	(2,227,275)	(124,415)
Net Cash Flows From Capital and Financing Activities	<u>(6,367,288)</u>	<u>(2,954,720)</u>	<u>(33,208)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>(3,335,187)</u>	<u>(766,480)</u>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS - Beginning of Year</b>	<u>7,764,832</u>	<u>8,889,556</u>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS - End of Year</b>	<u>\$ 4,429,645</u>	<u>\$ 8,123,076</u>	<u>\$ -</u>

(Continued)

	Parking Utility	Nonmajor Prairie Home Cemetery	Totals	Governmental Activities - Internal Service Funds
\$	669,098	\$ 439,717	\$ 19,855,707	\$ -
	-	-	-	10,341,456
	(397,311)	(490,734)	(14,794,756)	(10,770,866)
	(115,090)	(71,223)	(6,298,433)	(46,638)
	156,697	(122,240)	(1,237,482)	(476,048)
	-	-	975,668	-
	-	-	6,298,579	-
	-	-	26,065	-
	-	-	(1,001,793)	-
	400,000	328,251	767,363	122,997
	400,000	328,251	7,065,882	122,997
	1,582	(4,945)	184,494	42
	-	-	2,080,000	-
	(271,453)	(42,447)	(4,193,941)	-
	(119,594)	(26,845)	(1,199,638)	-
	3,793	2,502	(14,533)	-
	-	-	135,276	-
	-	-	1,366,983	-
	(29,033)	(68,825)	(8,081,265)	(51,857)
	(416,287)	(135,615)	(9,907,118)	(51,857)
	141,992	65,451	(3,894,224)	(404,866)
	90,914	259,341	17,004,643	4,551,207
\$	232,906	\$ 324,792	\$ 13,110,419	\$ 4,146,341

CITY OF WAUKESHA, WISCONSIN  
Statement of Cash Flows  
Proprietary Funds (Continued)  
Year Ended December 31, 2009

	Business - Type Enterprise Funds		
	Water Utility	Wastewater Utility	Transit System Utility
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ 1,705,875	\$ 264,456	\$ (8,109,962)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities			
Nonoperating income			
Miscellaneous	(15,056)	7,023	-
Depreciation	1,954,104	2,446,131	1,112,413
Depreciation charged to operating accounts	258,559	-	-
Changes in Assets and Liabilities			
Accounts receivable	(154,656)	(148,153)	18,861
Due from other funds	-	(617,487)	(316,991)
Inventories	18,538	-	(4,212)
Prepaid items	(2,313)	(1,866)	(6,579)
Deferred debits	-	64,877	-
Accounts payable	(45,557)	(127,392)	86,872
Unearned revenue	-	-	-
Due to other funds	165,355	-	6,180
Customer deposits	(42,330)	-	-
OPEB liability	172,303	47,927	-
Other current liabilities	(75,991)	35,277	31,855
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>\$ 3,938,831</b>	<b>\$ 1,970,793</b>	<b>\$ (7,181,563)</b>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET ASSETS - PROPRIETARY FUNDS</b>			
Cash and investments	\$ 2,100,857	\$ 1,845,276	\$ -
Restricted cash and investments	2,328,788	6,277,800	-
<b>CASH AND CASH EQUIVALENTS END OF YEAR</b>	<b>\$ 4,429,645</b>	<b>\$ 8,123,076</b>	<b>\$ -</b>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>			
Contributed property and equipment	\$ 15,702	\$ -	\$ -
Interest and taxes charged to construction	\$ 150,090	\$ -	\$ -

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

Parking Utility	Non-Major Prairie Home Cemetery	Totals Current Year	Governmental Activities - Internal Service Funds
\$ (112,276)	\$ (141,414)	\$ (6,393,321)	\$ (445,010)
-	-	(8,033)	-
277,150	25,925	5,815,723	33,838
-	300	258,859	-
(9,706)	(159,886)	(453,540)	5,633
-	-	(934,478)	-
-	50,881	65,207	4,572
(609)	-	(11,367)	(41,431)
-	-	64,877	-
33,512	39,342	(13,223)	480
(20,412)	(1,895)	(22,307)	-
-	-	171,535	(34,957)
-	-	(42,330)	-
-	-	220,230	-
(10,962)	64,507	44,686	827
\$ 156,697	\$ (122,240)	\$ (1,237,482)	\$ (476,048)
\$ 232,906	\$ 324,792	\$ 4,503,831	\$ 4,146,341
-	-	8,606,588	-
\$ 232,906	\$ 324,792	\$ 13,110,419	\$ 4,146,341
\$ -	\$ -	\$ 15,702	\$ -
\$ -	\$ -	\$ 150,090	\$ -

**CITY OF WAUKESHA, WISCONSIN**  
**Statement of Net Assets**  
**Component Units**  
**December 31, 2009**

	Business Improvement District	Housing Authority of the City of Waukesha	Totals
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 171,948	\$ 775,966	\$ 947,914
Investments	-	575,547	575,547
Receivables			
Taxes	22,942	-	22,942
Special assessments	141,934	-	141,934
Tenant	-	24,974	24,974
Other	-	23,174	23,174
Prepaid items	-	28,292	28,292
Accrued interest	-	7,138	7,138
Restricted assets - cash and cash equivalents	-	164,354	164,354
Total Current Assets	<u>336,824</u>	<u>1,599,445</u>	<u>1,936,269</u>
<b>Noncurrent Assets</b>			
Restricted assets			
Investments	-	550,000	550,000
Capital Assets			
Land	-	1,950,378	1,950,378
Buildings	-	13,533,776	13,533,776
Furniture, equipment and machinery			
Dwellings	-	75,111	75,111
Administrative	-	219,367	219,367
Leasehold improvements	-	1,219,532	1,219,532
Accumulated depreciation	-	(9,628,865)	(9,628,865)
Total Noncurrent Assets	<u>-</u>	<u>7,919,299</u>	<u>7,919,299</u>
<b>TOTAL ASSETS</b>	<u>\$ 336,824</u>	<u>\$ 9,518,744</u>	<u>\$ 9,855,568</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable	\$ -	\$ 44,917	\$ 44,917
Accrued wages	-	16,466	16,466
Accrued compensated absences	-	6,908	6,908
Intergovernmental payables	-	95,870	95,870
Unearned revenue	193,325	10,240	203,565
Other current liabilities	-	202	202
Liabilities payable from restricted assets - tenant deposits	-	131,989	131,989
Total Current Liabilities	<u>193,325</u>	<u>306,592</u>	<u>499,917</u>
<b>NET ASSETS</b>			
Invested in capital assets net of related debt	-	7,369,299	7,369,299
Restricted for collateral on short-term credit agreement	-	550,000	550,000
Restricted for housing assistance payments	-	32,365	32,365
Unrestricted	143,499	1,260,488	1,403,987
Total Net Assets	<u>143,499</u>	<u>9,212,152</u>	<u>9,355,651</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 336,824</u>	<u>\$ 9,518,744</u>	<u>\$ 9,855,568</u>

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 Units  
Year Ended December 31, 2009

	Business Improvement District	Housing Authority of the City of Waukesha	Totals
<b>OPERATING REVENUES</b>			
Taxes	\$ 23,410	\$ -	\$ 23,410
Special assessments	139,986	-	139,986
Dwelling rental	-	944,953	944,953
Tenant revenue - other	-	17,415	17,415
Grants and donations	69,325	-	69,325
Miscellaneous	1,369	-	1,369
Total Operating Revenues	<u>234,090</u>	<u>962,368</u>	<u>1,196,458</u>
<b>OPERATING EXPENSES</b>			
Operation and maintenance	<u>255,019</u>	<u>6,214,739</u>	<u>6,469,758</u>
Operating Income (Loss)	<u>(20,929)</u>	<u>(5,252,371)</u>	<u>(5,273,300)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment income	2,707	27,578	30,285
HUD grants	-	4,331,523	4,331,523
Fraud recovery	-	200	200
Miscellaneous	(718)	85,850	85,132
Total Nonoperating Revenue (Expenses)	<u>1,989</u>	<u>4,445,151</u>	<u>4,447,140</u>
Changes in Net Assets	(18,940)	(807,220)	(826,160)
NET ASSETS - Beginning of Year	<u>162,439</u>	<u>10,019,372</u>	<u>10,181,811</u>
NET ASSETS - End of Year	<u>\$ 143,499</u>	<u>\$ 9,212,152</u>	<u>\$ 9,355,651</u>

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

# CITY OF WAUKESHA, WISCONSIN

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# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS

December 31, 2009

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### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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The accounting policies of the City of Waukesha, Wisconsin, Wisconsin conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

#### **A. REPORTING ENTITY**

This report includes all of the funds of the City of Waukesha, Wisconsin. The reporting entity for the City consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable for the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) The primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities, are, in substance, part of the government's operations and are reported with similar funds of the primary government. The discretely presented component units are reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that they are legally separate from the primary government.

#### ***Discretely Presented Component Units***

##### *Housing Authority of the City of Waukesha*

The government-wide financial statements include the Housing Authority of the City of Waukesha ("Housing Authority") as a component unit. The Housing Authority is a legally separate organization. The board of the Housing Authority is appointed by the mayor and city common council. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the Housing Authority, and also create a potential financial benefit to or burden on the City. See Note III.I. As a component unit, the Housing Authority's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended September 30, 2009. Separately issued financial statements of the Housing Authority of the City of Waukesha may be obtained from the Housing Authority's office.

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS

December 31, 2009

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### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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#### **A. REPORTING ENTITY (cont.)**

##### ***Discretely Presented Component Units (cont.)***

###### ***Business Improvement District (BID)***

The government-wide financial statements include the Business Improvement District (BID) ("BID") as a component unit. The BID is a legally separate organization. The board of the BID is appointed by the city common council. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the BID, and also create a potential financial benefit to or burden on the City. See Note III.I. As a component unit, the BID's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended December 31, 2009. Separately issued financial statements of the Business Improvement District (BID) may be obtained from the BID's office.

#### **B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

##### ***Government-Wide Financial Statements***

The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. 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 or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The City does not allocate indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

##### ***Fund Financial Statements***

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

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS December 31, 2009

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### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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#### ***B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)***

##### ***Fund Financial Statements (cont.)***

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

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

Separate financial statements are provided for governmental funds and proprietary 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 - accounts for the city's primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.

General Debt service fund - accounts for resources accumulated and payments made for principal and interest on long-term debt other than TID or enterprise fund debt.

TIF Debt service funds - accounts for resources accumulated and payments made for principal and interest on long-term debt other than principal and interest payments on TID debt.

The City reports the following major enterprise funds:

Water Utility - accounts for operations of the water system.

Sewer Utility - accounts for operations of the sewer system.

Transit Utility - accounts for the operations of the transit system.

Parking Utility Fund - accounts for operations of the parking facilities.

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS

December 31, 2009

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### *B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)*

##### *Fund Financial Statements (cont.)*

The City reports the following non-major governmental and enterprise funds:

Special Revenue Funds - used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Lighted Dome	Lead Abatement Grant
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 Grant
Park Development Impact Fees	Park and Recreation Sponsorship Program
Library Cafe	Home Rental Rehab
Energy Rental Rehab	Cemetery Trust Fund C
Crime Prevention Grant	Confiscated Property
Paramedics	Cable TV Franchise Fees
WP&L	Byrne/Stimulus Grant
YWCA Stimulus Grant	

Capital Projects Funds - used to account for financial resources to be used for the acquisition or construction of equipment and/or major capital facilities.

General Improvement Fund	Public Works Improvements
Municipal Facilities	Fleet Replacement
TIF Districts Nos. 9- 18	

Permanent Funds - used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry.

Cemetery Lot Maintenance	Cemetery Specific Endowment
Cemetery Trust Fund K	Library Endowment
H.B. Mills Recreation	

Enterprise Fund - may be used to report any activity for which a fee is charged to external uses for goods or services, and must be used for activities which meet certain debt or cost recovery criteria.

Prairie Home Cemetery

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS

December 31, 2009

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### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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#### ***B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)***

##### ***Fund Financial Statements (cont.)***

In addition, the City reports the following fund types:

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis.

- Printing Fund
- Dental/Vision/Life Insurance
- Health Insurance
- Property and Liability Insurance

#### ***C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION***

##### ***Government-Wide Financial Statements***

The government-wide statement of net assets and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and unearned revenue. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

The business-type activities follow all pronouncements of the Governmental Accounting Standards Board, and have elected not to follow Financial Accounting Standards Board pronouncements issued after November 30, 1989.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water, wastewater, transit system, parking and prairie home cemetery and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS December 31, 2009

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### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

---

#### ***C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)***

##### ***Fund Financial Statements***

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used 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 are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

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

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

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

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

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

Proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS

December 31, 2009

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### *C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)*

##### *Fund Financial Statements (cont.)*

The enterprise funds follow all pronouncements of the Governmental Accounting Standards Board, and have elected not to follow Financial Accounting Standards Board pronouncements issued after November 30, 1989. The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water, wastewater, transit system, parking utilities and prairie home cemetery are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

##### *All Financial Statements*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

#### *D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY*

##### *1. Deposits and Investments*

For purposes of the statement of cash flows, the City considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

Investment of City funds is restricted by Wisconsin state statutes. Available investments are limited to:

- a. Time deposits in any credit union, bank, savings bank or trust company maturing in three years or less.
- b. Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, or by the University of Wisconsin Hospitals and Clinics Authority.
- c. Bonds or securities issued or guaranteed by the federal government.
- d. The local government investment pool.

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS December 31, 2009

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### *D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)*

##### *1. Deposits and Investments (cont.)*

- e. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- f. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- g. Repurchase agreements with public depositories, with certain conditions.

The City has adopted an investment policy. That policy follows the state statute for allowable investments.

No policy exists for the following risks:

- Custodial credit risk
- Interest rate risk
- Concentration of credit risk
- Investments highly sensitive to interest rate changes
- Foreign currency risk

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

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, 2009, the fair value of the City's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note III. A. for further information.

##### *2. Receivables*

Property taxes are levied in December on the assessed value as of the prior January 1. In addition to property taxes for the City, taxes are collected for and remitted to the state and county governments as well as the local school district and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as receivables and due to other taxing units on the accompanying general fund balance sheet.

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS December 31, 2009

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### *D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)*

##### *2. Receivables (cont.)*

Property tax calendar - 2009 tax roll:

Lien date and levy date	December 2009
Tax bills mailed	December 2009
Payment in full, or	January 31, 2010
First installment due	January 31, 2010
Second installment due	March 31, 2010
Third installment due	May 31, 2010
Personal property taxes in full	January 31, 2010
Tax sale - 2009 delinquent real estate taxes	October 2012

Accounts receivable have been shown net of an allowance for uncollectible accounts. Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net assets. Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as internal balances.

In the governmental fund financial statements, advances to other funds are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

The City has received federal and state grant funds for economic development and housing rehabilitation loan programs to various businesses and individuals. The City records a loan receivable when the loan has been made and funds have been disbursed. The amount recorded as economic development and housing rehabilitation loans receivable has not been reduced by an allowance for uncollectible accounts.

It is the City's policy to record deferred revenue for the net amount of the receivable balance. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year end are presented as designated fund balance in the fund financial statements.

##### *3. Inventories and Prepaid Items*

Governmental fund inventories, if material, are recorded at cost based on the FIFO method using the purchases method of accounting. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost based on weighted average, and charged to construction and/or operation and maintenance expense when used.

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS December 31, 2009

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### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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#### ***D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)***

##### ***3. Inventories and Prepaid Items (cont.)***

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

##### ***4. Restricted Assets***

Mandatory segregations of assets are 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.

##### ***5. Capital Assets***

###### ***Government-Wide Statements***

Capital assets, which include property, plant and equipment, and infrastructure are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general capital assets and \$25,000 for infrastructure assets, and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. No interest was capitalized during the current year. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS December 31, 2009

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### *D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)*

##### **5. Capital Assets (cont.)**

###### ***Government-Wide Statements (cont.)***

Buildings	20-70 Years
Land Improvements	20 Years
Machinery and Equipment	2-20 Years
Utility System	15-120 Years
Infrastructure	15-70 Years
Improvements other than buildings	20 Years

###### ***Fund Financial Statements***

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

##### **6. 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.

##### **7. Compensated Absences**

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, and are payable with expendable resources.

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, 2009, are determined on the basis of current salary rates and include salary related payments.

##### **8. Long-Term Obligations/Conduit Debt**

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of bonds payable and accrued compensated absences.

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS December 31, 2009

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### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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#### ***D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)***

##### ***8. Long-Term Obligations/Conduit Debt (cont.)***

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are deferred and amortized over the life of the issue using the effective interest method. Gains or losses on prior refundings are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter. The balance at year end for both premiums/discounts and gains/losses, as applicable, is shown as an increase or decrease in the liability section of the statement of net assets.

The City has approved the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the City. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of IRB's outstanding at the end of the year is approximately \$10,809,563, made up of 5 issues.

##### ***9. Claims and Judgments***

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. The liability for claims and judgments is only reported in governmental funds if it has matured. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. There were no significant claims or judgments at year end.

##### ***10. Equity Classifications***

###### ***Government-Wide Statements***

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

- a. Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets - Consists of net assets with constraints placed on their use either 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.

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS December 31, 2009

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### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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#### ***D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)***

##### **10. *Equity Classifications (cont.)***

###### ***Government-Wide Statements (cont.)***

- c. Unrestricted net assets - All other net assets that do not meet the definitions of "restricted" or "invested in capital assets, net of related debt."

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.

###### ***Fund Statements***

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved. Reserved fund balance is that portion of fund balance that is not available for the subsequent year's budget due to legal restrictions or resources which are not available for current spending. Unreserved fund balance includes funds set aside by management for specific uses, which are labeled "designated". The balance of unreserved fund balance is labeled "undesignated", which indicates it is available for appropriation. Proprietary fund equity is classified the same as in the government-wide statements.

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### **NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

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#### ***A. BUDGETARY INFORMATION***

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note I. C.

A budget has been adopted for the general fund, select special revenue funds, select debt service funds, and select capital projects funds. Budgets have not been formally adopted for all other funds. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

The budgeted amounts presented include any amendments made. The City may authorize transfers of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by a two-thirds council action.

Appropriations lapse at year end unless specifically carried over. Carryovers to the following year were \$142,819. Budgets are adopted at the department level of expenditure.

**CITY OF WAUKESHA, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

**NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)**

**B. EXCESS EXPENDITURES OVER APPROPRIATIONS**

<u>Funds</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
Special Revenue Fund - Festival and Special Activities	\$ 34,912	\$ 34,939	\$ 27
Special Revenue Fund - Park and Recreation Sponsorship Program	309,128	316,882	7,754
Special Revenue Fund - Crime Prevention Grant	-	16,103	16,103
Special Revenue Fund - Confiscated Property	-	28,304	28,304
Capital Projects Fund - TIF Districts No. 9 - 18	101,502	3,953,577	3,852,075

The City controls expenditures at the department level. Some individual departments experienced expenditures which exceeded appropriations. The detail of those items can be found in the City's year-end budget to actual report.

**C. DEFICIT BALANCES**

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

As of December 31, 2009, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
Debt Service - TIF Districts	\$ 229,530	Lack of increment
Byrne/Stimulus Grant	30,530	Capital outlay purchased not anticipated
Prairie Home Cemetery	110,872	Excess expenses over revenue in prior years

TIF district deficits are anticipated to be funded with future incremental taxes levied over the life of the districts, which is 27 years for the districts created before October 1, 1995, and 23 years for districts created thereafter through September 30, 2004. Beginning October 1, 2004, the life of new districts varies by type of district (20-27 years) and may be extended in some cases.

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS December 31, 2009

### **NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)**

#### ***D. LIMITATIONS ON THE CITY'S TAX LEVY***

As part of Wisconsin's Act 28 (2009), legislation was passed that limits the City's future tax levies. Generally the City is limited to its prior tax levy dollar amount (excluding TIF Districts), increased by the greater of the percentage change in the City's equalized value due to new construction or 3% for the 2009 levy collected in 2010 and 3% for the 2010 levy collected in 2011. Changes in debt service from one year to the next are generally exempt from this limit. The levy limit is set to expire after the 2010 levy.

### **NOTE III - DETAILED NOTES ON ALL FUNDS**

#### ***A. DEPOSITS AND INVESTMENTS***

The City's deposits and investments at year end were comprised of the following:

	Carrying Value	Statement Balances	Associated Risks
Demand Deposits	\$ 58,646,986	\$ 59,141,089	Custodial credit risk
Certificate of deposit	30,324	30,324	Custodial credit risk
Money markets	39,596	39,596	Custodial credit risk
Repurchase agreement	26,726,754	26,726,754	Custodial credit risk, credit risk, interest rate risk, concentration of credit risk, highly sensitive
US agencies	3,189,938	3,189,938	Custodial credit risk, credit risk, interest rate risk, highly sensitive
Equity securities/stocks	1,365,418	1,365,418	Custodial credit risk, concentration of credit risk
Mortgage backed securities	5,641,677	5,641,677	Custodial credit risk, credit risk, interest rate risk, concentration of credit risk, highly sensitive
Mutual funds	795,115	795,115	Credit risk, interest rate risk
LGIP	8,342,281	8,342,281	Credit risk, interest rate risk
Petty cash	7,985	-	N/A
Total Deposits and Investments	<b>\$104,786,074</b>	<b>\$105,272,192</b>	
Reconciliation to financial statements			
Per statement of net assets			
Unrestricted cash and investments	\$ 94,284,424		
Restricted cash and investments	10,501,650		
Total Deposits and Investments	<b>\$104,786,074</b>		

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS December 31, 2009

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### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

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#### A. DEPOSITS AND INVESTMENTS (cont.)

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for interest bearing accounts and unlimited amounts for noninterest bearing accounts.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may not be significant to individual municipalities. This coverage has not been considered in computing custodial credit risk.

The City maintains collateral agreements with its banks. At December 31, 2009, the banks had pledged various government securities in the amount of \$79,348,643 to secure the City's deposits.

#### ***Custodial Credit Risk***

##### **Deposits**

Custodial credit risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned to the City.

As of December 31, 2009, \$181,776 of the City's total bank balances were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ <u>181,776</u>
Total	\$ <u><u>181,776</u></u>

##### **Investments**

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

<u>US Agencies</u>	
Neither insured nor registered and held by counterparty	\$ <u>3,189,938</u>
<u>Equity securities/stocks</u>	
Neither insured nor registered and held by counterparty	\$ <u>1,365,418</u>
<u>Mortgage backed securities</u>	
Neither insured nor registered and held by counterparty	\$ <u>5,641,677</u>

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS December 31, 2009

### **NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

#### **A. DEPOSITS AND INVESTMENTS (cont.)**

##### ***Credit Risk***

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

As of December 31, 2009, the City's investments were rated as follows:

<u>Investment Type</u>	<u>Standard &amp; Poors</u>	<u>Moody's Investors Services</u>	<u>Not Rated</u>
US Agencies	AAA	AAA	
Mortgage back securities	AAA	Aaa	
Mutual funds			X
Repurchase agreement	Aaa	Aaa	

The City also held investments in the following external pools which are not rated:

Wisconsin Local Government Investment Pool (LGIP)

##### ***Concentration of Credit Risk***

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

At December 31, 2009, the investment portfolio was concentrated as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Percentage of Portfolio</u>
Various	Repurchase agreement	70.80%
Various	Mortgage backed securities	14.90%

##### ***Interest Rate Risk***

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of December 31, 2009, the City's investments were as follows:

**CITY OF WAUKESHA, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**A. DEPOSITS AND INVESTMENTS (cont.)**

**Interest Rate Risk (cont.)**

Investment Type	Fair Value	Maturity (In Years)		
		Less than 1	1 - 5	5 or more
US agencies	\$ 3,189,938	\$ -	\$ 3,189,938	\$ -
Mortgage backed securities	5,641,677	-	996,020	4,645,657
Mutual funds	795,115	-	477,775	317,340
Repurchase agreement	26,726,754	-	23,533,436	3,193,318
<b>Totals</b>	<b>\$ 36,353,484</b>	<b>\$ -</b>	<b>\$ 28,197,169</b>	<b>\$ 8,156,315</b>

Investment Type	Fair Value	Weighted Average Maturity (Days)
LGIP	\$ 8,342,281	88

**Investments Highly Sensitive to Interest Rate Changes**

At December 31, 2009, the City held \$5,641,677 in Mortgage backed securities which matures on a variety of dates, most in excess of ten years. These securities are subject to early payment in a period of declining interest rates. The resultant reduction in total cash flows affects the the fair value of these securities and makes the fair values of these securities highly sensitive to changes in interest rates. The market value of this investment at December 31, 2009, was \$5,641,677.

See Note I.D.1. for further information on deposit and investment policies.

**B. RECEIVABLES**

All of the receivables on the balance sheet are expected to be collected within one year.

**CITY OF WAUKESHA, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**B. RECEIVABLES (cont.)**

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. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

	Unavailable	Unearned	Totals
Property taxes receivable for subsequent year	\$ -	\$ 53,124,538	\$ 53,124,538
Special assessments not yet due	122,666	-	122,666
Grant drawdowns prior to meeting all eligibility requirements	26,641	-	26,641
Revenues received in advance	-	3,421,375	3,421,375
Total Deferred/Unearned Revenue for Governmental Funds	\$ 149,307	\$ 56,545,913	\$ 56,695,220

**C. RESTRICTED ASSETS**

The following represent the balances of the restricted assets:

***Long-Term Debt Accounts***

- Redemption - Used to segregate resources accumulated for debt service payments over the next twelve months.
- Reserve - Used to report resources set aside to make up potential future deficiencies in the redemption account.
- Depreciation - Used to report resources set aside to fund plant renewals and replacement or make up potential future deficiencies in the redemption account.

***Equipment Replacement Account***

The wastewater utility established an equipment replacement account to be used for significant mechanical equipment replacement as required by the Wisconsin Department of Natural Resources.

***Impact Fee Account***

The city has received impact fees which must be spent in accordance with the local ordinance and state statutes. Any unspent funds must be refunded to the current property owner.

**CITY OF WAUKESHA, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**C. RESTRICTED ASSETS (cont.)**

Following is a list of restricted assets at December 31, 2009:

	Restricted Assets	Liabilities Payable from Restricted Assets	Restricted Net Assets
Bond redemption account	\$ 2,488,391	\$ 220,890	\$ 2,267,501
Bond reserve account	1,391,094	1,391,094	
Bond depreciation account	491,463	-	491,463
Equipment replacement account	4,235,970	-	4,235,970
Impact fees	1,895,062	1,284,443	610,619
Total Restricted Assets	\$ 10,501,980	\$ 2,896,427	\$ 7,605,553

**CITY OF WAUKESHA, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**D. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2009, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
Capital assets not being depreciated				
Land	\$ 25,945,460	\$ 1,381,269	\$ -	\$ 27,326,729
Construction in progress	<u>1,070,015</u>	<u>150,799</u>	<u>698,052</u>	<u>522,762</u>
Total Capital Assets Not Being Depreciated	<u>27,015,475</u>	<u>1,532,068</u>	<u>698,052</u>	<u>27,849,491</u>
Capital assets being depreciated				
Buildings	50,315,315	1,374,967	-	51,690,282
Improvements other than buildings	4,829,444	324,701	-	5,154,145
Machinery and equipment	35,897,374	1,930,200	512,577	37,314,997
Infrastructure	<u>149,773,676</u>	<u>7,097,533</u>	<u>1,427,721</u>	<u>155,443,488</u>
Total Capital Assets Being Depreciated	<u>240,815,809</u>	<u>10,727,401</u>	<u>1,940,298</u>	<u>249,602,912</u>
Total Capital Assets	<u>267,831,284</u>	<u>12,259,469</u>	<u>2,638,350</u>	<u>277,452,403</u>
Less: Accumulated depreciation for				
Buildings	(14,621,875)	(1,118,163)	1,988	(15,738,050)
Improvements other than buildings	(2,078,108)	(202,377)	-	(2,280,485)
Machinery and equipment	(23,329,525)	(2,526,675)	451,112	(25,405,088)
Infrastructure	<u>(74,867,956)</u>	<u>(10,049,994)</u>	<u>1,297,195</u>	<u>(83,620,755)</u>
Total Accumulated Depreciation	<u>(114,897,464)</u>	<u>(13,897,209)</u>	<u>1,750,295</u>	<u>(127,044,378)</u>
Net Capital Assets Being Depreciated	<u>125,918,345</u>	<u>(3,169,808)</u>	<u>190,003</u>	<u>122,558,534</u>
Total Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 152,933,820</u>	<u>\$ (1,637,740)</u>	<u>\$ 888,055</u>	<u>\$ 150,408,025</u>

**CITY OF WAUKESHA, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**D. CAPITAL ASSETS (cont.)**

Depreciation expense was charged to functions as follows:

**Governmental Activities**

General Government	\$ 838,393
Public Safety	1,290,300
Public Works	539,372
Culture and Recreation	1,174,450
Infrastructure	10,049,994
Conservation and Development	<u>4,700</u>
Total Governmental Activities Depreciation Expense	<u><u>\$13,897,209</u></u>

**Business-type Activities**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<u>Water</u>				
Capital assets not being depreciated				
Land and land rights	\$ 454,725	\$ 844	\$ -	\$ 455,569
Construction in progress	<u>3,063,305</u>	<u>5,230,851</u>	<u>5,522,997</u>	<u>2,771,159</u>
Total Capital Assets Not Being Depreciated	<u>3,518,030</u>	<u>5,231,695</u>	<u>5,522,997</u>	<u>3,226,728</u>
Capital assets being depreciated				
Source of supply	1,619,735	1,782,561	-	3,402,296
Pumping	8,265,933	1,575,753	429,927	9,411,759
Water treatment	5,227,901	7,363	34,753	5,200,511
Transmission and distribution	65,959,247	1,818,674	1,969,178	65,808,743
General	<u>4,971,312</u>	<u>337,802</u>	<u>262,120</u>	<u>5,046,994</u>
Total Capital Assets Being Depreciated	<u>86,044,128</u>	<u>5,522,153</u>	<u>2,695,978</u>	<u>88,870,303</u>
Total Capital Assets	<u>89,562,158</u>	<u>10,753,848</u>	<u>8,218,975</u>	<u>92,097,031</u>
Less: Accumulated depreciation for				
Source of supply	(914,153)	(71,198)	-	(985,351)
Pumping	(2,644,679)	(477,218)	432,167	(2,689,730)
Water treatment	(473,838)	(228,347)	34,753	(667,432)
Transmission and distribution	(14,323,023)	(1,294,907)	1,969,180	(13,648,750)
General	<u>(3,416,834)</u>	<u>(276,272)</u>	<u>262,122</u>	<u>(3,430,984)</u>
Total Accumulated Depreciation	<u>(21,772,527)</u>	<u>(2,347,942)</u>	<u>2,698,222</u>	<u>(21,422,247)</u>
Net Capital Assets Being Depreciated	<u>64,271,601</u>	<u>3,174,211</u>	<u>(2,244)</u>	<u>67,448,056</u>
Net Water Plant	<u><u>\$ 67,789,631</u></u>	<u><u>\$ 8,405,906</u></u>	<u><u>\$ 5,520,753</u></u>	<u><u>\$ 70,674,784</u></u>

## CITY OF WAUKESHA, WISCONSIN

### NOTES TO FINANCIAL STATEMENTS December 31, 2009

#### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

#### D. CAPITAL ASSETS (cont.)

#### Business-type Activities (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
<i>Sewer</i>				
Capital assets not being depreciated				
Land	\$ 31,107	\$ -	\$ -	\$ 31,107
Construction in Progress	<u>859,052</u>	<u>-</u>	<u>819,552</u>	<u>39,500</u>
Total Capital Assets Not Being Depreciated	<u>890,159</u>	<u>-</u>	<u>819,552</u>	<u>70,607</u>
Capital assets being depreciated				
Buildings and improvements	45,329,996	789,655	-	46,119,651
Machinery and equipment	17,292,968	1,497,273	180,997	18,609,244
Infrastructure	<u>27,551,160</u>	<u>773,700</u>	<u>-</u>	<u>28,324,860</u>
Total Capital Assets Being Depreciated	<u>90,174,124</u>	<u>3,060,628</u>	<u>180,997</u>	<u>93,053,755</u>
Total Capital Assets	<u>91,064,283</u>	<u>3,060,628</u>	<u>1,000,549</u>	<u>93,124,362</u>
Less: Accumulated depreciation for				
Buildings and improvements	(16,097,483)	(1,007,157)	-	(17,104,640)
Machinery and equipment	(12,132,999)	(841,305)	167,195	(12,807,109)
Infrastructure	<u>(7,009,338)</u>	<u>(597,669)</u>	<u>-</u>	<u>(7,607,007)</u>
Total Accumulated Depreciation	<u>(35,239,820)</u>	<u>(2,446,131)</u>	<u>167,195</u>	<u>(37,518,756)</u>
Net Capital Assets Being Depreciated	<u>54,934,304</u>	<u>614,497</u>	<u>13,802</u>	<u>55,534,999</u>
Net Sewer Plant	<u>\$ 55,824,463</u>	<u>\$ 614,497</u>	<u>\$ 833,354</u>	<u>\$ 55,605,606</u>

**CITY OF WAUKESHA, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**D. CAPITAL ASSETS (cont.)**

**Business-type Activities (cont.)**

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Transit</u>				
Capital assets not being depreciated				
Land	\$ 1,683,701	\$ -	\$ -	\$ 1,683,701
Total Capital Assets Not Being Depreciated	1,683,701	-	-	1,683,701
Capital assets being depreciated				
Buildings and improvements	11,902,060	100,470	-	12,002,530
Machinery and equipment	9,569,199	51,614	342,608	9,278,205
Total Capital Assets Being Depreciated	21,471,259	152,084	342,608	21,280,735
Total Capital Assets	23,154,960	152,084	342,608	22,964,436
Less: Accumulated depreciation for				
Buildings and improvements	(2,304,046)	(353,876)	-	(2,657,922)
Machinery and equipment	(5,552,852)	(758,537)	337,180	(5,974,209)
Total Accumulated Depreciation	(7,856,898)	(1,112,413)	337,180	(8,632,131)
Net Capital Assets Being Depreciated	13,614,361	(960,329)	5,428	12,648,604
Net Transit Plant	\$ 15,298,062	\$ (960,329)	\$ 5,428	\$ 14,332,305

**CITY OF WAUKESHA, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**D. CAPITAL ASSETS (cont.)**

**Business-type Activities (cont.)**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<u>Parking</u>				
Capital assets not being depreciated				
Land	\$ 668,744	\$ -	\$ -	\$ 668,744
Total Capital Assets Not Being Depreciated	<u>668,744</u>	<u>-</u>	<u>-</u>	<u>668,744</u>
Capital assets being depreciated				
Buildings and improvements	10,580,937	-	-	10,580,937
Improvements other than buildings	290,947	-	-	290,947
Machinery and equipment	<u>35,724</u>	<u>29,032</u>	<u>-</u>	<u>64,756</u>
Total Capital Assets Being Depreciated	<u>10,907,608</u>	<u>29,032</u>	<u>-</u>	<u>10,936,640</u>
Total Capital Assets	<u>11,576,352</u>	<u>29,032</u>	<u>-</u>	<u>11,605,384</u>
Less: Accumulated depreciation for				
Buildings and improvements	(4,307,191)	(266,310)	-	(4,573,501)
Improvements other than buildings	(176,187)	(3,766)	-	(179,953)
Machinery and equipment	<u>(23,978)</u>	<u>(7,074)</u>	<u>-</u>	<u>(31,052)</u>
Total Accumulated Depreciation	<u>(4,507,356)</u>	<u>(277,150)</u>	<u>-</u>	<u>(4,784,506)</u>
Net Capital Assets Being Depreciated	<u>6,400,252</u>	<u>(248,118)</u>	<u>-</u>	<u>6,152,134</u>
Net Parking Plant	<u>\$ 7,068,996</u>	<u>\$ (248,118)</u>	<u>\$ -</u>	<u>\$ 6,820,878</u>

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS

December 31, 2009

### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

#### D. CAPITAL ASSETS (cont.)

#### Business-type Activities (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Cemetery</u>				
Capital assets not being depreciated				
Land	\$ 93,977	\$ -	\$ -	\$ 93,977
Total Capital Assets Not Being Depreciated	93,977	-	-	93,977
Capital assets being depreciated				
Buildings and improvements	144,056	-	-	144,056
Improvements other than buildings	143,677	-	-	143,677
Machinery and equipment	301,600	-	2,951	298,649
Total Capital Assets Being Depreciated	589,333	-	2,951	586,382
Total Capital Assets	683,310	-	2,951	680,359
Less: Accumulated depreciation for				
Buildings and improvements	(89,820)	(1,754)	-	(91,574)
Improvements other than buildings	(92,509)	(5,046)	-	(97,555)
Machinery and equipment	(177,711)	(19,125)	2,649	(194,187)
Total Accumulated Depreciation	(360,040)	(25,925)	2,649	(383,316)
Net Capital Assets Being Depreciated	229,293	(25,925)	302	203,066
Net Other Enterprise Plant	\$ 323,270	\$ (25,925)	\$ 302	\$ 297,043
Business-type Capital Assets, Net of Accumulated Depreciation	\$ 146,304,422	\$ 7,786,031	\$ 6,359,837	\$ 147,730,616

Depreciation expense was charged to functions as follows:

#### Business-type Activities

Water	\$ 2,347,942
Sewer	2,446,131
Transit	1,112,413
Parking	277,150
Cemetery	25,925

Total Business-type Activities Depreciation Expense \$ 6,209,561

**CITY OF WAUKESHA, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**D. CAPITAL ASSETS (cont.)**

Depreciation expense is different from additions because of joint metering, salvage cost of removal, internal allocations, and cost associated with the disposal of assets.

<b>Component Units</b>	<u>Beginning Balance</u>	<u>Adjustments</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets not being depreciated					
Land	\$ 1,875,378	\$ -	\$ 75,000	\$ -	\$ 1,950,378
Total Capital Assets Not Being Depreciated	<u>1,875,378</u>	<u>-</u>	<u>75,000</u>	<u>-</u>	<u>1,950,378</u>
Capital assets being depreciated					
Leasehold improvements	1,228,011	(11,121)	2,642	-	1,219,532
Buildings	13,394,421	11,121	128,234	-	13,533,776
Machinery and equipment	<u>286,847</u>	<u>-</u>	<u>7,631</u>	<u>-</u>	<u>294,478</u>
Total Capital Assets Being Depreciated	<u>14,909,279</u>	<u>-</u>	<u>138,507</u>	<u>-</u>	<u>15,047,786</u>
Total Capital Assets	<u>16,784,657</u>	<u>-</u>	<u>213,507</u>	<u>-</u>	<u>16,998,164</u>
Less: Accumulated depreciation for					
Leasehold improvements	(1,090,225)	-	(39,286)	-	(1,129,511)
Buildings	(7,720,783)	-	(519,334)	-	(8,240,117)
Machinery and equipment	<u>(242,457)</u>	<u>-</u>	<u>(16,780)</u>	<u>-</u>	<u>(259,237)</u>
Total Accumulated Depreciation	<u>(9,053,465)</u>	<u>-</u>	<u>(575,400)</u>	<u>-</u>	<u>(9,628,865)</u>
Net Capital Assets Being Depreciated	<u>5,855,814</u>	<u>-</u>	<u>(436,893)</u>	<u>-</u>	<u>5,418,921</u>
Total Component Units Capital Assets, Net of Accumulated Depreciation	<u>\$ 7,731,192</u>	<u>\$ -</u>	<u>\$ (361,893)</u>	<u>\$ -</u>	<u>\$ 7,369,299</u>

**CITY OF WAUKESHA, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

***E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS***

***Interfund Receivables/Payables***

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Amount Not Due Within One Year</u>
General Fund	Byrne/Stimulus Grant Fund	\$ 18,641	\$ -
General Fund	Prairie Home Cemetery Fund	813,740	-
General Fund	Insurance Funds	25,054	-
General Fund	TIF Debt Service Fund	929,458	-
General Fund	TIF Capital Projects Fund	51,516	-
Wastewater	Water	2,117,894	-
Transit Utility Fund	General Fund	<u>644,155</u>	-
Total - Fund Financial Statements		4,600,458	
Less: Fund eliminations		<u>(4,430,873)</u>	
Total Internal Balances - Government-Wide Statement of Net Assets		<u>\$ 169,585</u>	

The principal purpose of these interfunds is to clear any fund deficit. All remaining balances resulted 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.

For the statement of net assets, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated.

***Advances***

The wastewater utility has advanced funds to fleet replacement fund. No repayment schedule has been established.

The following is a schedule of interfund advances:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Amount Not Due Within One Year</u>
Wastewater Fund	Fleet Replacement	<u>\$ 1,672,023</u>	\$ 1,672,023
Total		<u>\$ 1,672,023</u>	

For the statement of net assets, interfund advances which are owed within the governmental activities or business-type activities are netted and eliminated.

**CITY OF WAUKESHA, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

***E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (cont.)***

***Transfers***

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
General Fund	Water Utility	\$ 1,031,846	Transfer for tax equivalent. Transfer of interest income
General Fund	H.B. Mills Trust	171	earned on donation.
Cable TV Fund	General Fund	44,138	Transfer for operations
Prairie Home Cemetery Festival and special activities fund	General Fund	210,704	Transfer for operations. Transfer of funds contributed by the city for winter activities.
Health insurance Fund	General Fund	15,000	Transfer for health insurance payments for retired employees.
Debt Service - General	Debt Service - TIFs	122,998	Transfer to close out fund.
Debt Service - General	Fleet replacement Fund	31,300	Transfer amount under budget for fire vehicle purchases.
Parking Fund	Debt Service - General	270,895	Transfer to pay for debt service costs.
Prairie Home Cemetery	Debt Service - General	400,000	Transfer to pay for debt service costs.
Debt Service - TIFs	Capital Projects - TIFs	70,426	Transfer of remaining amount in fund.
Capital Projects - TIFs	Debt Service TIF's	78,726	Transfer to close out fund.
Public works improvement fund	Public works impact fee fund	469,887	Transfer to recognize subdivider funds used for capital projects.
Wastewater treatment fund	Public works impact fee fund	99,574	Transfer for operations
Municipal improvements fund	Park development impact fees	39,112	Transfer to record use of parkland dedication funds.
Prairie Home Cemetery	Cemetery Trust Fund C Cemetery Lot	10,730	Transfer of investment income.
Prairie Home Cemetery	Maintenance Cemetery Specific	728	Transfer of investment income.
Prairie Home Cemetery	Endowment	21,533	Transfer of investment income.
Prairie Home Cemetery	Cemetery Trust Fund K	13,565	Transfer of investment income earned on donation.
Total - Fund Financial Statements		<u>11,296</u>	
		<u>2,942,629</u>	
Less: Fund eliminations		<u>(2,678,146)</u>	
Total Transfers - Government-Wide Statement of Activities		<u>\$ 264,483</u>	

CITY OF WAUKESHA, WISCONSIN

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

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**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

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*E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (cont.)*

*Transfers (cont.)*

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>
Governmental Activities	Business-type Activities	\$ 264,483
Business-type Activities	Governmental Activities	<u>(264,483)</u>
Total Government-wide Financial Statements		<u>\$ -</u>

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

For the statement of activities, interfund transfers within the governmental activities or business-type activities are netted and eliminated.

**CITY OF WAUKESHA, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**F. LONG-TERM OBLIGATIONS**

Long-term obligations activity for the year ended December 31, 2009, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<b>Governmental Activities</b>					
Bonds and Notes Payable					
General obligation debt	\$ 86,582,446	\$ 13,375,854	\$ 7,539,846	\$ 92,418,454	\$ 8,588,023
Note anticipation notes	10,440,000	-	7,910,000	2,530,000	-
Promissory note	855,546	-	-	855,546	-
Unamortized premium	996,501	150,712	178,296	968,917	187,335
Sub-totals	<u>98,874,493</u>	<u>13,526,566</u>	<u>15,628,142</u>	<u>96,772,917</u>	<u>8,775,358</u>
Other Liabilities					
Vested compensated absences	7,048,994	2,666,885	3,201,558	6,514,321	2,541,530
Long-term disability	568,858	-	20,144	548,714	26,856
OPEB liability	1,819,750	2,309,798	805,048	3,324,500	-
Total Other Liabilities	<u>9,437,602</u>	<u>4,976,683</u>	<u>4,026,750</u>	<u>10,387,535</u>	<u>2,568,386</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 108,312,095</u>	<u>\$ 18,503,249</u>	<u>\$ 19,654,892</u>	<u>\$ 107,160,452</u>	<u>\$ 11,343,744</u>
<b>Business-type Activities</b>					
Bonds and Notes Payable					
General obligation debt	\$ 4,578,599	\$ 2,080,000	\$ 516,997	\$ 6,141,602	\$ 537,219
Revenue bonds	23,031,571	-	3,676,945	19,354,626	3,920,424
Sub-totals	<u>27,610,170</u>	<u>2,080,000</u>	<u>4,193,942</u>	<u>25,496,228</u>	<u>4,457,643</u>
Other Liabilities					
OPEB liability	39,564	296,497	76,198	259,863	-
Total Other Liabilities	<u>39,564</u>	<u>296,497</u>	<u>76,198</u>	<u>259,863</u>	<u>-</u>
Total Business-type Activities Long-Term Liabilities	<u>\$ 27,649,734</u>	<u>\$ 2,376,497</u>	<u>\$ 4,270,140</u>	<u>\$ 25,756,091</u>	<u>\$ 4,457,643</u>

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed 5% of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2009, was \$305,106,135. Total general obligation debt outstanding at year end was \$101,090,056.

**CITY OF WAUKESHA, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

*F. LONG-TERM OBLIGATIONS (cont.)*

***General Obligation Debt***

All general obligation notes and bonds payable are backed by the full faith and credit of the City. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

Governmental Activities General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/09
GO Debt	3/15/01	10/1/17	4.125%- 5.00%	\$ 12,935,000	\$ 5,645,000
GO Debt	6/1/01	10/1/10	4.125%- 5.00%	6,715,000	1,480,000
GO Debt	6/1/01	10/1/20	4.125%- 5.00%	4,425,000	4,065,000
GO Debt	6/1/02	10/1/11	3.00%- 4.125%	4,835,000	1,785,000
GO Debt	3/1/03	10/1/12	2.50%- 4.00%	900,000	335,000
GO Debt	3/1/03	10/1/13	2.00%- 3.75%	3,085,000	1,390,000
GO Debt	1/28/04	3/15/23	5.25%	4,920,885	3,717,600
GO Debt	12/15/04	10/1/19	2.375%- 5.00%	21,925,000	14,710,000
GO Debt	7/1/04	10/1/10	3.50%- 4.00%	1,215,000	225,000
GO Debt	7/1/04	4/1/14	3.00%- 4.20%	2,750,000	1,645,000
GO Debt	12/15/04	10/1/18	3.10%- 4.10%	3,500,000	3,015,000

**CITY OF WAUKESHA, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

*F. LONG-TERM OBLIGATIONS (cont.)*

**General Obligation Debt (cont.)**

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/09</u>
Governmental Activities General Obligation Debt (cont.)					
GO Debt	4/1/05	4/1/16	3.50%- 5.00%	4,220,000	2,765,000
GO Debt	5/1/05	10/1/14	3.25%- 4.00%	4,770,000	3,405,000
GO Debt	5/1/05	10/1/23	3.625%- 4.375%	1,700,000	1,700,000
GO Debt	3/15/06	10/1/21	4.00%- 4.25%	8,900,000	7,920,000
GO Debt	6/30/06	10/1/15	4.00%- 4.50%	6,975,000	5,935,000
GO Debt	5/21/07	10/1/16	3.75%- 4.25%	7,950,000	7,325,000
GO Debt	5/21/07	10/1/21	4.00%- 4.75%	5,885,000	5,860,000
GO Debt	8/5/08	10/1/17	3.00%- 4.00%	2,310,000	2,260,000
GO Debt	8/5/08	10/1/17	4.65%- 5.40%	3,860,000	3,860,000
GO Debt	7/28/09	10/1/18	2.00%- 3.75%	6,980,000	4,900,000
GO Debt	7/28/09	10/1/23	3.50%- 4.10%	6,260,000	6,260,000
GO Debt	7/28/09	10/1/28	1.85%-6.1%	1,865,000	1,865,000
GO Debt	7/14/09	3/15/10	3.5%	350,854	350,854
 Total Governmental Activities - General Obligation Debt					<u>\$ 92,418,454</u>

**CITY OF WAUKESHA, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**F. LONG-TERM OBLIGATIONS (cont.)**

**General Obligation Debt (cont.)**

Business-type Activities General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/09
GO Debt	1/28/04	3/15/23	5.25% 3.00%-	\$ 4,920,885	\$ 356,602
GO Debt	4/1/05	4/1/16	5.00% 3.00%-	4,220,000	525,000
GO Debt	5/1/05	10/1/14	4.00% 2.00%-	4,770,000	25,000
GO Debt	12/15/04	10/1/19	5.00% 3.00%-	21,925,000	2,905,000
GO Debt	8/5/08	10/1/17	4.00% 4.125%-	2,310,000	50,000
GO Debt	6/1/01	10/1/10	5.00% 2.00%-	1,520,000	200,000
GO Debt	7/28/09	10/1/18	3.75%	6,980,000	<u>2,080,000</u>
Total Business-type Activities - General Obligation Debt					<u>\$ 6,141,602</u>

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt		Business-type Activities General Obligation Debt	
	Principal	Interest	Principal	Interest
2010	\$ 8,588,023	\$ 4,000,358	\$ 537,219	\$ 228,105
2011	9,530,446	3,570,162	2,429,672	200,553
2012	9,430,054	3,194,605	360,832	186,476
2013	9,751,247	2,813,381	377,024	129,908
2014	9,602,337	2,403,868	393,443	110,176
2015-2019	34,685,962	6,618,782	1,804,359	287,731
2020-2024	10,255,385	1,181,745	239,053	22,342
2025-2028	575,000	89,460	-	-
Totals	<u>\$ 92,418,454</u>	<u>\$ 23,872,361</u>	<u>\$ 6,141,602</u>	<u>\$ 1,165,291</u>

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS

December 31, 2009

### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

#### *F. LONG-TERM OBLIGATIONS (cont.)*

##### **Revenue Debt**

The city has pledged future water and wastewater revenues, net of specified operating expenses, to repay \$19,354,626 in revenue bonds issued in 1999-2008. Proceeds from the bonds provided financing for the capital projects and refunding of old revenue bonds. The bonds are payable solely from water and wastewater revenues and are payable through 2026. Annual principal and interest payments on the bonds are expected to require 13% of net revenues from water and 33% of net revenues from wastewater. The total principal and interest remaining to be paid on the bonds is \$24,504,298. Principal and interest paid for the current year and total customer net revenues were \$4,933,240 and \$6,508,842, respectively.

Revenue debt payable at December 31, 2009, consists of the following:

##### **Business-type Activities Revenue Debt**

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/09</u>
<u>Sewer Utility</u>					
Revenue Bond	3/8/99	5/1/11	4.29%	\$ 40,531,133	<u>\$ 6,129,626</u>
<u>Water Utility</u>					
Revenue Bond	6/1/01	10/1/15	4.00%- 4.88%	\$ 4,405,000	\$ 1,795,000
Revenue Bond	4/15/06	10/1/26	4.00%- 5.00%	7,865,000	6,600,000
Revenue Bond	4/22/08	10/1/22	3.00%- 4.375%	4,945,000	<u>4,830,000</u>
Total Business-type Activities Revenue Debt					<u><u>\$ 19,354,626</u></u>

**CITY OF WAUKESHA, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**F. LONG-TERM OBLIGATIONS (cont.)**

**Revenue Debt (cont.)**

Debt service requirements to maturity are as follows:

<u>Years</u>	Business-type Activities Revenue Debt	
	<u>Principal</u>	<u>Interest</u>
2010	\$ 3,920,424	\$ 780,233
2011	4,084,202	612,771
2012	990,000	508,094
2013	915,000	468,780
2014	955,000	430,732
2015-2019	3,950,000	1,569,730
2020-2024	3,505,000	701,082
2025-2026	1,035,000	78,250
Totals	<u>\$ 19,354,626</u>	<u>\$ 5,149,672</u>

**Note Anticipation Notes**

Note anticipation notes at December 31, 2009, consist of the following:

<u>Governmental Activities Note Anticipation Notes</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/09</u>
NAN	8/5/08	8/5/11	4.65%	\$ 2,530,000	\$ 2,530,000
Total Governmental Activities Note Anticipation Notes					<u>\$ 2,530,000</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	Governmental Activities Note Anticipation Notes	
	<u>Principal</u>	<u>Interest</u>
2010	\$ -	\$ 117,645
2011	<u>2,530,000</u>	<u>117,645</u>
Totals	<u>\$ 2,530,000</u>	<u>\$ 235,290</u>

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS December 31, 2009

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### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

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#### *F. LONG-TERM OBLIGATIONS (cont.)*

##### ***Other Debt Information***

Estimated payments of 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.

The city has entered into an agreement with a developer whereby the developer agrees to pay to 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 on the note outstanding as of December 31, 2009 is \$855,546.

There are a number of limitations and restrictions contained in the various bond indentures and loan agreements. The City believes it is in compliance with all significant limitations and restrictions, including federal arbitrage regulations.

##### ***Current Refunding***

On 7/28/2009, the City issued \$8,125,000 in general obligation bonds with an average interest rate of 4.75% to current refund \$7,910,000 of outstanding notes with an average interest rate of 3.62%. The net proceeds of \$7,963,659 (after payment of \$14,640 in underwriting fees, insurance and other issuance costs) were used to prepay the outstanding debt service requirements on the old bonds.

The cash flow requirements on the refunded bonds and notes prior to the current refunding was \$8,222,430 from 2007 through 2009. The cash flow requirements on the two refunding bonds are \$12,241,286 from 2009 through 2028. The current refunding resulted in an economic loss (difference between the present values of the debt service payments on the old and new debt). The refunding resulted in a loss due to the fact that the new debt is amortized over a longer period at a higher average interest rate than the old.

##### ***Bond Covenant Disclosures***

The following information is provided in compliance with the resolution creating the 2001-2008 revenue bonds:

##### ***Insurance***

The city is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets, errors and omissions, workers compensation, and health care of its employees. These risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded coverage in any of the last three years. There were no significant reductions in coverage compared to the prior year.

CITY OF WAUKESHA, WISCONSIN

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

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**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

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*F. LONG-TERM OBLIGATIONS (cont.)*

***Debt Coverage - Water***

Under terms of the resolutions providing for the issue of revenue bonds, revenues less operating expenses excluding depreciation (defined net earnings) must exceed 1.5 times the highest annual debt service of the bonds. The coverage only includes revenue debt and does not include general obligation or other debt. The coverage requirement was met in 2009 as follows:

	<u>2009</u>
Operating revenues	\$ 8,301,523
Investment income	35,587
Less: Operation and maintenance expenses	<u>(4,582,070)</u>
Net Defined Earnings	<u>\$ 3,755,040</u>
Minimum Required Earnings per Resolution:	
2001 revenue bonds subsequent year debt service	\$ 344,020
2006 revenue bonds subsequent year debt service	761,150
2008 revenue bonds subsequent year debt service	<u>396,369</u>
Subtotal	1,501,539
Coverage factor	<u>1.25</u>
Minimum Required Earnings	<u>\$ 1,876,924</u>
Actual Debt Coverage	<u>2.50</u>

**CITY OF WAUKESHA, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

*F. LONG-TERM OBLIGATIONS (cont.)*

***Debt Coverage - Wastewater***

Under terms of the resolutions providing for the issue of revenue bonds, revenues less operating expenses excluding depreciation (defined net earnings) must exceed 1.1 times the highest annual debt service of the bonds. The coverage only includes revenue debt and does not include general obligation or other debt. The coverage requirement was not met as follows:

	<u>2009</u>
Operating revenues	\$ 9,544,590
Investment income	102,690
Miscellaneous non-operating income	7,023
Less: Operation and maintenance expenses	<u>(6,834,003)</u>
 Net Defined Earnings	 <u>\$ 2,820,300</u>
 Minimum Required Earnings per Resolution:	
Highest annual debt service	\$ 3,199,119
Coverage factor	<u>1.10</u>
 Minimum Required Earnings	 <u>\$ 3,519,031</u>
 Actual Debt Coverage	 <u>0.88</u>

***Number of Customers - Water***

The utility has the following number of customers and billed volumes for 2009:

	<u>Customers</u>	<u>Sales (000 gals)</u>
	2009	2009
Residential	16,998	1,054,288
Commercial	2,261	806,736
Industrial	147	325,667
Public authority	<u>117</u>	<u>99,619</u>
 Totals	 <u>19,523</u>	 <u>2,286,310</u>

The city is not in compliance with the debt coverage ratio requirements for the wastewater utility. The city has raised the rates twice in the last two years however, customer revenues continue to fall short of projections with the remaining shortfall coming from lower than expected interest income, connection fees and special revenues. The slow down in construction and decrease in interest earnings has had a large impact on the utility. Rates were reviewed in late 2009 and have been increased in 2010 by an average of 2.18%. The city plans to evaluate the rates annually until the appropriate level of revenue is obtained.

**CITY OF WAUKESHA, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**G. NET ASSETS/FUND BALANCES**

Net assets reported on the government wide statement of net assets at December 31, 2009, includes the following:

***Governmental Activities***

Invested in Capital Assets, Net of Related Debt	
Land	\$ 27,326,729
Construction in progress	522,762
Buildings and Improvements	56,844,427
Machinery and Equipment	37,314,997
Infrastructure	155,443,488
Other capital assets, net of accumulated depreciation	(127,044,378)
Less: Long-term debt outstanding	(94,948,454)
Plus: Unspent capital related debt proceeds	3,218,313
Plus: Non-capital debt proceeds	12,578,027
Unamortized Debt Premium	(968,917)
Unamortized Discount	309,961
Total Invested in Capital Assets, Net of Related Debt	<u><u>70,596,955</u></u>

***Governmental Funds***

Governmental fund balances reported on the fund financial statements at December 31, 2009, include the following:

<b>Reserved</b>	
Major Funds	
General Fund	
Prepaid items	\$ 129,715
Inventories	<u>231,511</u>
Total	<u><u>\$ 361,226</u></u>
Debt Service Funds	
Reserved for debt service	<u>\$ 795,292</u>
Total	<u><u>\$ 795,292</u></u>

**CITY OF WAUKESHA, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**G. NET ASSETS/FUND BALANCES (cont.)**

**Governmental Funds (cont.)**

**Reserved (cont.)**

Non-Major Fund

Special Revenue Funds

Loans receivable	\$ 4,344,260
Prepaid items	9,558
Impact fees	<u>610,619</u>
Sub-Total	<u>4,964,437</u>

Capital Project Funds

Prepaid items	<u>52,057</u>
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Permanent Funds

Trust Donations	371,849
Library	157,343
Cemetery	<u>1,731,661</u>
Sub-Total	<u>2,260,853</u>

Total Non-Major Funds	<u><u>\$ 7,277,347</u></u>
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**Unreserved (designated)**

Major Funds

General Fund

Debt Service - TIF Districts	<u>\$ 229,530</u>
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Total	<u><u>\$ 229,530</u></u>
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**Unreserved (undesignated) (deficit)**

Major Funds

General fund

Debt Service - TIF Districts	<u>\$ 9,387,584</u> <u>(229,530)</u>
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Total	<u><u>\$ 9,158,054</u></u>
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CITY OF WAUKESHA, WISCONSIN

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

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**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

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**G. NET ASSETS/FUND BALANCES (cont.)**

**Governmental Funds (cont.)**

**Unreserved (deficit) (cont.)**

Non-Major Funds

Special Revenue Funds

Lighted dome	\$	6,521
Festival and special activities		5,545
Police crime prevention		3,221
Community development block grant		8,548
WHEDA loan program		26,733
Housing development grant		39,917
Public works DNR grant		10,955
Park and recreation sponsorship program		41,732
Library CAFE		51,580
Home rental rehab		18,556
Energy rental rehab		21,400
Cemetery Trust Fund C		32,391
Crime prevention fund		52
Confiscated property		240,280
Paramedics		7,980
WP&L		110,077
Lead abatement grant		142,418
Byrne/Stimulus grant		<u>(30,530)</u>

Total \$ 737,376

Capital Projects Funds

General improvement projects	\$	389,000
Public works improvements		1,241,408
Municipal facilities		539,743
Fleet replacement		680,736
TIF districts Nos. 9 -17		<u>959,647</u>

Total \$ 3,810,534

**CITY OF WAUKESHA, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**G. NET ASSETS/FUND BALANCES (cont.)**

***Business-type Activities***

Invested in capital assets, net of related debt	
Land	\$ 2,933,098
Construction in progress	2,810,659
Utility plant in service	214,727,815
Other capital assets, net of accumulated depreciation	(72,740,956)
Less: Long-term debt outstanding	(25,496,228)
Plus: Unspent capital related debt proceeds	1,391,093
Plus: Non-capital debt proceeds	601,323
Plus: Unamortized debt discount	113,834
Less: Unamortized premium	<u>(200,902)</u>
Total Invested in Capital Assets, Net of Related Debt	<u>124,139,736</u>
 Restricted	
Reserved for equipment replacement	4,235,970
Debt service	<u>2,758,964</u>
Total Restricted	<u>6,994,934</u>
 Unrestricted	<u>8,210,550</u>
 Total Business-type Activities Net Assets	<u>\$ 139,345,220</u>

**H. RESTATEMENT OF NET ASSETS**

Net assets has been restated due to additional revenue that was not properly recorded in the prior year.

Water Utility Net Assets - December 31, 2008 (as reported)	\$ 61,918,029
Add: Prior year revenue not recognized	<u>64,127</u>
Net Assets - January 1, 2009 (as restated)	<u>\$ 61,982,156</u>
 Statement of Activities - Business-Type Activities Net Assets - December 31, 2008 (as reported)	\$ 139,209,094
Add: Prior year revenue not recognized	<u>64,127</u>
Net Assets - January 1, 2009 (as restated)	<u>\$ 139,273,221</u>

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS

December 31, 2009

### **NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

#### *I. COMPONENT UNITS*

##### **HOUSING AUTHORITY OF THE CITY OF WAUKESHA**

This report contains the Housing Authority of the City of Waukesha (Housing Authority), which is included as a component unit. Financial information is presented as a discrete column in the statement of net assets and statement of activities.

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

#### a. Basis of Accounting/Measurement Focus

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

#### b. Deposits and Investments

	Carrying Value	Bank and Investment Balances	Associated Risks
Deposits	\$ 940,063	\$ 959,234	Custodial credit risk
Certificates of deposit	1,125,704	1,125,704	Custodial credit risk
Petty cash	100	-	
 Total Deposits and Investments	 \$ 2,065,867	 \$ 2,084,938	

#### ***Custodial Credit Risk***

##### **Deposits**

Custodial credit risk is the risk that in the event of a financial institution failure, the Housing Authority's deposits may not be returned to the Housing Authority.

The Housing Authority does not have any deposits exposed to custodial credit risk.

##### **Investments**

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Housing Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The Housing Authority does not have any investments exposed to custodial credit risk.

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS December 31, 2009

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### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

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#### *I. COMPONENT UNIT (cont.)*

##### *HOUSING AUTHORITY OF THE CITY OF WAUKESHA (cont.)*

##### b. Deposits and Investments (cont.)

The Authority has entered into a Public Deposits Security Agreement with Waukesha State Bank (Bank) which provides that the Bank will grant the Authority a security interest in certain collateral to secure payment of public deposits deposited in the Bank by the Authority to the extent the amount of such deposits exceeds federal deposit insurance plus \$400,000. The par (face) value and approximate market values of the securities held as collateral at September 30, 2009 was \$1,690,000 and \$1,841,534, respectively.

##### *BUSINESS IMPROVEMENT DISTRICT (BID)*

This report contains the Business Improvement District (BID), which is included as a component unit. Financial information is presented as a discrete column in the statement of net assets and statement of activities.

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

##### a. Basis of Accounting/Measurement Focus

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

##### b. Deposits and Investments

At year end, the carrying amount of the 's deposits was \$171,948 and is part of the City's commingled cash. See Note III. A.

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### NOTE IV - OTHER INFORMATION

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#### *A. EMPLOYEES' RETIREMENT SYSTEM*

All eligible City employees participate in the Wisconsin Retirement System (System), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS). All permanent employees expected to work over 600 hours a year are eligible to participate in the System. Covered employees in the General category are required by statute to contribute 5.9% of their salary (3.0% for Executives and Elected Officials, 5.0% for Protective Occupations with Social Security, and 3.2% for Protective Occupations without Social Security) to the plan. Employers generally 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.

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS December 31, 2009

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### NOTE IV - OTHER INFORMATION (cont.)

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#### **A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

The payroll for City employees covered by the system for the year ended December 31, 2009, was \$34,966,332; the employer's total payroll was \$36,422,509. The total required contribution for the year ended December 31, 2009, was \$4,958,588 or 14.1% of covered payroll. Of this amount, 100% was contributed by the employer for the current year. Total contributions for the years ending December 31, 2008, and 2007 were \$3,891,710 and \$3,779,507, respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 (62 for elected officials and 54 for protective occupation employees with less than 25 years of service, 53 for protective occupation employees with more than 25 years of service) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor. Final average earnings is the average of the employee's three highest years earnings. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefit. For employees beginning participation on or after January 1, 1990 and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998 are immediately vested.

The System also provides death and disability benefits for employees. Eligibility for and the amount of all benefits is determined under Chapter 40 of Wisconsin Statutes. The System 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.

As of December 31, 2009 there was no pension related debt for the City.

#### **B. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The City purchases commercial insurance to provide coverage for losses from torts; theft of, damage to, or destruction of assets; errors and omission; and workers compensation. However, other risks, such as liability and health care of its employees are accounted for and financed by the City in internal service funds.

#### ***Self Insurance***

For dental claims, the uninsured risk of loss is \$1,000 per incident and \$1,000 in the aggregate for a policy year. The City has purchased commercial insurance for claims in excess of those amounts. Settled claims have not exceeded the commercial coverage in any of the past three years.

For health claims, the uninsured risk of loss is \$100,000 per incident and \$100,000 in the aggregate for a policy year. The City has purchased commercial insurance for claims in excess of those amounts. Settled claims have not exceeded the commercial coverage in any of the past three years.

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS December 31, 2009

### NOTE IV - OTHER INFORMATION (cont.)

#### **B. RISK MANAGEMENT** (cont.)

##### **Self Insurance** (cont.)

All funds of the City participate in the risk management program. Amounts payable are based on actuarial estimates of the amounts necessary to pay prior and current year claims and to establish a reserve for catastrophic losses. \$656,145 was designated for that reserve at year end, and is included in unreserved net assets of the internal service fund.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. Liabilities include an amount for claims that have been incurred but not reported. The City does not allocate overhead costs or other nonincremental costs to the claims liability.

##### **Claims Liability**

	Dental	Health	Totals
Unpaid Claims - December 31, 2007	\$ 13,007	\$ 607,670	\$ 620,677
Current year claims and changes in estimates	417,666	8,011,800	8,429,466
Claim payments	(414,760)	(7,935,971)	(8,350,731)
Unpaid claims - December 31, 2008	15,913	683,499	699,412
Current year claims and changes in estimates	441,617	7,484,916	7,926,533
Claim payments	(436,928)	(7,512,270)	(7,949,198)
Unpaid claims - December 31, 2009	\$ 20,602	\$ 656,145	\$ 676,747

#### **C. COMMITMENTS AND CONTINGENCIES**

From time to time, the City is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the City attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position or results of operations.

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

Funding for the operating budget of the City comes from many sources, including property taxes, grants and aids from other units of government, user fees, fines and permits, and other miscellaneous revenues. The State of Wisconsin provides a variety of aid and grant programs which benefit the City. Those aid and grant programs are dependent on continued approval and funding by the Wisconsin governor and legislature, through their budget processes. The State of Wisconsin is currently experiencing budget problems, and is considering numerous alternatives including reducing aid to local governments. Any changes made by the State to funding or eligibility of local aid programs could have a significant impact on the future operating results of the City.

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS December 31, 2009

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### **NOTE IV - OTHER INFORMATION** (cont.)

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#### *C. COMMITMENTS AND CONTINGENCIES* (cont.)

On April 12, 1992, the State of Wisconsin commenced a legal action against the 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 judgement against the utility for (1) an injunction requiring the utility to bring its water supply system into compliance with Wisconsin Administrative Code No. 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 violation including penalty assessments, in the amount of \$20,000. The utility did not admit 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 has 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 negotiation 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. The municipality entered into a consent order/compliance agreement with the WDNR on December 19, 2003, and immediately began working towards compliance.

The agreement required the utility to develop new shallow wells, install treatment at some of the existing wells and blend the non-complaint water with the compliant water to bring the water supply into compliance with the radium standards. The estimated cost of the improvements is approximately thirteen million five hundred thousand dollars (\$13,500,000). The utility is balancing the radium compliance projects with the other projects that will become part of the long term water supply strategy. While the utility continues to investigate the potential to develop a new water supply, the compliance strategy focuses on projects that will ultimately be part of the long term solution. 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 by June 30, 2018.

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS December 31, 2009

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### **NOTE IV - OTHER INFORMATION** (cont.)

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#### ***C. COMMITMENTS AND CONTINGENCIES*** (cont.)

On September 22, 2008 the City of Waukesha was referred to the Department of Justice for Alleged Violations of Consent Order #2003-SEEE-107, by not meeting the December 8, 2006 timeline for providing drinking water that meets the Safe Drinking Water Standards for Radium. Since September 22, 2008, the Waukesha Water Utility has been working with its legal counsel and the City of Waukesha Attorney to negotiate a settlement with the Department of Justice.

A settlement was successfully negotiated and was filed with the Clerk of Circuit Court in Waukesha County on March 30, 2009. The agreement requires the City of Waukesha Water Utility to pay a judgment comprised of forfeitures and fees in the amount of fifty-five thousand (\$55,000). It also recognizes the efforts the utility has undertaken in regards to capital projects and water conservation. In addition, the utility is allowed to operate under strict operating conditions until June 30, 2018.

At that date, the city must be in complete compliance with all federal and state drinking water radionuclide standards which require that the radionuclide-compliant water can be provided in the event of failure of the system's largest well. This may be accomplished by some combination of obtaining a new source of compliant water and by treating for radionuclide-removal and/or new sources of water. If the city fails to meet the strict operating guidelines before final compliance is accomplished, the city will be required to discontinue the supply of non-radionuclide-compliant water to the distribution system and shall meet state and federal radionuclide standards within three (3) years of such failure.

In anticipation of applying for Great Lakes water to resolve the radionuclide issue, the City of Waukesha has begun the process of developing the application and having public meetings to discuss this application. The city anticipates filing its application in 2010.

**CITY OF WAUKESHA, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2009

**NOTE IV - OTHER INFORMATION (cont.)**

***D. OTHER POSTEMPLOYMENT BENEFITS***

The City's group health insurance plan provides coverage to active employees and retirees (or other qualified terminated employees) at blended premium rates. This results in an other postemployment benefit (OPEB) for the retirees, commonly referred to as an implicit rate subsidy.

***Summary of Significant Accounting Policies***

Contribution requirements are established through collective bargaining agreements and may be amended only through negotiations between the City and the union. The city provides health care insurance coverage for employees who retire with a minimum of 15 years of continuous service for sworn police and fire services and 10 years of employment for general employees. For police and fire retirees, the city will pay 50% of the premium until the retiree ceases to pay their portion of the premium or until they become eligible for medicare. All other retirees are required to pay 100% of the premium after any applicable accrued sick leave balance is exhausted. Administrative costs of the plan are financed through investment earnings.

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation to the Retiree Health Plan:

Annual required contribution	\$ 2,504,101
Interest on net OPEB obligation	117,559
Adjustment to annual required contribution	<u>(115,364)</u>
Annual OPEB cost	2,506,296
Contributions made	<u>(881,247)</u>
Increase in net OPEB obligation (asset)	1,625,049
Net OPEB Obligation (Asset) - Beginning of Year	<u>1,959,314</u>
Net OPEB Obligation (Asset) - End of Year	<u><u>\$ 3,584,363</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 and the preceding year(s) were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
December 31, 2008	2,500,904	26%	1,959,314
December 31, 2009	2,506,296	35%	3,584,363

# CITY OF WAUKESHA, WISCONSIN

## NOTES TO FINANCIAL STATEMENTS December 31, 2009

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### NOTE IV - OTHER INFORMATION (cont.)

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#### *D. OTHER POSTEMPLOYMENT BENEFITS (cont.)*

The funded status of the plan as of January 1, 2009, the most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$ 27,138,384
Actuarial value of plan assets	<u>-</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 27,138,384</u>
Funded ratio (actuarial value of plan assets/AAL)	-%
Covered payroll (active plan members)	\$ 35,261,000
UAAL as a percentage of covered payroll	77%

Actuarial valuations of an ongoing plan involve estimates for the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

In the January 1, 2009 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 4% investment rate of return and an annual healthcare cost trend rate of (8.9)% initially, reduced by decrements to an ultimate rate of 0.5% after 2 years. Both rates include a 3% inflation assumption. The actuarial value of Retiree Health Plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a three-year period. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2009, was 30 years.

#### *E. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS*

The Governmental Accounting Standards Board (GASB) has approved GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, and Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Application of these standards may restate portions of these financial statements.

## REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF WAUKESHA, WISCONSIN**  
**Statement of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual - General Fund**  
**Year Ended December 31, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Taxes	\$ 38,781,951	\$ 38,781,951	\$ 39,013,429	\$ 231,478
Intergovernmental	8,710,731	8,765,956	9,016,216	250,260
Licenses and permits	1,789,600	1,789,600	1,714,429	(75,171)
Fines, forfeitures and penalties	700,000	700,000	571,463	(128,537)
Public charges for services	2,767,589	2,806,167	2,571,627	(234,540)
Interdepartment charges	946,136	946,136	1,153,811	207,675
Investment income	612,867	612,867	273,758	(339,109)
Miscellaneous	133,613	133,613	145,838	12,225
<b>Total Revenues</b>	<b>54,442,487</b>	<b>54,536,290</b>	<b>54,460,571</b>	<b>(75,719)</b>
<b>EXPENDITURES</b>				
Current				
General government	7,533,982	7,992,172	7,509,390	482,782
Public safety	27,608,018	27,575,115	27,364,367	210,748
Highways and streets	8,414,443	8,422,443	8,175,127	247,316
Sanitation	2,668,428	2,668,428	2,477,748	190,680
Culture and recreation	8,944,158	8,996,610	8,806,412	190,198
<b>Total Expenditures</b>	<b>55,169,029</b>	<b>55,654,768</b>	<b>54,333,044</b>	<b>1,321,724</b>
Excess (deficiency) of Revenues Over (Under) Expenditures	(726,542)	(1,118,478)	127,527	1,246,005
<b>OTHER FINANCING SOURCES (USES)</b>				
Long-term debt issued	-	350,854	350,854	-
Transfers in	1,032,246	1,032,246	1,032,017	(229)
Transfers out	(305,704)	(305,704)	(392,840)	(87,136)
<b>Total Other Financing Sources (Uses)</b>	<b>726,542</b>	<b>1,077,396</b>	<b>990,031</b>	<b>(87,365)</b>
<b>Net Changes in Fund Balance</b>	<b>-</b>	<b>(41,082)</b>	<b>1,117,558</b>	<b>1,158,640</b>
<b>FUND BALANCE - Beginning of Year</b>	<b>8,799,983</b>	<b>8,713,636</b>	<b>8,860,782</b>	<b>147,146</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ 8,799,983</b>	<b>\$ 8,672,554</b>	<b>\$ 9,978,340</b>	<b>\$ 1,305,786</b>

See notes to required supplementary information and auditors' report.

**CITY OF WAUKESHA, WISCONSIN**  
**SCHEDULE OF FUNDING PROGRESS**  
**OTHER POST-EMPLOYMENT BENEFIT PLAN**  
December 31, 2009

Actuarial Valuation Date January 1	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Unit Credit	(3) Funded Ratio (1) / (2)	(4) Unfunded Actuarial Accrued Liability (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2008	\$ -	\$ 21,542,350	0.00%	\$ 21,542,350	\$ 32,206,133	67%
2009	\$ -	\$ 27,138,384	0.00%	\$ 27,138,384	\$ 35,261,000	77%

The City implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008. Information for prior years is not available.

For the plan year beginning January 1, 2009 there several changes made to the assumptions from the prior valuation done. The changes include a change in the discount rate from 4.5% to 4.0%, turnover and mortality rates previously used were based on WRS 2000 to 2002 experience study and current rates are based on the WRS 2003 to 2005 experience study, retirement rates for general employees were changed, annual benefits costs have decreased for

See notes to required supplementary information and auditors' report.

**CITY OF WAUKESHA, WISCONSIN**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**OTHER POST-EMPLOYMENT BENEFIT PLAN**  
 December 31, 2009

Year Ended December 31,	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2008	\$ 541,590	\$ 2,500,904	22%
2009	881,247	2,504,101	35%

The City implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008. Information for prior years is not available.

See notes to required supplementary information and auditors' report.

CITY OF WAUKESHA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
December 31, 2009

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**NOTE 1 – BUDGETARY INFORMATION**

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Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note 1. C.

The city adopts annual budgets for the general, select special revenue, select debt service and select capital project funds. These annual appropriations lapse at year end, unless specifically authorized by the city common council to be carried forward to the succeeding year's budget. A comparison of budget to actual for the General Fund is presented in the basic financial statements. A comparison of budget to actual for all other budgeted funds is not a required part of the basic financial statements, and is presented in the supplemental information accompanying this report.

See Auditors' Report.

**SUPPLEMENTAL INFORMATION**

**CITY OF WAUKESHA, WISCONSIN**  
**Schedule of Revenues and Other Financing Sources - Budget and Actual**  
**General Fund**  
**Year Ended December 31, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>TAXES</b>				
General property taxes	\$ 37,920,123	\$ 37,920,123	\$ 38,222,646	\$ 302,523
Omitted taxes	1,000	1,000	5,281	4,281
Delinquent taxes and interest	120,000	120,000	130,068	10,068
Mobile home taxes	15,000	15,000	12,625	(2,375)
Occupancy (room) tax	611,250	611,250	529,242	(82,008)
Payment in lieu of taxes	114,578	114,578	113,567	(1,011)
<b>Total Taxes</b>	<b>38,781,951</b>	<b>38,781,951</b>	<b>39,013,429</b>	<b>231,478</b>
<b>INTERGOVERNMENTAL REVENUES</b>				
Federal aid - FEMA	-	-	81,902	81,902
State shared taxes	3,215,240	3,215,240	3,143,271	(71,969)
State fire insurance tax	176,058	176,058	179,292	3,234
State payment for municipal services	271,754	271,754	271,892	138
State and federal aid - law enforcement	6,796	31,796	35,101	3,305
State aid - general highway	2,720,211	2,720,211	2,720,828	617
State aid - connecting streets	78,755	78,755	76,339	(2,416)
State aid - ambulance	13,700	13,700	83,300	69,600
State aid - exempt computer	532,209	532,209	532,017	(192)
State aid - other	-	30,225	86,941	56,716
County aid - library	1,128,102	1,128,102	1,140,017	11,915
County aid - hazardous materials	145,000	145,000	144,746	(254)
County aid - recycling	219,125	219,125	254,237	35,112
County library system	75,650	75,650	89,219	13,569
School liaison	60,000	60,000	90,000	30,000
Other grants	68,131	68,131	87,114	18,983
<b>Total Intergovernmental Revenues</b>	<b>8,710,731</b>	<b>8,765,956</b>	<b>9,016,216</b>	<b>250,260</b>
<b>LICENSES AND PERMITS</b>				
Licenses	131,000	131,000	175,763	44,763
Nonbusiness licenses	17,100	17,100	18,869	1,769
Building permits and inspection fees	780,000	780,000	637,691	(142,309)
Cable TV franchise fee	764,500	764,500	805,982	41,482
Property tax exemption fees	1,500	1,500	314	(1,186)
Other permits and inspection fees	95,500	95,500	75,810	(19,690)
<b>Total Licenses and Permits</b>	<b>1,789,600</b>	<b>1,789,600</b>	<b>1,714,429</b>	<b>(75,171)</b>
<b>FINES, FORFEITURES AND PENALTIES</b>				
Law and ordinance violations	700,000	700,000	571,463	(128,537)

(Continued)

**CITY OF WAUKESHA, WISCONSIN**  
**Schedule of Revenues and Other Financing Sources - Budget and Actual (Continued)**  
**General Fund**  
**Year Ended December 31, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>PUBLIC CHARGES FOR SERVICES</b>				
General government	52,900	52,900	32,586	(20,314)
Law enforcement fees	56,700	56,700	66,618	9,918
Fire department fees	30,000	30,000	32,371	2,371
Ambulance	970,000	970,000	919,613	(50,387)
Hazardous incidents	5,000	5,000	1,004	(3,996)
Safety inspections	172,000	172,000	213,204	41,204
Public works	4,000	4,000	2,846	(1,154)
Engineering	150,000	150,000	26,234	(123,766)
Snow and ice control	7,500	7,500	4,148	(3,352)
Planning and zoning	80,000	80,000	54,718	(25,282)
Library	197,405	192,783	156,926	(35,857)
Recreation	960,834	1,004,034	1,022,740	18,706
Weed control	1,500	1,500	3,912	2,412
Trees	26,250	26,250	3,767	(22,483)
Other public charges	53,500	53,500	30,940	(22,560)
Total Public Charges for Services	<u>2,767,589</u>	<u>2,806,167</u>	<u>2,571,627</u>	<u>(234,540)</u>
<b>INTERDEPARTMENT CHARGES</b>				
General government services	346,136	346,136	365,604	19,468
Public works	200,000	200,000	153,021	(46,979)
Engineering	400,000	400,000	635,186	235,186
Total Interdepartment Charges	<u>946,136</u>	<u>946,136</u>	<u>1,153,811</u>	<u>207,675</u>
<b>INVESTMENT INCOME</b>				
Investment income	612,867	612,867	273,758	(339,109)
<b>MISCELLANEOUS REVENUES</b>				
Insurance recoveries	57,833	57,833	62,424	4,591
Property rental	20,112	20,112	21,107	995
Sale of city property	11,833	11,833	11,952	119
Donations	5,000	5,000	8,394	3,394
Miscellaneous	38,835	38,835	41,961	3,126
Total Miscellaneous	<u>133,613</u>	<u>133,613</u>	<u>145,838</u>	<u>12,225</u>
<b>TOTAL REVENUES</b>	<u>54,442,487</u>	<u>54,536,290</u>	<u>54,460,571</u>	<u>(75,719)</u>
<b>OTHER FINANCING SOURCES</b>				
Long-term debt issued	-	350,854	350,854	-
Transfers in	1,032,246	1,032,246	1,032,017	(229)
Total Other Financing Sources	<u>1,032,246</u>	<u>1,383,100</u>	<u>1,382,871</u>	<u>(229)</u>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u>\$ 55,474,733</u>	<u>\$ 55,919,390</u>	<u>\$ 55,843,442</u>	<u>\$ (75,948)</u>

**CITY OF WAUKESHA, WISCONSIN**  
**Schedule of Expenditures and Other Financing Uses - Budget and Actual**  
**General Fund**  
**Year Ended December 31, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>GENERAL GOVERNMENT</b>				
City council	\$ 105,114	\$ 105,114	\$ 100,043	\$ 5,071
Municipal court	339,773	329,273	312,429	16,844
Mayor's office	180,525	180,525	212,745	(32,220)
City administrator	217,451	222,603	225,028	(2,425)
Landmarks commission	5,874	5,874	651	5,223
Elections	27,550	27,550	19,589	7,961
Human resources	146,682	151,763	136,967	14,796
Labor relations	94,284	101,905	96,197	5,708
Unallocated benefits	332,795	332,795	296,544	36,251
Clerk/Treasurer	533,861	533,861	561,383	(27,522)
Assessor	560,936	579,613	577,960	1,653
Finance	523,571	533,110	527,679	5,431
City attorney	581,255	594,922	585,746	9,176
City hall	191,564	198,842	171,799	27,043
Planning and zoning	706,857	757,678	748,762	8,916
Information systems	1,718,341	1,718,341	1,674,931	43,410
Redevelopment authority	52,100	52,100	1,068	51,032
Property and liability insurance	895,249	895,249	859,589	35,660
Bad debts and refunds	30,000	380,854	248,704	132,150
Other general government	165,200	165,200	133,636	31,564
Contingency	125,000	125,000	17,940	107,060
<b>Total General Government</b>	<b>7,533,982</b>	<b>7,992,172</b>	<b>7,509,390</b>	<b>482,782</b>
<b>PUBLIC SAFETY</b>				
Police department	15,431,026	15,329,316	15,193,176	136,140
Emergency government	33,727	46,774	30,572	16,202
Fire department	11,277,977	11,349,738	11,304,758	44,980
Police and fire commission	29,855	29,855	50,586	(20,731)
Building inspections	665,260	649,259	621,680	27,579
Other	170,173	170,173	163,595	6,578
<b>Total Public Safety</b>	<b>27,608,018</b>	<b>27,575,115</b>	<b>27,364,367</b>	<b>210,748</b>

(Continued)

**CITY OF WAUKESHA, WISCONSIN**  
**Schedule of Expenditures and Other Financing Uses - Budget and Actual (Continued)**  
**General Fund**  
**Year Ended December 31, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>HIGHWAYS AND STREETS</b>				
Roadway and streets maintenance	364,361	364,361	379,563	(15,202)
Engineering	2,764,575	2,772,575	2,704,289	68,286
General public works	3,705,573	3,705,573	3,497,760	207,813
Storm sewers	21,850	21,850	21,616	234
Snow and ice removal	336,300	336,300	337,172	(872)
Fleet maintenance	611,108	611,108	672,676	(61,568)
Street lighting	602,676	602,676	560,571	42,105
Weed cutting	8,000	8,000	1,480	6,520
<b>Total Highways and Streets</b>	<b>8,414,443</b>	<b>8,422,443</b>	<b>8,175,127</b>	<b>247,316</b>
<b>SANITATION</b>				
Solid waste disposal	2,668,428	2,668,428	2,477,748	190,680
<b>CULTURE AND RECREATION</b>				
Public library	3,622,338	3,622,338	3,680,273	(57,935)
Pools	391,860	391,860	372,180	19,680
Recreation programs	925,737	956,725	944,178	12,547
Forestry	810,402	810,402	736,721	73,681
Parks administration	506,198	506,198	481,112	25,086
Parks maintenance	2,580,506	2,596,037	2,479,916	116,121
Cable TV	89,532	95,465	95,432	33
Festivals	17,585	17,585	16,600	985
<b>Total Culture and Recreation</b>	<b>8,944,158</b>	<b>8,996,610</b>	<b>8,806,412</b>	<b>190,198</b>
<b>TOTAL EXPENDITURES</b>	<b>55,169,029</b>	<b>55,654,768</b>	<b>54,333,044</b>	<b>1,321,724</b>
<b>OTHER FINANCING USES</b>				
Transfers out	305,704	305,704	392,840	(87,136)
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ 55,474,733</b>	<b>\$ 55,960,472</b>	<b>\$ 54,725,884</b>	<b>\$ 1,234,588</b>

**CITY OF WAUKESHA, WISCONSIN**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2009**

	<b>Special Revenue Funds</b>							
	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
<b>ASSETS</b>								
Cash and investments	\$ 6,521	\$ 8,940	\$ 3,221	\$ 14,510	\$ 26,883	\$ 39,917	\$ 1,039,549	\$ -
Accounts receivable	-	-	-	290	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	-
Loans receivable	-	-	-	1,748,803	1,256,574	1,292,883	-	-
Due from other governmental units	-	-	-	19,731	-	-	-	-
Prepaid items	-	-	-	212	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 6,521</b>	<b>\$ 8,940</b>	<b>\$ 3,221</b>	<b>\$ 1,783,546</b>	<b>\$ 1,283,457</b>	<b>\$ 1,332,800</b>	<b>\$ 1,039,549</b>	<b>\$ -</b>
<b>LIABILITIES AND FUND BALANCES</b>								
Accounts payable	\$ -	\$ 3,287	\$ -	\$ 12,094	\$ 150	\$ -	\$ -	\$ -
Other accrued liabilities	-	108	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-
Advance due to other funds	-	-	-	-	-	-	-	-
Deferred revenues	-	-	-	13,889	-	-	707,108	-
<b>Total Liabilities</b>	<b>-</b>	<b>3,395</b>	<b>-</b>	<b>25,983</b>	<b>150</b>	<b>-</b>	<b>707,108</b>	<b>-</b>
<b>Fund Balances (Deficits)</b>								
Reserved for								
Loans receivable	-	-	-	1,748,803	1,256,574	1,292,883	-	-
Prepaid items	-	-	-	212	-	-	-	-
Impact fees	-	-	-	-	-	-	332,441	-
Donor restrictions	-	-	-	-	-	-	-	-
Unreserved								
Undesignated (deficit)								
Special revenue funds	6,521	5,545	3,221	8,548	26,733	39,917	-	-
Capital projects funds	-	-	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b>6,521</b>	<b>5,545</b>	<b>3,221</b>	<b>1,757,563</b>	<b>1,283,307</b>	<b>1,332,800</b>	<b>332,441</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 6,521</b>	<b>\$ 8,940</b>	<b>\$ 3,221</b>	<b>\$ 1,783,546</b>	<b>\$ 1,283,457</b>	<b>\$ 1,332,800</b>	<b>\$ 1,039,549</b>	<b>\$ -</b>

**CITY OF WAUKESHA, WISCONSIN**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2009**

**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
<b>ASSETS</b>								
Cash and investments	\$ 31,479	\$ 855,513	\$ 54,201	\$ 452,402	\$ 18,556	\$ 21,400	\$ 32,361	\$ 9,163
Accounts receivable	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	30	-
Loans receivable	-	-	-	-	45,000	1,000	-	-
Due from other governmental units	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	9,346	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 31,479</b>	<b>\$ 855,513</b>	<b>\$ 54,201</b>	<b>\$ 461,748</b>	<b>\$ 63,556</b>	<b>\$ 22,400</b>	<b>\$ 32,391</b>	<b>\$ 9,163</b>
<b>LIABILITIES AND FUND BALANCES</b>								
Accounts payable	\$ -	\$ -	\$ 6,038	\$ 14,200	\$ -	\$ -	\$ -	\$ -
Other accrued liabilities	-	-	1,598	1,555	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-
Advance due to other funds	-	-	-	-	-	-	-	-
Deferred revenues	20,524	577,335	4,833	385,067	-	-	-	9,111
Total Liabilities	20,524	577,335	12,469	400,822	-	-	-	9,111
<b>Fund Balances (Deficits)</b>								
Reserved for								
Loans receivable	-	-	-	-	45,000	1,000	-	-
Prepaid items	-	-	-	9,346	-	-	-	-
Impact fees	-	278,178	-	-	-	-	-	-
Donor restrictions	-	-	-	-	-	-	-	-
Unreserved								
Undesignated (deficit)								
Special revenue funds	10,955	-	41,732	51,580	18,556	21,400	32,391	52
Capital projects funds	-	-	-	-	-	-	-	-
Total Fund Balances	10,955	278,178	41,732	60,926	63,556	22,400	32,391	52
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 31,479</b>	<b>\$ 855,513</b>	<b>\$ 54,201</b>	<b>\$ 461,748</b>	<b>\$ 63,556</b>	<b>\$ 22,400</b>	<b>\$ 32,391</b>	<b>\$ 9,163</b>

(Continued)

(Continued)

**CITY OF WAUKESHA, WISCONSIN**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2009**

<b>Special Revenue Funds (Continued)</b>							
	Confiscated Property	Paramedics	Cable TV Franchise Fees	WP&L	Lead Abatement Grant	Byrne/Stimulus Grant	YWCA Stimulus Grant
<b>ASSETS</b>							
Cash and investments	\$ 244,990	\$ 7,980	\$ -	\$ 110,077	\$ 142,418	\$ -	\$ -
Accounts receivable	-	-	-	-	-	15,693	-
Special assessments	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-
Loans receivable	-	-	-	-	-	-	-
Due from other governmental units	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 244,990</b>	<b>\$ 7,980</b>	<b>\$ -</b>	<b>\$ 110,077</b>	<b>\$ 142,418</b>	<b>\$ 15,693</b>	<b>\$ -</b>
<b>LIABILITIES AND FUND BALANCES</b>							
Accounts payable	\$ 4,710	\$ -	\$ -	\$ -	\$ -	\$ 27,582	\$ -
Other accrued liabilities	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	18,641	-
Deposits	-	-	-	-	-	-	-
Advance due to other funds	-	-	-	-	-	-	-
Deferred revenues	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>4,710</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46,223</b>	<b>-</b>
<b>Fund Balances (Deficits)</b>							
<b>Reserved for</b>							
Loans receivable	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
Impact fees	-	-	-	-	-	-	-
Donor restrictions	-	-	-	-	-	-	-
<b>Unreserved</b>							
<b>Undesignated (deficit)</b>							
Special revenue funds	240,280	7,980	-	110,077	142,418	(30,530)	-
Capital projects funds	-	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b>240,280</b>	<b>7,980</b>	<b>-</b>	<b>110,077</b>	<b>142,418</b>	<b>(30,530)</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 244,990</b>	<b>\$ 7,980</b>	<b>\$ -</b>	<b>\$ 110,077</b>	<b>\$ 142,418</b>	<b>\$ 15,693</b>	<b>\$ -</b>

**CITY OF WAUKESHA, WISCONSIN**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2009**

	Capital Projects Funds					Permanent Funds					Total Nonmajor Governmental Funds
	General Improvement Fund	Public Works Improvements	Municipal Facilities	Fleet Replacement	TIF Districts Nos. 9 - 17	Cemetery Lot Maintenance	Cemetery Specific Endowment	Cemetery Trust Fund K	Library Endowment	H. B. Mills Recreation	
<b>ASSETS</b>											
Cash and investments	\$ 374,515	\$ 3,307,804	\$ 1,301,763	\$ 2,377,511	\$ 805,227	\$ 1,077,918	\$ 651,730	\$ 343,045	\$ 158,041	\$ 28,417	\$ 13,546,052
Accounts receivable	30,724	-	35,730	2,124	22,022	-	-	-	-	-	106,583
Special assessments	70,422	41,846	-	-	-	-	-	-	-	-	112,268
Accrued interest	-	-	-	-	-	1,176	837	387	-	-	2,430
Loans receivable	-	-	-	-	316,592	-	-	-	-	-	4,660,852
Due from other governmental units	-	-	-	-	-	-	-	-	-	-	19,731
Prepaid items	52,057	-	-	-	-	-	-	-	-	-	61,615
<b>TOTAL ASSETS</b>	<b>\$ 527,718</b>	<b>\$ 3,349,650</b>	<b>\$ 1,337,493</b>	<b>\$ 2,379,635</b>	<b>\$ 1,143,841</b>	<b>\$ 1,079,094</b>	<b>\$ 652,567</b>	<b>\$ 343,432</b>	<b>\$ 158,041</b>	<b>\$ 28,417</b>	<b>\$ 18,509,531</b>
<b>LIABILITIES AND FUND BALANCES</b>											
Accounts payable	\$ 16,239	\$ 367,674	\$ 572,885	\$ 26,876	\$ 132,678	\$ -	\$ -	\$ -	\$ 698	\$ -	\$ 1,185,111
Other accrued liabilities	-	-	-	-	-	-	-	-	-	-	3,261
Due to other funds	-	-	-	-	51,516	-	-	-	-	-	70,157
Deposits	-	271,576	-	-	-	-	-	-	-	-	271,576
Advance due to other funds	-	-	-	1,672,023	-	-	-	-	-	-	1,672,023
Deferred revenues	70,422	1,468,992	224,865	-	-	-	-	-	-	-	3,482,146
Total Liabilities	86,661	2,108,242	797,750	1,698,899	184,194	-	-	-	698	-	6,684,274
Fund Balances (Deficits)											
Reserved for											
Loans receivable	-	-	-	-	-	-	-	-	-	-	4,344,260
Prepaid items	52,057	-	-	-	-	-	-	-	-	-	61,615
Impact fees	-	-	-	-	-	-	-	-	-	-	610,619
Donor restrictions	-	-	-	-	-	1,079,094	652,567	343,432	157,343	28,417	2,260,853
Unreserved											
Undesignated (deficit)											
Special revenue funds	-	-	-	-	-	-	-	-	-	-	737,376
Capital projects funds	389,000	1,241,408	539,743	680,736	959,647	-	-	-	-	-	3,810,534
Total Fund Balances	441,057	1,241,408	539,743	680,736	959,647	1,079,094	652,567	343,432	157,343	28,417	11,825,257
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 527,718</b>	<b>\$ 3,349,650</b>	<b>\$ 1,337,493</b>	<b>\$ 2,379,635</b>	<b>\$ 1,143,841</b>	<b>\$ 1,079,094</b>	<b>\$ 652,567</b>	<b>\$ 343,432</b>	<b>\$ 158,041</b>	<b>\$ 28,417</b>	<b>\$ 18,509,531</b>

(Continued)

**CITY OF WAUKESHA, WISCONSIN**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**Year Ended December 31, 2009**

	<b>Special Revenue Funds</b>							
	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
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	305,603	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-	-	-	-
Public charges for services	-	16,397	-	-	-	-	138,686	-
Special assessments	-	-	-	-	-	-	-	-
Investment income	8	-	-	1,032	2,563	-	6,890	-
Miscellaneous	-	-	7,596	80,261	-	-	-	-
<b>Total Revenues</b>	<b>8</b>	<b>16,397</b>	<b>7,596</b>	<b>386,896</b>	<b>2,563</b>	<b>-</b>	<b>145,576</b>	<b>-</b>
<b>EXPENDITURES</b>								
Current								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	6,106	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	2,443
Culture and recreation	-	34,939	-	-	-	-	-	-
Conservation and development	-	-	-	390,847	4,115	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>34,939</b>	<b>6,106</b>	<b>390,847</b>	<b>4,115</b>	<b>-</b>	<b>-</b>	<b>2,443</b>
Excess (Deficiency) of Revenues Over Expenditures	8	(18,542)	1,490	(3,951)	(1,552)	-	145,576	(2,443)
<b>OTHER FINANCING SOURCES (USES)</b>								
Long-term debt issued	-	-	-	-	-	-	-	-
Premium on debt issued	-	-	-	-	-	-	-	-
Sale of city property	-	-	-	-	-	-	-	-
Transfers in	-	15,000	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(138,686)	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>15,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(138,686)</b>	<b>-</b>
<b>Net Changes in Fund Balances</b>	<b>8</b>	<b>(3,542)</b>	<b>1,490</b>	<b>(3,951)</b>	<b>(1,552)</b>	<b>-</b>	<b>6,890</b>	<b>(2,443)</b>
<b>FUND BALANCES (DEFICIT) - Beginning of Year</b>	<b>6,513</b>	<b>9,087</b>	<b>1,731</b>	<b>1,761,514</b>	<b>1,284,859</b>	<b>1,332,800</b>	<b>325,551</b>	<b>2,443</b>
<b>FUND BALANCES (DEFICIT) - End of Year</b>	<b>\$ 6,521</b>	<b>\$ 5,545</b>	<b>\$ 3,221</b>	<b>\$ 1,757,563</b>	<b>\$ 1,283,307</b>	<b>\$ 1,332,800</b>	<b>\$ 332,441</b>	<b>\$ -</b>

(Continued)

**CITY OF WAUKESHA, WISCONSIN**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**Year Ended December 31, 2009**

	<b>Special Revenue Funds (Continued)</b>							
	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
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	13,990
Licenses and permits	-	-	520	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-	-	-	-
Public charges for services	-	10,730	295,120	424,821	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment income	189	5,202	-	(4,630)	-	-	6,159	28
Miscellaneous	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>189</b>	<b>15,932</b>	<b>295,640</b>	<b>420,191</b>	<b>-</b>	<b>-</b>	<b>6,159</b>	<b>14,018</b>
<b>EXPENDITURES</b>								
Current								
General government	-	-	-	-	-	-	184	-
Public safety	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Culture and recreation	-	-	278,642	413,909	-	-	-	-
Conservation and development	-	-	-	-	-	-	-	-
Capital Outlay	-	-	38,240	-	-	-	-	16,103
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>316,882</b>	<b>413,909</b>	<b>-</b>	<b>-</b>	<b>184</b>	<b>16,103</b>
Excess (Deficiency) of Revenues Over Expenditures	189	15,932	(21,242)	6,282	-	-	5,975	(2,085)
<b>OTHER FINANCING SOURCES (USES)</b>								
Long-term debt issued	-	-	-	-	-	-	-	-
Premium on debt issued	-	-	-	-	-	-	-	-
Sale of city property	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	(10,730)	-	-	-	-	(728)	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(10,730)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(728)</b>	<b>-</b>
Net Changes in Fund Balances	189	5,202	(21,242)	6,282	-	-	5,247	(2,085)
<b>FUND BALANCES (DEFICIT) - Beginning of Year</b>	<b>10,766</b>	<b>272,976</b>	<b>62,974</b>	<b>54,644</b>	<b>63,556</b>	<b>22,400</b>	<b>27,144</b>	<b>2,137</b>
<b>FUND BALANCES (DEFICIT) - End of Year</b>	<b>\$ 10,955</b>	<b>\$ 278,178</b>	<b>\$ 41,732</b>	<b>\$ 60,926</b>	<b>\$ 63,556</b>	<b>\$ 22,400</b>	<b>\$ 32,391</b>	<b>\$ 52</b>

(Continued)

**CITY OF WAUKESHA, WISCONSIN**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**Year Ended December 31, 2009**

<b>Special Revenue Funds (Continued)</b>							
	Confiscated Property	Paramedics	Cable TV Franchise Fees	WP&L	Lead Abatement Grant	Byrne/Stimulus Grant	YWCA Stimulus Grant
<b>REVENUES</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	150,000	44,605	850,000
Licenses and permits	-	-	-	-	-	-	-
Fines, forfeitures and penalties	32,180	-	-	-	-	-	-
Public charges for services	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Investment income	1,408	44	-	1,373	-	-	-
Miscellaneous	-	935	-	-	-	-	-
<b>Total Revenues</b>	<b>33,588</b>	<b>979</b>	<b>-</b>	<b>1,373</b>	<b>150,000</b>	<b>44,605</b>	<b>850,000</b>
<b>EXPENDITURES</b>							
Current							
General government	-	-	-	-	-	-	-
Public safety	17,834	-	-	-	-	44,605	-
Sanitation	-	-	-	-	7,582	-	-
Culture and recreation	-	-	-	-	-	-	-
Conservation and development	-	-	-	-	-	-	-
Capital Outlay	10,470	-	-	118,124	-	30,530	850,000
<b>Total Expenditures</b>	<b>28,304</b>	<b>-</b>	<b>-</b>	<b>118,124</b>	<b>7,582</b>	<b>75,135</b>	<b>850,000</b>
Excess (Deficiency) of Revenues Over Expenditures	5,284	979	-	(116,751)	142,418	(30,530)	-
<b>OTHER FINANCING SOURCES (USES)</b>							
Long-term debt issued	-	-	-	-	-	-	-
Premium on debt issued	-	-	-	-	-	-	-
Sale of city property	-	-	-	-	-	-	-
Transfers in	-	-	44,138	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>44,138</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Changes in Fund Balances	5,284	979	44,138	(116,751)	142,418	(30,530)	-
<b>FUND BALANCES (DEFICIT) - Beginning of Year</b>	<b>234,996</b>	<b>7,001</b>	<b>(44,138)</b>	<b>226,828</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICIT) - End of Year</b>	<b>\$ 240,280</b>	<b>\$ 7,980</b>	<b>\$ -</b>	<b>\$ 110,077</b>	<b>\$ 142,418</b>	<b>\$ (30,530)</b>	<b>\$ -</b>

**CITY OF WAUKESHA, WISCONSIN**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**Year Ended December 31, 2009**

	Capital Projects Funds					Permanent Funds					Total Nonmajor Governmental Funds
	General Improvement Fund	Public Works Improvements	Municipal Facilities	Fleet Replacement	TIF Districts Nos. 9 - 17	Cemetery Lot Maintenance	Cemetery Specific Endowment	Cemetery Trust Fund K	Library Endowment	H. B. Mills Recreation	
<b>REVENUES</b>											
Taxes	\$ -	\$ -	\$ -	\$ 228,307	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 228,307
Intergovernmental	1,000,963	1,475	95,390	-	-	-	-	-	-	-	2,462,026
Licenses and permits	-	-	-	-	-	-	-	-	-	-	520
Fines, forfeitures and penalties	-	-	-	-	-	-	-	-	-	-	32,180
Public charges for services	274,103	-	-	-	-	-	-	7,426	-	-	1,167,283
Special assessments	81,372	31,034	-	-	-	-	-	-	-	-	112,406
Investment income	4,897	22,051	13,104	14,669	13,735	176,019	110,637	966	203	428,861	
Miscellaneous	-	-	18,246	8,425	125,247	27,842	5,428	25,550	-	-	299,530
<b>Total Revenues</b>	<b>1,361,335</b>	<b>54,560</b>	<b>126,740</b>	<b>251,401</b>	<b>138,982</b>	<b>203,861</b>	<b>116,065</b>	<b>52,314</b>	<b>33,942</b>	<b>203</b>	<b>4,731,113</b>
<b>EXPENDITURES</b>											
Current											
General government	-	-	-	-	15,271	6,672	4,353	3,582	-	-	30,062
Public safety	-	-	-	-	-	-	-	-	-	-	68,545
Sanitation	-	-	-	-	-	-	-	-	-	-	10,025
Culture and recreation	-	-	-	-	-	-	-	26,917	-	-	754,407
Conservation and development	-	-	-	-	-	-	-	-	-	-	394,962
Capital Outlay	1,357,650	3,300,955	2,448,016	956,789	3,938,306	-	-	-	-	-	13,065,183
<b>Total Expenditures</b>	<b>1,357,650</b>	<b>3,300,955</b>	<b>2,448,016</b>	<b>956,789</b>	<b>3,953,577</b>	<b>6,672</b>	<b>4,353</b>	<b>3,582</b>	<b>26,917</b>	<b>-</b>	<b>14,323,184</b>
Excess (Deficiency) of Revenues Over Expenditures	3,685	(3,246,395)	(2,321,276)	(705,388)	(3,814,595)	197,189	111,712	48,732	7,025	203	(9,592,071)
<b>OTHER FINANCING SOURCES (USES)</b>											
Long-term debt issued	-	2,451,500	212,000	711,500	1,525,000	-	-	-	-	-	4,900,000
Premium on debt issued	-	29,185	-	-	10,786	-	-	-	-	-	39,971
Sale of city property	-	-	-	75,585	-	-	-	-	-	-	75,585
Transfers in	-	99,575	10,730	-	469,887	-	-	-	-	-	639,330
Transfers out	-	-	-	(270,895)	(78,726)	(21,533)	(13,565)	(11,296)	-	(171)	(546,330)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>2,580,260</b>	<b>222,730</b>	<b>516,190</b>	<b>1,926,947</b>	<b>(21,533)</b>	<b>(13,565)</b>	<b>(11,296)</b>	<b>-</b>	<b>(171)</b>	<b>5,108,556</b>
Net Changes in Fund Balances	3,685	(666,135)	(2,098,546)	(189,198)	(1,887,648)	175,656	98,147	37,436	7,025	32	(4,483,515)
<b>FUND BALANCES (DEFICIT) - Beginning of Year</b>	<b>437,372</b>	<b>1,907,543</b>	<b>2,638,289</b>	<b>869,934</b>	<b>2,847,295</b>	<b>903,438</b>	<b>554,420</b>	<b>305,996</b>	<b>150,318</b>	<b>28,385</b>	<b>16,308,772</b>
<b>FUND BALANCES (DEFICIT) - End of Year</b>	<b>\$ 441,057</b>	<b>\$ 1,241,408</b>	<b>\$ 539,743</b>	<b>\$ 680,736</b>	<b>\$ 959,647</b>	<b>\$ 1,079,094</b>	<b>\$ 652,567</b>	<b>\$ 343,432</b>	<b>\$ 157,343</b>	<b>\$ 28,417</b>	<b>\$ 11,825,257</b>

(Continued)

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Investment income	\$ -	\$ -	\$ 8	\$ 8
<b>EXPENDITURES</b>				
Culture and recreation	-	-	-	-
Net Change in Fund Balance	-	-	8	8
<b>FUND BALANCE - Beginning of Year</b>	6,513	6,513	6,513	-
<b>FUND BALANCE - End of Year</b>	\$ 6,513	\$ 6,513	\$ 6,521	\$ 8

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Public charges for services	\$ 16,900	\$ 16,900	\$ 16,397	\$ (503)
<b>EXPENDITURES</b>				
Culture and recreation	34,912	34,912	34,939	(27)
Excess (Deficiency) of Revenues Over Expenditures	(18,012)	(18,012)	(18,542)	(530)
<b>OTHER FINANCING SOURCES</b>				
Transfers in	15,000	15,000	15,000	-
Net Change in Fund Balance	(3,012)	(3,012)	(3,542)	(530)
<b>FUND BALANCE - Beginning of Year</b>	9,087	9,087	9,087	-
<b>FUND BALANCE - End of Year</b>	\$ 6,075	\$ 6,075	\$ 5,545	\$ (530)

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Miscellaneous	\$ -	\$ -	\$ 7,596	\$ 7,596
<b>EXPENDITURES</b>				
Public safety	-	-	6,106	(6,106)
Net Change in Fund Balance	-	-	1,490	1,490
<b>FUND BALANCE - Beginning of Year</b>	<b>1,731</b>	<b>1,731</b>	<b>1,731</b>	<b>-</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ 1,731</b>	<b>\$ 1,731</b>	<b>\$ 3,221</b>	<b>\$ 1,490</b>

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 485,899	\$ 305,603	\$ (180,296)
Investment income	-	-	1,032	1,032
Miscellaneous	-	-	80,261	80,261
Total Revenues	-	485,899	386,896	(99,003)
<b>EXPENDITURES</b>				
Conservation and development	-	505,288	390,847	114,441
Excess of Revenues Over Expenditures	-	(19,389)	(3,951)	(213,444)
<b>OTHER FINANCING USES</b>				
Transfers out	-	-	-	-
Net Change in Fund Balance	-	(19,389)	(3,951)	(213,444)
<b>FUND BALANCE - Beginning of Year</b>	<b>1,761,514</b>	<b>1,761,514</b>	<b>1,761,514</b>	<b>-</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ 1,761,514</b>	<b>\$ 1,742,125</b>	<b>\$ 1,757,563</b>	<b>\$ (213,444)</b>

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Investment income	\$ -	\$ -	\$ 2,563	\$ 2,563
<b>EXPENDITURES</b>				
Conservation and development	-	-	4,115	(4,115)
Net Change in Fund Balance	-	-	(1,552)	(1,552)
<b>FUND BALANCE - Beginning of Year</b>	1,284,859	1,284,859	1,284,859	-
<b>FUND BALANCE - End of Year</b>	\$ 1,284,859	\$ 1,284,859	\$ 1,283,307	\$ (1,552)

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Public charges for services	\$ 275,000	\$ 275,000	\$ 138,686	\$ (136,314)
Investment income	10,000	10,000	6,890	(3,110)
Total Revenues	285,000	285,000	145,576	(139,424)
<b>EXPENDITURES</b>				
Public works	-	-	-	-
Excess of Revenues Over Expenditures	285,000	285,000	145,576	(139,424)
<b>OTHER FINANCING USES</b>				
Transfers out	(300,000)	(300,000)	(138,686)	161,314
Net Change in Fund Balance	(15,000)	(15,000)	6,890	21,890
<b>FUND BALANCE - Beginning of Year</b>	325,551	325,551	325,551	-
<b>FUND BALANCE - End of Year</b>	\$ 310,551	\$ 310,551	\$ 332,441	\$ 21,890

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>				
Sanitation	-	-	(2,443)	(2,443)
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>(2,443)</b>	<b>(2,443)</b>
<b>FUND BALANCE - Beginning of Year</b>	<b>2,443</b>	<b>2,443</b>	<b>2,443</b>	<b>-</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ 2,443</b>	<b>\$ 2,443</b>	<b>\$ -</b>	<b>\$ (2,443)</b>

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Investment income	\$ 250	\$ 250	\$ 189	\$ (61)
<b>EXPENDITURES</b>				
Public works	-	-	-	-
<b>Net Change in Fund Balance</b>	<b>250</b>	<b>250</b>	<b>189</b>	<b>(61)</b>
<b>FUND BALANCE - Beginning of Year</b>	<b>10,766</b>	<b>10,766</b>	<b>10,766</b>	<b>-</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ 11,016</b>	<b>\$ 11,016</b>	<b>\$ 10,955</b>	<b>\$ (61)</b>

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Public charges for services	\$ 365,000	\$ 365,000	\$ 10,730	\$ (354,270)
Investment income	6,000	6,000	5,202	(798)
<b>Total Revenues</b>	<b>371,000</b>	<b>371,000</b>	<b>15,932</b>	<b>(355,068)</b>
<b>EXPENDITURES</b>				
Culture and recreation	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	371,000	371,000	15,932	(355,068)
<b>OTHER FINANCING USES</b>				
Transfers out	(365,000)	(365,000)	(10,730)	354,270
Net Change in Fund Balance	6,000	6,000	5,202	(798)
<b>FUND BALANCE - Beginning of Year</b>	<b>272,976</b>	<b>272,976</b>	<b>272,976</b>	<b>-</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ 278,976</b>	<b>\$ 278,976</b>	<b>\$ 278,178</b>	<b>\$ (798)</b>

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Licenses and permits	\$ 725	\$ 725	\$ 520	\$ (205)
Public charges for services	292,602	292,602	295,120	2,518
<b>Total Revenues</b>	<b>293,327</b>	<b>293,327</b>	<b>295,640</b>	<b>2,313</b>
<b>EXPENDITURES</b>				
Culture and recreation	269,128	269,128	278,642	(9,514)
Capital outlay	20,000	40,000	38,240	1,760
<b>Total Expenditures</b>	<b>289,128</b>	<b>309,128</b>	<b>316,882</b>	<b>(7,754)</b>
Net Change in Fund Balance	4,199	(15,801)	(21,242)	(5,441)
<b>FUND BALANCE - Beginning of Year</b>	<b>62,974</b>	<b>62,974</b>	<b>62,974</b>	<b>-</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ 67,173</b>	<b>\$ 47,173</b>	<b>\$ 41,732</b>	<b>\$ (5,441)</b>

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Public charges for services	\$ 482,851	\$ 482,851	\$ 424,821	\$ (58,030)
Investment income (loss)	-	-	(4,630)	(4,630)
<b>Total Revenues</b>	<b>482,851</b>	<b>482,851</b>	<b>420,191</b>	<b>(62,660)</b>
<b>EXPENDITURES</b>				
Culture and recreation	482,851	482,851	413,909	68,942
Net Change in Fund Balance	-	-	6,282	6,282
<b>FUND BALANCE - Beginning of Year</b>	<b>54,644</b>	<b>54,644</b>	<b>54,644</b>	<b>-</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ 54,644</b>	<b>\$ 54,644</b>	<b>\$ 60,926</b>	<b>\$ 6,282</b>

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Investment income	\$ 10,000	\$ 10,000	\$ 6,159	\$ (3,841)
<b>EXPENDITURES</b>				
General government	1,000	1,000	184	816
Excess of Revenues Over Expenditures	9,000	9,000	5,975	(3,025)
<b>OTHER FINANCING USES</b>				
Transfers out	(15,000)	(15,000)	(728)	14,272
Net Change in Fund Balance	(6,000)	(6,000)	5,247	11,247
<b>FUND BALANCE - Beginning of Year</b>	<b>27,144</b>	<b>27,144</b>	<b>27,144</b>	<b>-</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ 21,144</b>	<b>\$ 21,144</b>	<b>\$ 32,391</b>	<b>\$ 11,247</b>

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ 10,000	\$ 10,000	\$ 13,990	\$ 3,990
Investment income	-	-	28	28
<b>Total Revenues</b>	<b>10,000</b>	<b>10,000</b>	<b>14,018</b>	<b>4,018</b>
<b>EXPENDITURES</b>				
Capital outlay	-	-	16,103	(16,103)
<b>Net Change in Fund Balance</b>	<b>10,000</b>	<b>10,000</b>	<b>(2,085)</b>	<b>(12,085)</b>
<b>FUND BALANCE - Beginning of Year</b>	<b>2,137</b>	<b>2,137</b>	<b>2,137</b>	<b>-</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ 12,137</b>	<b>\$ 12,137</b>	<b>\$ 52</b>	<b>\$ (12,085)</b>

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures and penalties	20,000	20,000	32,180	12,180
Investment income	-	-	1,408	1,408
<b>Total Revenues</b>	<b>20,000</b>	<b>20,000</b>	<b>33,588</b>	<b>13,588</b>
<b>EXPENDITURES</b>				
Public safety	-	-	17,834	(17,834)
Capital outlay	-	-	10,470	(10,470)
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>28,304</b>	<b>(28,304)</b>
<b>Net Change in Fund Balance</b>	<b>20,000</b>	<b>20,000</b>	<b>5,284</b>	<b>(14,716)</b>
<b>FUND BALANCE - Beginning of Year</b>	<b>234,996</b>	<b>234,996</b>	<b>234,996</b>	<b>-</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ 254,996</b>	<b>\$ 254,996</b>	<b>\$ 240,280</b>	<b>\$ (14,716)</b>

**CITY OF WAUKESHA, WISCONSIN**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**Paramedics Special Revenue Fund**  
**Year Ended December 31, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Investment income	\$ 1,000	\$ 1,000	\$ 44	\$ (956)
Miscellaneous	-	-	935	935
<b>Total Revenues</b>	<b>1,000</b>	<b>1,000</b>	<b>979</b>	<b>(21)</b>
<b>EXPENDITURES</b>				
Capital outlay	-	-	-	-
<b>Net Change in Fund Balance</b>	<b>1,000</b>	<b>1,000</b>	<b>979</b>	<b>(21)</b>
<b>FUND BALANCE - Beginning of Year</b>	<b>7,001</b>	<b>70,001</b>	<b>7,001</b>	<b>-</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ 8,001</b>	<b>\$ 71,001</b>	<b>\$ 7,980</b>	<b>\$ (21)</b>

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
<b>OTHER FINANCING SOURCES</b>				
Transfers in	-	-	44,138	44,138
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>44,138</b>	<b>44,138</b>
<b>FUND BALANCE (DEFICIT) - Beginning of Yea</b>	<b>(44,138)</b>	<b>(44,138)</b>	<b>(44,138)</b>	<b>-</b>
<b>FUND BALANCE (DEFICIT) - End of Year</b>	<b>\$ (44,138)</b>	<b>\$ (44,138)</b>	<b>\$ -</b>	<b>\$ 44,138</b>

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Public charges for services	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	1,373	1,373
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>1,373</b>	<b>1,373</b>
<b>EXPENDITURES</b>				
Capital outlay	-	-	118,124	(118,124)
Excess (Deficiency) of Revenues Over Expenditures	-	-	(116,751)	(116,751)
<b>OTHER FINANCING USES</b>				
Transfers out	-	-	-	-
Net Change in Fund Balance	-	-	(116,751)	(116,751)
<b>FUND BALANCE - Beginning of Year</b>	<b>226,828</b>	<b>226,828</b>	<b>226,828</b>	<b>-</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ 226,828</b>	<b>\$ 226,828</b>	<b>\$ 110,077</b>	<b>\$ (116,751)</b>

**CITY OF WAUKESHA, WISCONSIN**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**Lead Abatement Grant Fund**  
**Year Ended December 31, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Public charges for services	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	150,000	150,000
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>150,000</b>	<b>150,000</b>
<b>EXPENDITURES</b>				
Sanitation	-	-	7,582	(7,582)
Excess (Deficiency) of Revenues Over Expenditures	-	-	142,418	142,418
<b>OTHER FINANCING USES</b>				
Transfers out	-	-	-	-
Net Change in Fund Balance	-	-	142,418	142,418
<b>FUND BALANCE - Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 142,418</b>	<b>\$ 142,418</b>

**CITY OF WAUKESHA, WISCONSIN**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**Byrne/Stimulus Grant Fund**  
**Year Ended December 31, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 140,708	\$ 44,605	\$ (96,103)
Investment income	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>140,708</b>	<b>44,605</b>	<b>(96,103)</b>
<b>EXPENDITURES</b>				
Public safety	-	63,305	44,605	18,700
Capital outlay	-	77,403	30,530	46,873
<b>Toal Expenditures</b>	<b>-</b>	<b>140,708</b>	<b>75,135</b>	<b>65,573</b>
Excess (Deficiency) of Revenues Over Expenditures	-	-	(30,530)	(161,676)
<b>OTHER FINANCING USES</b>				
Transfers out	-	-	-	-
Net Change in Fund Balance	-	-	(30,530)	(161,676)
<b>FUND BALANCE - Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE (DEFICIT) - End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (30,530)</b>	<b>\$ (161,676)</b>

**CITY OF WAUKESHA, WISCONSIN**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**General Debt Service Fund**  
**Year Ended December 31, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Taxes	\$ 8,833,716	\$ 8,833,716	\$ 8,833,716	\$ -
Intergovernmental	117,514	117,514	15,669	(101,845)
Investment income	165,000	165,000	28,074	(136,926)
Total Revenues	<u>9,116,230</u>	<u>9,116,230</u>	<u>8,877,459</u>	<u>(238,771)</u>
<b>EXPENDITURES</b>				
Principal retirement	6,282,419	6,282,419	6,282,419	-
Interest and fiscal charges	2,624,932	2,624,932	2,568,196	56,736
Total Expenditures	<u>8,907,351</u>	<u>8,907,351</u>	<u>8,850,615</u>	<u>56,736</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>208,879</u>	<u>208,879</u>	<u>26,844</u>	<u>(182,035)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Long-term debt issued	6,385,000	6,385,000	6,260,000	(125,000)
Premium on debt issued	-	-	96,791	96,791
Payment to refunding bond escrow agent	(6,257,625)	(6,257,625)	(6,257,625)	-
Transfers in	30,000	30,000	302,195	272,195
Transfers out	(470,426)	(470,426)	(470,426)	-
Total Other Financing Sources (Uses)	<u>(313,051)</u>	<u>(313,051)</u>	<u>(69,065)</u>	<u>243,986</u>
Net Change in Fund Balance	(104,172)	(104,172)	(42,221)	61,951
<b>FUND BALANCE - Beginning of Year</b>	<u>837,513</u>	<u>837,513</u>	<u>837,513</u>	<u>-</u>
<b>FUND BALANCE - End of Year</b>	<u>\$ 733,341</u>	<u>\$ 733,341</u>	<u>\$ 795,292</u>	<u>\$ 61,951</u>

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Taxes	\$ 2,857,019	\$ 2,857,019	\$ 2,855,514	\$ (1,505)
Intergovernmental	42,670	42,670	43,089	419
Special assessments	-	-	2,014	2,014
Investment income	61,000	61,000	3,874	(57,126)
<b>Total Revenues</b>	<b>2,960,689</b>	<b>2,960,689</b>	<b>2,904,491</b>	<b>(56,198)</b>
<b>EXPENDITURES</b>				
Current				
General government	25,160	25,160	18,680	6,480
Debt Service				
Principal	3,699,936	3,699,936	3,090,000	609,936
Interest and fiscal charges	1,579,266	1,579,266	1,600,420	(21,154)
<b>Total Expenditures</b>	<b>5,304,362</b>	<b>5,304,362</b>	<b>4,709,100</b>	<b>595,262</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,343,673)	(2,343,673)	(1,804,609)	539,064
<b>OTHER FINANCING SOURCES (USES)</b>				
Long-term debt issued	1,845,000	1,845,621	1,865,000	19,379
Premium on debt issued	(310)	13,019	13,640	621
Transfers in	-	-	78,726	78,726
Transfers out	-	-	(501,187)	(501,187)
<b>Total Other Financing Sources (Uses)</b>	<b>1,844,690</b>	<b>1,858,640</b>	<b>1,456,179</b>	<b>(402,461)</b>
Net Change in Fund Balance	(498,983)	(485,033)	(348,430)	136,603
<b>FUND BALANCE - Beginning of Year</b>	<b>118,900</b>	<b>118,900</b>	<b>118,900</b>	<b>-</b>
<b>FUND BALANCE (DEFICIT) - End of Year</b>	<b>\$ (380,083)</b>	<b>\$ (366,133)</b>	<b>\$ (229,530)</b>	<b>\$ 136,603</b>

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ 1,037,717	\$ 1,014,109	\$ 1,000,963	\$ (13,146)
Public charges for services	142,332	142,332	274,103	131,771
Special assessments	120,000	120,000	81,372	(38,628)
Investment income	-	-	4,897	4,897
<b>Total Revenues</b>	<b>1,300,049</b>	<b>1,276,441</b>	<b>1,361,335</b>	<b>84,894</b>
<b>EXPENDITURES</b>				
Capital outlay	1,300,049	1,772,515	1,357,650	414,865
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(496,074)	3,685	499,759
<b>OTHER FINANCING SOURCES</b>				
Transfers in	-	-	-	-
<b>Total Other Financing Sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balance	-	(496,074)	3,685	499,759
<b>FUND BALANCE - Beginning of Year</b>	<b>437,372</b>	<b>437,372</b>	<b>437,372</b>	<b>-</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ 437,372</b>	<b>\$ (58,702)</b>	<b>\$ 441,057</b>	<b>\$ 499,759</b>

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ 173,480	\$ 308,480	\$ 1,475	\$ (307,005)
Special assessments	95,000	466,340	31,034	(435,306)
Public charges for services	487,000	487,000	-	(487,000)
Investment income	-	-	22,051	22,051
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>755,480</b>	<b>1,261,820</b>	<b>54,560</b>	<b>(1,207,260)</b>
<b>EXPENDITURES</b>				
Capital outlay	4,223,916	7,346,138	3,300,955	4,045,183
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,468,436)	(6,084,318)	(3,246,395)	2,837,923
<b>OTHER FINANCING SOURCES (USES)</b>				
Long-term debt issued	3,468,436	4,191,249	2,451,500	(1,739,749)
Premium on debt issued	-	-	29,185	29,185
Transfers in	-	-	99,575	99,575
<b>Total Other Financing Sources (Uses)</b>	<b>3,468,436</b>	<b>4,191,249</b>	<b>2,580,260</b>	<b>(1,610,989)</b>
Net Change in Fund Balance	-	(1,893,069)	(666,135)	1,226,934
<b>FUND BALANCE - Beginning of Year</b>	<b>1,907,544</b>	<b>1,907,544</b>	<b>1,907,543</b>	<b>-</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ 1,907,544</b>	<b>\$ 14,475</b>	<b>\$ 1,241,408</b>	<b>\$ 1,226,934</b>

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ 124,000	\$ 149,000	\$ 95,390	\$ (53,610)
Public charges for services	-	752,033	-	(752,033)
Investment income	-	-	13,104	13,104
Miscellaneous	10,000	10,000	18,246	8,246
<b>Total Revenues</b>	<b>134,000</b>	<b>911,033</b>	<b>126,740</b>	<b>(784,293)</b>
<b>EXPENDITURES</b>				
Capital outlay	632,000	3,976,012	2,448,016	1,527,996
Excess (Deficiency) of Revenues Over (Under) Expenditures	(498,000)	(3,064,979)	(2,321,276)	743,703
<b>OTHER FINANCING SOURCES (USES)</b>				
Long-term debt issued	457,000	487,000	212,000	(275,000)
Transfers in	-	-	10,730	10,730
<b>Total Other Financing Sources (Uses)</b>	<b>457,000</b>	<b>487,000</b>	<b>222,730</b>	<b>(264,270)</b>
Net Change in Fund Balance	(41,000)	(2,577,979)	(2,098,546)	479,433
<b>FUND BALANCE - Beginning of Year</b>	<b>2,638,289</b>	<b>2,638,289</b>	<b>2,638,289</b>	<b>-</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ 2,597,289</b>	<b>\$ 60,310</b>	<b>\$ 539,743</b>	<b>\$ 479,433</b>

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Taxes	\$ 228,307	\$ 228,307	\$ 228,307	\$ -
Investment income	100,000	100,000	14,669	(85,331)
Miscellaneous	-	-	8,425	8,425
<b>Total Revenues</b>	<b>328,307</b>	<b>328,307</b>	<b>251,401</b>	<b>(76,906)</b>
<b>EXPENDITURES</b>				
Capital outlay	1,210,807	1,532,099	956,789	575,310
Excess (Deficiency) of Revenues Over (Under) Expenditures	(882,500)	(1,203,792)	(705,388)	498,404
<b>OTHER FINANCING SOURCES (USES)</b>				
Long-term debt issued	711,500	711,500	711,500	-
Sale of City property	100,000	100,000	75,585	(24,415)
Transfers out	-	-	(270,895)	(270,895)
<b>Total Other Financing Sources (Uses)</b>	<b>811,500</b>	<b>811,500</b>	<b>516,190</b>	<b>(295,310)</b>
Net Change in Fund Balance	(71,000)	(392,292)	(189,198)	203,094
<b>FUND BALANCE - Beginning of Year</b>	<b>869,934</b>	<b>869,934</b>	<b>869,934</b>	<b>-</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ 798,934</b>	<b>\$ 477,642</b>	<b>\$ 680,736</b>	<b>\$ 203,094</b>

**CITY OF WAUKESHA, WISCONSIN**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**TIF Districts Nos. 9 - 18 Capital Projects Fund**  
**Year Ended December 31, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	13,735	13,735
Miscellaneous	-	-	125,247	125,247
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>138,982</b>	<b>138,982</b>
<b>EXPENDITURES</b>				
Current				
General government	-	1,502	15,271	(13,769)
Capital outlay	-	100,000	3,938,306	(3,838,306)
<b>Total Expenditures</b>	<b>-</b>	<b>101,502</b>	<b>3,953,577</b>	<b>(3,852,075)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(101,502)	(3,814,595)	(3,713,093)
<b>OTHER FINANCING SOURCES (USES)</b>				
Long-term debt issued	-	150,000	1,525,000	1,375,000
Premium on debt issued	-	1,502	10,786	9,284
Transfers in	-	-	469,887	469,887
Transfers out	-	-	(78,726)	(78,726)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>151,502</b>	<b>1,926,947</b>	<b>1,775,445</b>
Net Change in Fund Balance	-	50,000	(1,887,648)	(1,937,648)
<b>FUND BALANCE - Beginning of Year</b>	<b>2,847,295</b>	<b>2,847,295</b>	<b>2,847,295</b>	<b>-</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ 2,847,295</b>	<b>\$ 2,897,295</b>	<b>\$ 959,647</b>	<b>\$ (1,937,648)</b>

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Investment income	\$ 50,000	\$ 50,000	\$ 176,019	\$ 126,019
Miscellaneous	20,000	20,000	27,842	7,842
<b>Total Revenues</b>	<b>70,000</b>	<b>70,000</b>	<b>203,861</b>	<b>133,861</b>
<b>EXPENDITURES</b>				
General government	5,000	5,000	6,672	(1,672)
<b>Excess of Revenues Over Expenditures</b>	<b>65,000</b>	<b>65,000</b>	<b>197,189</b>	<b>132,189</b>
<b>OTHER FINANCING USES</b>				
Transfers out	(45,000)	(45,000)	(21,533)	23,467
<b>Net Change in Fund Balance</b>	<b>20,000</b>	<b>20,000</b>	<b>175,656</b>	<b>155,656</b>
<b>FUND BALANCE - Beginning of Year</b>	<b>903,438</b>	<b>903,438</b>	<b>903,438</b>	<b>-</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ 923,438</b>	<b>\$ 923,438</b>	<b>\$ 1,079,094</b>	<b>\$ 155,656</b>

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Investment income	\$ 30,000	\$ 30,000	\$ 110,637	\$ 80,637
Miscellaneous	20,000	20,000	5,428	(14,572)
<b>Total Revenues</b>	<b>50,000</b>	<b>50,000</b>	<b>116,065</b>	<b>66,065</b>
<b>EXPENDITURES</b>				
General government	3,500	3,500	4,353	(853)
<b>Excess of Revenues Over Expenditures</b>	<b>46,500</b>	<b>46,500</b>	<b>111,712</b>	<b>65,212</b>
<b>OTHER FINANCING USES</b>				
Transfers out	(15,000)	(15,000)	(13,565)	1,435
<b>Net Change in Fund Balance</b>	<b>31,500</b>	<b>31,500</b>	<b>98,147</b>	<b>66,647</b>
<b>FUND BALANCE - Beginning of Year</b>	<b>554,420</b>	<b>554,420</b>	<b>554,420</b>	<b>-</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ 585,920</b>	<b>\$ 585,920</b>	<b>\$ 652,567</b>	<b>\$ 66,647</b>

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Investment income	\$ 10,000	\$ 10,000	\$ 52,314	\$ 42,314
<b>EXPENDITURES</b>				
General government	5,000	5,000	3,582	1,418
Excess of Revenues Over Expenditures	5,000	5,000	48,732	43,732
<b>OTHER FINANCING USES</b>				
Transfers out	(15,000)	(15,000)	(11,296)	3,704
Net Change in Fund Balance	(10,000)	(10,000)	37,436	47,436
<b>FUND BALANCE - Beginning of Year</b>	305,996	305,996	305,996	-
<b>FUND BALANCE - End of Year</b>	\$ 295,996	\$ 295,996	\$ 343,432	\$ 47,436

**CITY OF WAUKESHA, WISCONSIN**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**Library Endowment Permanent Fund**  
**Year Ended December 31, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Public charges for services	\$ -	\$ -	\$ 7,426	\$ 7,426
Investment income	3,000	3,000	966	(2,034)
Miscellaneous	20,100	20,100	25,550	5,450
Total Revenues	23,100	23,100	33,942	10,842
<b>EXPENDITURES</b>				
Culture and recreation	28,200	28,200	26,917	1,283
Excess (Deficiency) of Revenues Over Expenditures	(5,100)	(5,100)	7,025	12,125
<b>OTHER FINANCING USES</b>				
Transfers out	-	-	-	-
Net Change in Fund Balance	(5,100)	(5,100)	7,025	12,125
<b>FUND BALANCE - Beginning of Year</b>	150,318	150,318	150,318	-
<b>FUND BALANCE - End of Year</b>	\$ 145,218	\$ 145,218	\$ 157,343	\$ 12,125

**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, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Investment income	\$ 400	\$ 400	\$ 203	\$ (197)
<b>EXPENDITURES</b>				
Culture and recreation	-	-	-	-
Excess of Revenues Over Expenditures	400	400	203	(197)
<b>OTHER FINANCING USES</b>				
Transfers out	(400)	(400)	(171)	229
Net Change in Fund Balance	-	-	32	32
<b>FUND BALANCE - Beginning of Year</b>	<b>28,385</b>	<b>28,385</b>	<b>28,385</b>	<b>-</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ 28,385</b>	<b>\$ 28,385</b>	<b>\$ 28,417</b>	<b>\$ 32</b>

**CITY OF WAUKESHA, WISCONSIN**  
**Combining Statement of Net Assets**  
**Internal Service Funds**  
**December 31, 2009**

	Dental/Life Vision Insurance	Health Insurance	Property and Liability Insurance	Printing	Totals
<b>ASSETS</b>					
Current Assets					
Cash and investments	\$ 58,086	\$ 3,924,269	\$ -	\$ 163,986	\$ 4,146,341
Accounts receivable	-	38,839	-	-	38,839
Inventories	-	-	-	14,525	14,525
Prepaid items	10,468	-	32,096	212	42,776
<b>Total Current Assets</b>	<b>68,554</b>	<b>3,963,108</b>	<b>32,096</b>	<b>178,723</b>	<b>4,242,481</b>
Equipment	-	-	-	285,286	285,286
Less: Accumulated depreciation	-	-	-	(81,286)	(81,286)
Net Equipment	-	-	-	204,000	204,000
<b>Total Assets</b>	<b>68,554</b>	<b>3,963,108</b>	<b>32,096</b>	<b>382,723</b>	<b>4,446,481</b>
<b>CURRENT LIABILITIES</b>					
Accounts payable	-	712	-	-	712
Claims payable	20,604	656,145	-	-	676,749
Compensated absences	-	-	-	27,163	27,163
Due to other funds	-	-	25,054	-	25,054
<b>Total Current Liabilities</b>	<b>20,604</b>	<b>656,857</b>	<b>25,054</b>	<b>27,163</b>	<b>729,678</b>
<b>NET ASSETS</b>					
Invested in capital assets	-	-	-	204,000	204,000
Restricted for					
Unpaid claims and restricted deposits	47,950	3,306,251	7,042	-	3,361,243
Unrestricted	-	-	-	151,560	151,560
<b>TOTAL NET ASSETS</b>	<b>\$ 47,950</b>	<b>\$ 3,306,251</b>	<b>\$ 7,042</b>	<b>\$ 355,560</b>	<b>\$ 3,716,803</b>

**CITY OF WAUKESHA, WISCONSIN**  
**Combining Statement of Revenues, Expenses**  
**and Changes in Fund Net Assets**  
**Internal Service Funds**  
**Year Ended December 31, 2009**

	Dental/Life/ Vision Insurance	Health Insurance	Property and Liability Insurance	Printing	Totals
<b>OPERATING REVENUES</b>					
Charges for services	\$ 562,090	\$ 8,142,223	\$ 1,085,142	\$ 236,152	\$ 10,025,607
Other revenues	42	183,484	126,732	-	310,258
<b>Total Operating Revenues</b>	<b>562,132</b>	<b>8,325,707</b>	<b>1,211,874</b>	<b>236,152</b>	<b>10,335,865</b>
<b>OPERATING EXPENSES</b>					
Operation and maintenance	556,235	8,828,630	1,212,047	150,125	10,747,037
Depreciation	-	-	-	33,838	33,838
<b>Total Operating Expenses</b>	<b>556,235</b>	<b>8,828,630</b>	<b>1,212,047</b>	<b>183,963</b>	<b>10,780,875</b>
Operating Income (Loss)	5,897	(502,923)	(173)	52,189	(445,010)
Other Financing Sources Transfers in	-	122,997	-	-	122,997
<b>CHANGES IN NET ASSETS</b>	<b>5,897</b>	<b>(379,926)</b>	<b>(173)</b>	<b>52,189</b>	<b>(322,013)</b>
<b>NET ASSETS - Beginning of Year</b>	<b>42,053</b>	<b>3,686,177</b>	<b>7,215</b>	<b>303,371</b>	<b>4,038,816</b>
<b>NET ASSETS - End of Year</b>	<b>\$ 47,950</b>	<b>\$ 3,306,251</b>	<b>\$ 7,042</b>	<b>\$ 355,560</b>	<b>\$ 3,716,803</b>

**STATISTICAL SECTION**

## 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 Seven Fiscal Years**  
**(Accrual Basis of Accounting)**

	Fiscal Year				
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>Governmental Activities</b>					
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	<u>(10,179,153)</u>	<u>(12,949,817)</u>	<u>(13,307,112)</u>	<u>(4,695,703)</u>	<u>(5,282,662)</u>
<b>Total Governmental Activities of Net Assets</b>	<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>
<b>Business - Type Activities</b>					
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	<u>12,983,982</u>	<u>10,207,666</u>	<u>13,246,156</u>	<u>11,026,392</u>	<u>11,870,263</u>
<b>Total Business - Type Activities of Net Assets</b>	<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>
<b>Primary Government (In Total)</b>					
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	<u>2,804,829</u>	<u>(2,742,151)</u>	<u>(60,956)</u>	<u>6,330,689</u>	<u>6,587,601</u>
<b>Total Primary Government Net Assets</b>	<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>

Source: City of Waukesha Comprehensive Annual Financial Reports and Financial Statements

Note: The City implemented GASB 34 as of and for the year ended December 31, 2003. Accordingly, data prior to 2003 is not available.

**City of Waukesha**  
**Table 1 (Continued)**  
**Net Assets By Component**  
**Last Seven Fiscal Years**  
**(Accrual Basis of Accounting)**

	Fiscal Year	
	2008	2009
<b>Governmental Activities</b>		
Invested in Capital Assets, Net of Related Debt	\$ 88,972,632	\$ 70,596,955
Restricted	956,413	3,265,872
Unrestricted	(16,048,090)	(5,592,020)
<b>Total Governmental Activities of Net Assets</b>	<b>\$ 73,880,955</b>	<b>\$ 68,270,807</b>
<b>Business - Type Activities</b>		
Invested in Capital Assets, Net of Related Debt	\$ 120,709,077	\$ 124,139,736
Restricted	8,856,311	6,994,934
Unrestricted	9,643,706	8,210,550
<b>Total Business - Type Activities of Net Assets</b>	<b>\$ 139,209,094</b>	<b>\$ 139,345,220</b>
<b>Primary Government (In Total)</b>		
Invested in Capital Assets, Net of Related Debt	\$ 209,681,709	\$ 194,736,691
Restricted	9,812,724	10,260,806
Unrestricted	(6,404,384)	2,618,530
<b>Total Primary Government Net Assets</b>	<b>\$ 213,090,049</b>	<b>\$ 207,616,027</b>

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

Expenses	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
<b>Governmental Activities</b>							
General Government	\$ 7,749,323	\$ 7,478,978	\$ 7,171,272	\$ 8,355,210	\$ 9,187,580	\$ 7,715,578	\$ 8,756,841
Public Safety	22,728,584	23,853,107	25,018,063	26,139,258	27,621,969	30,189,386	28,903,936
Highways and Streets	11,620,755	15,235,397	11,017,532	13,575,809	14,163,612	13,433,437	16,737,532
Sanitation	1,809,402	1,958,663	1,960,635	2,070,610	2,111,547	2,334,667	2,463,240
Culture and Recreation	8,668,439	8,299,713	10,375,323	10,379,313	10,856,358	11,033,570	10,378,229
Conservation and Development	2,296,550	683,873	710,042	305,725	1,958,871	4,330,430	5,274,651
Interest and Fiscal Charges	3,082,186	2,797,495	3,189,687	3,530,573	3,684,246	3,733,260	4,143,242
<b>Total Government Activities Expenses</b>	<b>57,955,239</b>	<b>60,307,226</b>	<b>59,442,554</b>	<b>64,356,498</b>	<b>69,584,183</b>	<b>72,770,328</b>	<b>76,657,671</b>
<b>Business - Type Activities</b>							
Water Utility	\$ 4,776,301	\$ 4,432,772	\$ 4,805,332	\$ 5,439,271	\$ 5,956,426	\$ 6,889,948	\$ 7,063,897
Wastewater Utility	8,067,680	8,566,074	8,510,188	9,047,169	9,687,032	9,577,051	9,627,296
Transit System Utility	4,511,362	9,015,608	9,349,101	9,492,306	9,926,045	10,530,371	10,031,069
Parking Utility	528,402	801,036	904,590	934,438	955,564	894,062	929,691
Cemetery	797,553	815,167	724,509	628,501	753,079	716,414	713,019
<b>Total Business - Type Activities</b>	<b>18,681,298</b>	<b>23,630,657</b>	<b>24,293,720</b>	<b>25,541,685</b>	<b>27,278,146</b>	<b>28,607,846</b>	<b>28,364,972</b>
<b>Total Primary Government Expenses</b>	<b>\$ 76,636,537</b>	<b>\$ 83,937,883</b>	<b>\$ 83,736,274</b>	<b>\$ 89,898,183</b>	<b>\$ 96,862,329</b>	<b>\$ 101,378,174</b>	<b>\$ 105,022,643</b>
<b>Program Revenues</b>							
<b>Governmental Activities</b>							
General Government	\$ 2,224,129	\$ 586,825	\$ 339,050	\$ 604,831	\$ 480,305	\$ 526,568	\$ 1,205,679
Public Safety	2,049,883	3,024,020	2,761,504	2,817,684	2,917,362	2,855,147	1,974,351
Highways and Streets	632,701	953,914	970,324	781,942	651,916	512,726	1,198,782
Sanitation	4,262	-	-	27,220	43,311	41,977	11,152
Culture and Recreation	1,183,930	1,551,782	1,199,379	1,386,376	1,466,954	1,528,853	1,934,872
Conservation and Development	217,615	195	408	204	-	20	163,315
Interest and Fiscal Charges	-	-	-	-	-	-	-
<b>Operating Grants and Contributions</b>							
General Government	775	-	100	78,555	-	-	-
Public Safety	668,148	486,978	496,373	330,937	455,308	427,641	626,056
Highways and Streets	2,283,334	2,661,967	2,590,219	2,836,445	2,778,314	3,088,013	2,652,451
Sanitation	157,429	-	12,040	-	-	-	219,005
Culture and Recreation	1,199,082	1,223,801	1,656,520	1,591,480	1,639,447	1,725,963	1,230,736
Conservation and Development	409,735	431,334	474,524	409,603	534,058	474,843	-
Interest and Fiscal Charges	-	-	-	-	-	-	-
<b>Capital Grants and Contributions</b>							
Public Safety	40,192	-	-	-	2,500	4,867	114,683
Highways and Streets	5,430,548	2,456,694	2,552,179	2,775,473	1,362,851	1,563,697	316,682
Culture and Recreation	35,474	29,649	324,723	50,848	35,737	48,857	15,669
Conservation and Development	292,838	-	-	-	-	-	850,000
<b>Total Government Activities</b>							
<b>Program Revenues</b>	<b>\$ 16,830,075</b>	<b>\$ 13,407,159</b>	<b>\$ 13,377,343</b>	<b>\$ 13,691,598</b>	<b>\$ 12,368,063</b>	<b>\$ 12,799,172</b>	<b>\$ 12,513,433</b>

(Continued)

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

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
<b>Business-type Activities</b>							
<b>Charges for Services</b>							
Water Utility	\$ 6,327,236	\$ 6,245,108	\$ 6,466,825	\$ 6,865,990	\$ 7,657,850	\$ 7,948,314	\$ 8,301,523
Wastewater Utility	9,554,699	9,492,288	9,707,092	9,131,030	9,138,257	8,930,019	9,544,590
Transit System Utility	635,159	1,575,164	1,594,018	1,733,448	1,805,058	1,939,909	1,917,247
Parking Utility	525,039	487,117	510,500	535,435	515,163	496,504	699,123
Cemetery	415,200	451,650	425,984	387,893	321,696	418,272	545,209
<b>Operating Grants and Contributions</b>							
Wastewater Utility	-	-	-	-	-	21,419	-
Transit System Utility	2,402,444	5,794,138	5,819,378	5,768,473	5,975,788	6,244,561	5,258,616
Cemetery	-	-	-	-	-	1,285	-
<b>Capital Grants and Contributions</b>							
Water Utility	1,562,884	2,266,395	2,882,232	2,354,473	2,873,605	3,420,234	342,226
Wastewater Utility	2,504,032	1,124,293	1,003,810	1,731,171	611,306	1,286,810	-
Transit System Utility	2,895,926	9,349,165	455,960	466,706	1,003,821	1,078,665	158,384
Parking Utility	1,164,569	879,624	-	-	-	-	-
<b>Total Business-type Activities</b>							
Program Revenues	\$ 27,987,188	\$ 37,664,942	\$ 28,865,799	\$ 28,974,619	\$ 29,902,544	\$ 31,785,992	\$ 26,766,918
<b>Total Primary Government</b>							
Program Revenues	\$ 44,817,263	\$ 51,072,101	\$ 42,243,142	\$ 42,666,217	\$ 42,270,607	\$ 44,585,164	\$ 39,280,351
<b>Net (Expense) Revenue</b>							
Government Activities	\$ (41,125,164)	\$ (46,900,067)	\$ (46,065,211)	\$ (50,664,900)	\$ (57,216,120)	\$ (59,971,156)	\$ (64,144,238)
Business-Type Activities	\$ 9,305,890	\$ 14,034,285	\$ 4,572,079	\$ 3,432,934	\$ 2,624,398	\$ 3,178,146	\$ (1,598,054)
<b>Total Primary Government</b>							
Net Expense	\$ (31,819,274)	\$ (32,865,782)	\$ (41,493,132)	\$ (47,231,966)	\$ (54,591,722)	\$ (56,793,010)	\$ (65,742,292)
<b>General Revenues and Other Changes in Net Assets</b>							
<b>Government Activities</b>							
Property Taxes	\$ 37,409,133	\$ 38,696,030	\$ 41,364,912	\$ 42,552,959	\$ 44,976,412	\$ 47,448,481	\$ 50,124,296
Other Taxes	651,857	719,477	1,472,178	1,693,361	1,705,736	1,831,921	1,612,652
<b>Intergovernmental Revenues Not</b>							
Restricted For Specific Programs	5,009,441	3,123,420	2,738,815	3,856,858	4,553,754	4,951,903	5,673,564
Investment Income	1,251,266	612,283	1,280,326	2,287,480	2,649,936	666,365	733,155
Miscellaneous	70,630	716,295	553,179	5,355,421	322,612	417,021	125,940
Gain on Sale of Assets	-	-	65,291	204,991	165,884	101,903	-
Transfers	494,291	776,400	720,841	125,163	159,009	321,389	264,483
<b>Total Governmental Activities</b>	\$ 44,886,618	\$ 44,643,905	\$ 48,195,542	\$ 56,076,233	\$ 54,533,343	\$ 55,738,983	\$ 58,534,090
<b>Business-Type Activities</b>							
Property Taxes	\$ 770,503	\$ 734,287	\$ 1,135,106	\$ 885,484	\$ 1,028,530	\$ 1,415,730	\$ 1,798,409
Investment Income	227,210	269,690	382,032	887,994	968,586	539,293	134,914
Miscellaneous	816,375	(202,373)	30,671	35,126	96	9,713	1,213
Gain on Sale of Assets	-	-	-	-	-	-	-
Transfers	(494,291)	(776,400)	(720,841)	(125,163)	(159,009)	(321,389)	(264,483)
<b>Total Business-Type Activities</b>	\$ 1,319,797	\$ 25,204	\$ 828,968	\$ 1,683,441	\$ 1,836,203	\$ 1,643,347	\$ 1,670,053
<b>Total Primary Government</b>	\$ 46,206,415	\$ 44,669,109	\$ 49,022,510	\$ 57,759,674	\$ 56,371,546	\$ 57,382,330	\$ 60,204,143
<b>Change in Net Assets</b>							
Government Activities	\$ 3,761,454	\$ (2,256,162)	\$ 2,130,331	\$ 5,411,333	\$ (2,682,777)	\$ (4,232,173)	\$ (5,610,148)
Business-Type Activities	\$ 10,625,687	\$ 14,059,489	\$ 5,399,047	\$ 5,116,375	\$ 4,462,601	\$ 4,821,493	\$ 71,999
<b>Total Primary Government Net Expense</b>	\$ 14,387,141	\$ 11,803,327	\$ 7,529,378	\$ 10,527,708	\$ 1,779,824	\$ 589,320	\$ (5,538,149)

Source: City of Waukesha Comprehensive Annual Financial Reports and Financial Statements

Note: The City implemented GASB 34 as of and for the year ended December 31, 2003. Accordingly, data prior to 2003 is not available.

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

	Fiscal Year				
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>General Fund</b>					
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	-	-	-	-	-
<b>Total General Fund</b>	<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>
<b>All Other Governmental Funds</b>					
Reserved (1)	\$ 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					
Debt Service Fund	-	-	-	-	-
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
<b>Total All Other Governmental Funds</b>	<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>
<b>Total Fund Balances - Governmental Funds</b>	<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>

Source: City of Waukesha Comprehensive Annual Financial Reports and Financial Statements

Note: The City implemented GASB 34 as of and for the year ended December 31, 2003. Accordingly, data prior to 2003 is not available.

(1) 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 3 (Continued)  
Fund Balances of Governmental Funds  
Last Seven Fiscal Years  
(Accrual Basis of Accounting)**

	Fiscal Year	
	<u>2008</u>	<u>2009</u>
<b>General Fund</b>		
Reserved	\$ 263,367	\$ 361,226
Unreserved and Designated, Reported In		
General Fund	-	229,530
Special Projects Funds	-	-
Capital Projects Funds	-	-
Unreserved and Undesignated, Reported In		
General Fund	8,597,415	9,387,584
Special Projects Funds	-	-
Capital Projects Funds	-	-
<b>Total General Fund</b>	<u>\$ 8,860,782</u>	<u>\$ 9,978,340</u>
<b>All Other Governmental Funds</b>		
Reserved (1)	\$ 7,472,697	\$ 8,072,639
Unreserved and Designated, Reported In		
Special Revenue Funds	-	-
Capital Projects Funds	-	-
Unreserved and Undesignated, Reported In		
Debt Service Fund	-	(229,530)
Special Revenue Funds	1,228,973	737,376
Capital Projects Funds	8,563,515	3,810,534
<b>Total All Other Governmental Funds</b>	<u>\$ 17,265,185</u>	<u>\$ 12,391,019</u>
<b>Total Fund Balances - Governmental Funds</b>	<u>\$ 26,125,967</u>	<u>\$ 22,369,359</u>

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

	2000	2001	2002	2003	2004
<b>REVENUES</b>					
Taxes	33,332,506	33,284,976	37,042,669	38,060,990	39,415,507
Intergovernmental	9,620,517	9,603,877	10,107,805	9,976,038	9,816,714
Licenses and Permits	1,736,510	1,886,740	1,565,992	1,811,415	1,952,927
Fines, Forfeitures and Penalties	670,274	701,700	675,871	559,444	629,834
Public Charges for Services	1,957,074	1,662,270	2,368,102	2,592,655	3,561,051
Interdepartment Charges	1,257,975	1,420,812	1,446,362	1,879,999	1,692,263
Special Assessments	546,305	183,770	311,792	174,736	219,283
Investment Income	2,554,853	1,915,787	1,263,083	1,251,264	612,283
Miscellaneous	1,032,902	1,330,185	317,829	750,934	367,780
<b>Total Revenues</b>	<b>52,708,916</b>	<b>51,990,117</b>	<b>55,099,505</b>	<b>57,057,475</b>	<b>58,267,642</b>
<b>EXPENDITURES</b>					
Current					
General Government	5,489,865	7,193,923	6,337,653	6,266,880	6,573,408
Public Safety	19,343,524	19,664,169	21,398,048	21,874,357	22,853,636
Highways and Streets	6,811,249	7,052,892	7,427,007	7,507,712	7,625,220
Sanitation	1,520,055	1,649,266	1,731,046	1,811,016	1,958,663
Culture And Recreation	6,178,083	6,552,683	7,072,111	7,408,298	7,846,388
Conservation and Development	0	0	587,393	2,964,506	679,170
Community Development	700,434	441,836	0	0	0
Capital Outlay	9,721,501	14,543,061	11,904,125	9,782,773	17,899,709
Debt Service					
Principal	11,091,328	7,681,084	5,611,747	12,840,102	11,559,531
Interest and Fiscal Charges	2,835,260	2,596,248	3,098,889	3,322,552	2,643,733
Other	0	0	0	113,201	0
<b>Total Expenditures</b>	<b>63,691,299</b>	<b>67,375,162</b>	<b>65,168,019</b>	<b>73,891,397</b>	<b>79,639,458</b>
<b>Excess (Deficiency) of Revenues</b>					
<b>Over (Under) Expenditures</b>	(10,982,383)	(15,385,045)	(10,068,514)	(16,833,922)	(21,371,816)
<b>OTHER FINANCING SOURCES (USES)</b>					
Long-Term Debt Issued	0	24,921,055	14,000,000	15,140,000	31,565,174
Premium on Bonds	0	109,764	93,062	78,621	1,080,956
Payment to Refunding Escrow Agent	0	0			(18,884,788)
Discount and Issuance Costs	0	(97,035)	(91,147)	(48,361)	0
Sale of City Property	175,393	432,425	111,301	366,564	91,638
Refunds to Other Districts	(503,656)	0	0	0	0
Transfers In	2,971,444	2,954,874	1,655,723	2,042,894	2,309,302
Transfers Out	(2,248,971)	(3,040,668)	(1,941,766)	(1,610,701)	(1,932,052)
<b>Total Other Financing Sources (Uses)</b>	<b>394,210</b>	<b>25,280,415</b>	<b>13,827,173</b>	<b>15,969,017</b>	<b>14,230,230</b>
<b>NET CHANGES IN FUND BALANCE</b>	<b>(10,588,173)</b>	<b>9,895,370</b>	<b>3,758,659</b>	<b>(864,905)</b>	<b>(7,141,586)</b>
Debt Service As A Percentage of					
Noncapital					
Expenditures	25.804%	19.453%	16.354%	26.474%	21.506%

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

(Continued)

Source: City of Waukesha Comprehensive Annual Financial Reports and Financial Statements

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

	2005	2006	2007	2008	2009
<b>REVENUES</b>					
Taxes	42,205,920	43,030,745	45,862,444	48,465,894	50,930,966
Intergovernmental	9,731,619	9,477,774	9,630,351	10,093,884	11,537,000
Licenses and Permits	2,219,627	2,041,650	1,700,404	1,932,918	1,714,949
Fines, Forfeitures and Penalties	1,288,192	763,981	807,893	652,839	603,643
Public Charges for Services	2,999,948	3,557,417	4,112,151	3,776,514	3,738,910
Interdepartment Charges	1,143,504	1,063,537	792,952	862,484	1,153,811
Special Assessments	205,392	200,453	159,536	143,770	114,420
Investment Income	1,280,324	2,287,133	2,650,342	666,364	734,567
Miscellaneous	265,538	5,802,323	661,962	986,893	445,368
<b>Total Revenues</b>	<b>61,340,064</b>	<b>68,225,013</b>	<b>66,378,035</b>	<b>67,581,560</b>	<b>70,973,634</b>
<b>EXPENDITURES</b>					
Current					
General Government	6,599,033	7,182,305	7,928,148	7,597,885	7,558,132
Public Safety	23,619,054	24,805,391	26,324,946	27,251,549	27,432,912
Highways and Streets	7,404,333	7,565,959	8,206,322	8,679,759	8,175,127
Sanitation	1,960,635	2,070,610	2,111,547	2,334,667	2,487,773
Culture And Recreation	9,285,514	9,177,156	9,451,167	9,705,206	9,560,819
Conservation and Development	723,489	273,192	1,997,933	370,640	394,962
Community Development	0	0	0	0	0
Capital Outlay	19,252,583	14,076,164	9,263,605	13,911,652	13,065,183
Debt Service					
Principal	5,389,115	4,822,981	11,338,804	6,681,918	9,372,419
Interest and Fiscal Charges	3,059,795	3,636,320	3,734,215	4,026,746	4,168,616
Other	0	0	0	0	0
<b>Total Expenditures</b>	<b>77,293,551</b>	<b>73,610,078</b>	<b>80,356,687</b>	<b>80,560,022</b>	<b>82,215,943</b>
<b>Excess (Deficiency) of Revenues</b>					
<b>Over (Under) Expenditures</b>	<b>(15,953,487)</b>	<b>(5,385,065)</b>	<b>(13,978,652)</b>	<b>(12,978,462)</b>	<b>(11,242,309)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Long-Term Debt Issued	19,760,546	20,740,000	15,640,000	14,826,289	13,375,854
Premium on Bonds	203,943	231,076	188,575	61,678	150,402
Payment to Refunding Escrow Agent	(5,641,882)	(9,900,000)	0	0	(6,257,625)
Discount and Issuance Costs	0	0	0	0	0
Sale of City Property	116,786	75,822	165,884	101,903	75,585
Refunds to Other Districts	0	0	0	0	0
Transfers In	3,173,944	1,329,498	3,913,848	1,714,240	2,052,268
Transfers Out	(2,500,194)	(1,240,616)	(4,991,248)	(1,506,093)	(1,910,783)
<b>Total Other Financing Sources (Uses)</b>	<b>15,113,143</b>	<b>11,235,780</b>	<b>14,917,059</b>	<b>15,198,017</b>	<b>7,485,701</b>
<b>NET CHANGES IN FUND BALANCE</b>	<b>(840,344)</b>	<b>5,850,715</b>	<b>938,407</b>	<b>2,219,555</b>	<b>(3,756,608)</b>
Debt Service As A Percentage of					
Noncapital					
Expenditures	14.554%	14.477%	20.753%	14.612%	19.103%

**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**

<b>Real Property</b>						
<b>Fiscal Year Ended December 31</b>	<b>Total Assessed Valuation Residential</b>	<b>Total Assessed Valuation Commercial</b>	<b>Total Assessed Valuation Manufacturing</b>	<b>Total Assessed Valuation Agriculture</b>	<b>Total Assessed Valuation Other</b>	<b>Total Real Property</b>
<b>2000</b>	2,047,292,200	811,218,800	156,089,100	146,800	303,600	3,015,050,500
<b>2001***</b>	2,495,121,500	942,609,100	185,963,500	156,900	364,000	3,624,215,000
<b>2002</b>	2,569,279,850	943,445,300	192,793,300	149,600	749,000	3,706,417,050
<b>2003</b>	2,638,855,600	980,314,600	188,830,100	65,800	339,600	3,808,405,700
<b>2004</b>	2,707,433,720	997,786,800	179,360,800	67,100	599,800	3,885,248,220
<b>2005***</b>	3,600,583,400	1,283,659,500	216,966,500	96,000	815,600	5,102,121,000
<b>2006</b>	3,713,641,700	1,294,564,500	202,341,900	29,800	498,300	5,211,076,200
<b>2007</b>	3,814,561,300	1,296,502,500	203,246,700	60,900	369,000	5,314,740,400
<b>2008</b>	3,879,356,700	1,360,748,400	203,175,900	150,600	1,399,200	5,444,830,800
<b>2009***</b>	3,968,780,200	1,507,853,600	205,310,900	152,100	1,345,500	5,683,442,300

Source: Wisconsin Department of revenue, Bureau of Property Tax

\*\*\* Indicates Reassessment

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

<b>Total Personal Property</b>	<b>Total Direct City Tax Rate (a)</b>	<b>Total Taxable Assessed Valuation</b>	<b>Estimated Actual Value of Taxable Property</b>	<b>Ratio</b>
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%
159,971,310	\$8.83	5,604,802,110	6,223,441,200	90.060%
196,672,260	\$8.95	5,880,114,560	6,424,339,800	96.360%

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

**City of Waukesha Direct Rates**

Fiscal Year	Basic Rate	Debt Service Rate 1	Transit Tax Rate	Total City Tax Rate
2000	8.02	1.61	0.17	9.80
2001**	7.66	1.29	0.18	9.13
2002	8.05	1.19	0.21	9.45
2003	8.04	1.41	0.22	9.67
2004	8.66	1.36	0.24	10.26
2005**	6.70	1.27	0.19	8.16
2006	6.82	1.39	0.20	8.41
2007	6.96	1.53	0.24	8.73
2008	6.97	1.62	0.24	8.83
2009**	7.01	1.72	0.22	8.95

**Overlapping Rates 2**

Fiscal Year	Total City Tax Rate	Total State Tax Rate	Total School Tax Rate	Total County Tax Rate	Total Technical College Tax Rate	Total State Tax Credit Rate	Total Direct & Overlapping Rates
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
2008	8.83	0.19	8.98	1.99	1.23	(1.52)	19.70
2009**	8.95	0.18	9.30	1.94	1.20	(1.46)	20.11

\*\* Reassessment Year

Source: City of Waukesha Treasurer

1 Rates for debt service are set based on each year's requirements.

2 Overlapping rates are those of state, schools and county governments that apply to property owners in the City of Waukesha.

**City of Waukesha  
Table 7  
Principal Taxpayers  
Current Year and Nine Years Ago  
December 31, 2009**

		2009			
<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	85,963,660	89,199,730	1	1.46%
General Electric Company	Medical Equipment	61,238,000	63,617,287	2	1.04%
Bielinski Development, Inc.	Apartments	56,363,350	58,553,241	3	0.96%
Thomas Thomson	Real Estate, Apartments	44,669,690	46,405,246	4	0.76%
Waukesha Memorial Hospital	Medical Facility	37,447,420	38,902,369	5	0.64%
Westgrove Woods LLP, Sunburst III	Real Estate, Apartments	27,599,500	28,671,826	6	0.47%
HCRI Wisconsin Properties LLC (Life Care Hospital)	Medical Facility	25,354,100	26,339,186	7	0.43%
CIP Equity LLC (Country Springs Inn)	Hotel and Conference Center	25,199,430	26,178,506	8	0.43%
Moreland Medical Building Waukesha 1031 DST (Gander Mountain)	Medcal Facility	23,277,710	24,182,121	9	0.40%
Fleming Companies	Retail	18,576,370	19,298,120	10	0.32%
The Laureate Group, Incorporated	Food Wholesale Distrib.				
Sunburst III Limited Partnership	Real Estate, Apartments				
Cooper / RTE Industries	Manufacturerr of Power Transformers				
Pebble Valley Housing Partners, Inc.	Apartments				
Dresser Industries	Foundry				
		405,689,230	421,347,632		

Source: City of Waukesha Assessor

2000

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Taxable Assessed Value	Equalized Valuation	Rank	Percentage of Total Taxable Assessed Value
57,899,100	64,896,746	1	1.85%
33,972,500	38,078,394	2	1.09%
30,750,730	34,467,243	3	0.99%
21,962,100	24,616,425	4	0.70%
19,240,910	21,566,353	5	0.62%
16,897,930	18,940,202	6	0.54%
15,865,220	17,782,680	7	0.51%
15,759,300	17,663,958	8	0.50%
12,183,640	13,656,147	9	0.39%
11,530,600	12,924,181	10	0.37%
236,062,030	264,592,329		

**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
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	48,093,885	98.345%
2008	48,303,161	2,839,627	51,142,788	50,363,652	98.477%
2009	51,405,434	2,990,376	54,395,810	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>
257,908	10,913	32,147,157	99.935%
370,749	22,290	36,006,627	99.945%
474,703	15,981	37,984,397	99.974%
370,922	12,946	39,556,546	99.965%
312,660	10,264	42,641,907	99.967%
459,597	16,484	43,693,994	99.974%
584,583	19,628	46,082,608	99.972%
773,875	12,176	48,879,936	99.953%
738,806	11,405	51,113,863	99.943%

CITY OF WAUKESHA

TABLE 9  
TAX INCREMENT DISTRICTS  
Last Ten Fiscal Years

	Year Created	2000	2001	2002	2003	2004
<b>TID #4 Equalized Valuation</b>	<b>1983</b>					
Base		16,450,800	16,450,800	16,450,800	16,450,800	16,450,800
Yearly Value		46,002,800	47,737,300	48,085,100	49,888,400	51,232,200
Increment		29,552,000	31,286,500	31,634,300	33,437,600	34,781,400
<b>Total TID #4</b>		<b>29,552,000</b>	<b>31,286,500</b>	<b>31,634,300</b>	<b>33,437,600</b>	<b>34,781,400</b>
<b>TID #7 Equalized Valuation</b>	<b>1989</b>					
Base		21,380,800	21,380,800	21,380,800	21,380,800	21,380,800
Yearly Value		43,342,500	44,699,500	45,676,100	46,877,100	48,131,900
Increment		21,961,700	23,318,700	24,295,300	25,496,300	26,751,100
<b>Total TID #7</b>		<b>21,961,700</b>	<b>23,318,700</b>	<b>24,295,300</b>	<b>25,496,300</b>	<b>26,751,100</b>
<b>TID #8 Equalized Valuation</b>	<b>1989</b>					
Base		4,260,200	4,260,200	4,260,200		
Yearly Value		37,142,600	39,863,600	43,032,200		
Increment		32,882,400	35,603,400	38,772,000		
<b>Total TID #8</b>		<b>32,882,400</b>	<b>35,603,400</b>	<b>38,772,000</b>	<b>0</b>	<b>0</b>
<b>TID #9 Equalized Valuation</b>	<b>1994</b>					
Base		2,025,300	2,025,300	2,025,300	2,025,300	2,025,300
Yearly Value		3,923,000	6,623,700	10,097,400	12,373,200	13,644,100
Increment		1,897,700	4,598,400	8,072,100	10,347,900	11,618,800
<b>Total TID #9</b>		<b>1,897,700</b>	<b>4,598,400</b>	<b>8,072,100</b>	<b>10,347,900</b>	<b>11,618,800</b>
<b>TID #10 Equalized Valuation</b>	<b>1994</b>					
Base		3,195,800	3,195,800	3,195,800	3,195,800	3,195,800
Yearly Value		16,186,700	18,565,200	19,171,300	20,857,400	21,602,900
Increment		12,990,900	15,369,400	15,975,500	17,661,600	18,407,100
<b>Total TID #10</b>		<b>12,990,900</b>	<b>15,369,400</b>	<b>15,975,500</b>	<b>17,661,600</b>	<b>18,407,100</b>
<b>TID #11 Equalized Valuation</b>	<b>1997</b>					
Base		37,524,600	37,524,600	37,524,600	37,524,600	37,524,600
Yearly Value		47,073,600	51,859,100	53,282,100	61,190,300	66,540,400
Increment		9,549,000	14,334,500	15,757,500	23,665,700	29,015,800
<b>Total TID #11</b>		<b>9,549,000</b>	<b>14,334,500</b>	<b>15,757,500</b>	<b>23,665,700</b>	<b>29,015,800</b>
<b>TID #12 Equalized Valuation</b>	<b>2001</b>					
Base				107,700	107,700	107,700
Yearly Value				483,500	4,948,400	6,206,800
Increment				375,800	4,840,700	6,099,100
<b>Total TID #12</b>		<b>0</b>	<b>0</b>	<b>375,800</b>	<b>4,840,700</b>	<b>6,099,100</b>
<b>TID #13 Equalized Valuation</b>	<b>2003</b>					
Base						481,800
Yearly Value						323,400
Increment						0
<b>Total TID #13</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TID #14 Equalized Valuation</b>	<b>2003</b>					
Base						1,898,300
Yearly Value						1,955,200
Increment						56,900
<b>Total TID #14</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>56,900</b>
<b>TID #15 Equalized Valuation</b>	<b>2006</b>					
Base						
Yearly Value						
Increment						
<b>Total TID #15</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
0	0	0	0	0
21,380,800	21,380,800	21,380,800	21,380,800	21,380,800
50,339,600	52,226,500	53,627,900	55,919,300	55,253,100
28,958,800	30,845,700	32,247,100	34,538,500	33,872,300
28,958,800	30,845,700	32,247,100	34,538,500	33,872,300
0	0	0	0	0
2,025,300	2,025,300	2,025,300	2,025,300	2,025,300
14,609,800	15,552,200	17,035,700	17,074,500	16,508,200
12,584,500	13,526,900	15,010,400	15,049,200	14,482,900
12,584,500	13,526,900	15,010,400	15,049,200	14,482,900
0	0	0	0	0
37,524,600	37,524,600	37,524,600	37,524,600	37,524,600
68,451,800	74,061,700	80,655,400	86,563,700	95,177,200
30,927,200	36,537,100	43,130,800	49,039,100	57,652,600
30,927,200	36,537,100	43,130,800	49,039,100	57,652,600
107,700	107,700	107,700	107,700	107,700
7,692,700	13,533,900	14,709,100	17,829,400	18,256,500
7,585,000	13,426,200	14,601,400	17,721,700	18,148,800
7,585,000	13,426,200	14,601,400	17,721,700	18,148,800
481,800	481,800	481,800	481,800	481,800
2,452,100	2,944,800	2,961,100	3,070,500	2,898,400
1,970,300	2,463,000	2,479,300	2,588,700	2,416,600
1,970,300	2,463,000	2,479,300	2,588,700	2,416,600
1,898,300	1,898,300	1,898,300	1,898,300	10,959,100
3,554,700	4,607,900	4,750,600	6,412,700	16,275,200
1,656,400	2,709,600	2,852,300	4,514,400	5,316,100
1,656,400	2,709,600	2,852,300	4,514,400	5,316,100
0	0	4,068,300	4,068,300	0
0	0	7,467,500	29,578,200	0
0	0	3,399,200	25,509,900	0
0	0	3,399,200	25,509,900	0

CITY OF WAUKESHA

TABLE 9  
TAX INCREMENT DISTRICTS  
Last Ten Fiscal Years

	Year Created	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
TID #16 Equalized Valuation	2007					
Base						
Yearly Value						
Increment						
Total TID #16		0	0	0	0	0
TID #17 Equalized Valuation	2007					
Base						
Yearly Value						
Increment						
Total TID #17		0	0	0	0	0
<b>ALL PROPERTY</b>						
All Property Without TIDs		3,305,444,100	3,576,369,500	3,873,541,100	4,256,930,200	4,618,938,400
Base Valuation - TIDs		84,837,500	84,837,500	84,945,200	80,685,000	83,065,100
All Property Without TID						
Increment		3,390,281,600	3,661,207,000	3,958,486,300	4,337,615,200	4,702,003,500
Increment Valuation - TIDs		108,833,700	124,510,900	134,882,500	115,449,800	126,730,200
Equalized Valuation - All						
Property		3,499,115,300	3,785,717,900	4,093,368,800	4,453,065,000	4,828,733,700

Note: The City closed TIF #8 in May 2003

Note: The City closed TIF #15 in May 5, 2009

Note: The City dissolved TIF #4 and #10 in 2005

Note: TIF 14 Amended March 2008 To Expand Boundaries

Source: Wisconsin Department of Revenue Equalization Section

CITY OF WAUKESHA

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

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
			51,142,800	51,142,800
			47,289,700	46,208,300
			(3,853,100)	(4,934,500)
<u>0</u>	<u>0</u>	<u>0</u>	<u>(3,853,100)</u>	<u>(4,934,500)</u>
			58,492,900	58,492,900
			59,505,700	71,640,200
			1,012,800	13,147,300
<u>0</u>	<u>0</u>	<u>0</u>	<u>1,012,800</u>	<u>13,147,300</u>
5,109,478,300	5,553,964,600	5,794,562,300	5,900,197,500	6,102,122,700
63,418,500	63,418,500	67,486,800	177,122,500	182,115,000
5,172,896,800	5,617,383,100	5,862,049,100	6,077,320,000	6,284,237,700
83,682,200	99,508,500	113,720,500	146,121,200	140,102,100
<u>5,256,579,000</u>	<u>5,716,891,600</u>	<u>5,975,769,600</u>	<u>6,223,441,200</u>	<u>6,424,339,800</u>

**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 (1)	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			
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	4,345,000	21,709,835	4,490,000		104,917,145	4.05%	1,570.45
2004	68,395,821	1,875,000	6,495,350	0	19,378,114	3,860,000		100,004,285	3.54%	1,496.71
2005	67,784,859	10,775,000	6,061,023	0	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	2.91%	1,700.25
2008	86,582,446	10,440,000	4,578,599		9,006,571	14,025,000		124,632,616	3.23%	1,832.02
2009	92,418,454	2,530,000	6,141,602		6,129,626	13,225,000		120,444,682	*	1,750.65

\* Information Not Yet Available

**Sources:**

City of Waukesha Comprehensive Annual Financial Reports and Financial Statements  
Demographic Services Center, Wisconsin Department of Administration

(1) 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
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
2008	91,161,045	956,413	90,204,632	6,077,320,000	1.484%	68,030	1,325.95
2009	98,560,056	565,762	97,994,294	6,284,237,700	1.559%	68,800	1,424.34

Sources:

(1) Demographic Services Center, Wisconsin Department of Administration

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**City of Waukesha**  
**Table 12**  
**Computation of Direct and Overlapping Governmental Activities Debt**  
**December 31, 2009**

<u>Governmental Unit</u>	<u>Debt Outstanding as of December 31, 2009</u>	<u>Percent Chargeable to City</u>	<u>Outstanding Debt Chargeable to City</u>
Waukesha County Technical College District	33,375,000	11.364067%	3,792,757
Waukesha County	75,855,000	11.630000%	8,821,937
Waukesha School District	27,960,000	61.862439%	17,296,738
City of Waukesha Direct Debt			<u>94,948,454</u>
Total Direct and Overlapping Debt			124,859,886

**Source:**

Waukesha County Debt - Per Robert W. Baird, Financial Consultants and Wisconsin Department of Revenue

Waukesha County Technical College Debt - Per Response to Survey Dated 05/27/10

Waukesha School District Debt - Per Department of Public Instruction

Equalized Valuation Percentages - Per Wisconsin Department of Revenue

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

	2000	2001	2002	2003
<b>Debt Limit</b>	\$ 174,955,765	\$ 189,285,895	\$ 204,668,440	\$ 222,653,250
<b>Debt Applicable to Limit</b>	44,923,806	64,337,656	72,421,803	56,227,310
<b>Less Amount Available for Financing General Obligation Debt - Debt Service Fund Outstanding General Obligation Debt Applicable to Debt Limitation</b>	1,343,957	2,127,718	2,568,354	1,835,466
<b>Legal Debt Margin</b>	131,375,916	127,075,957	134,814,991	168,261,406
 <b>Total net debt applicable to the limit as a percentage of debt limit</b>	 24.909%	 32.866%	 34.130%	 24.429%
 <b>Equalized valuation as Certified by Wisconsin Department of Revenue (TID in)</b>	 3,499,115,300	 3,785,717,900	 4,093,368,800	 4,453,065,000
<b>Legal Debt percentage Allowed</b>	5.00%	5.00%	5.00%	5.00%
<b>Legal Debt Limit</b>	174,955,765	189,285,895	204,668,440	222,653,250
<b>Ratio</b>	89.217%	99.078%	93.680%	88.440%

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

2004	2005	2006	2007	2008	2009
\$ 241,436,685	\$ 262,828,950	\$ 285,844,580	\$ 298,788,480	\$ 311,172,060	\$ 321,216,990
74,891,171	73,845,882	84,377,733	92,102,770	91,161,045	98,560,056.00
1,738,134	1,312,199	1,089,976	1,127,450	956,413	565,762
73,153,037	72,533,683	83,287,757	90,975,320	90,204,632	97,994,294
168,283,648	190,295,267	202,556,823	207,813,160	220,967,428	223,222,696
30.299%	27.597%	29.137%	30.448%	28.989%	30.507%
4,828,733,700	5,256,579,000	5,716,891,600	5,975,769,600	6,223,441,200	6,424,339,800
5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
241,436,685	262,828,950	285,844,580	298,788,480	311,172,060	321,216,990
82.980%	99.770%	93.600%	91.310%	90.060%	96.360%

**Legal Debt Margin Calculation for Fiscal Year 2009**

Equalized Value	6,424,339,800.00
Debt Limit (5% of Equalized Valuation (TID in))	321,216,990.00
Total Outstanding General Obligation Debt Applicable to Debt Limitation	98,560,056.00
Less Amount Available for Financing General Obligation Debt	(565,762.00)
Net Outstanding General Obligation Debt Applicable to Debt Limitation	97,994,294.00
Legal Debt Margin For New Debt	223,222,696.00

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

Fiscal Year	Wastewater Revenue Bonds				Debt Service		
	Wastewater Charges and Other	Investment Income	Less Operating Expenditures Excluding Depreciation	Net Available Revenue	Principal	Interest	Coverage
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%
2008	8,930,019	357,679	6,582,065	2,705,633	2,758,548	445,760	84.4373%
2009	9,551,613	102,690	6,834,003	2,820,300	2,876,945	324,823	88.0857%

**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
\$5,838,004.00	\$383,868.00	\$2,908,339.00	\$3,313,533.00	\$610,000.00	\$345,235.00	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%
7,948,314	198,417	4,487,487	3,659,244	660,000	445,315	331.0589%
8,301,523	35,587	4,641,544	3,695,566	800,000	699,308	246.4848%

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

Fiscal Year	City of Waukesha				Waukesha County			
	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 (2)	Personal Income (3)	Per Capita Personal Income (3)
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	51,340	52,665	4.00%	381,651	75,958	19,941,935,000	52,252
2008	68,030	53,151	55,287	3.90%	382,697	72,179	20,431,664,000	53,389
2009	68,800	*	*	6.90%	383,190	*	*	*

\* 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	2009			2000		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
General Electric Medical Systems	3,445	1	8.7666%	4,600	1	12.1129%
Waukesha Memorial Hospital	2,164	2	5.5068%	2,800	2	7.3731%
Prohealth	2,045	3	5.2040%			
School District of Waukesha	1,520	4	3.8680%	1,448	4	3.8129%
Waukesha County	1,400	5	3.5626%	1,535	3	4.0420%
Cooper Power Systems	1,376	6	3.5015%	1,215	5	3.1994%
Dresser Inc. - Waukesha Engine Division	800	7	2.0358%	968	7	2.5490%
Waukesha Health System Inc.	734	8	1.8678%			
Husco International Inc.	550	9	1.3996%			
City of Waukesha	524	10	1.3334%	523	12	1.3772%
Waukesha Electric Systems	530	11	1.3487%			
Generac Corp.	500	12	1.2724%	1,000	6	2.6332%
Fleming Companies				800	8	2.1066%
Milwaukee Electric Tool Corp.				790	9	2.0803%
Hein-Werner Corp.				585	10	1.5404%
Beatrice Cheese, Inc.				525	11	1.3825%
<b>Total</b>	<u>15,588</u>		<u>39.6672%</u>	<u>16,789</u>		<u>44.2095%</u>

**Sources:**

2000: 2001 Wisconsin Manufacturers Directory and 2001 Wisconsin Business Service Directory

2009: 2009 Wisconsin Business Services and Manufacturer's Directory and Wisconsin's WORKnet.

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

	Full Time Equivalent Employees as of December 31									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>General Government</b>										
Municipal Court	3.5	3.5	4.5	4.5	4	4	4	4	4	4
Mayor's Office/City Administrator	3	3	3	3	3	3	3	3	3	3
Personnel	3.75	3.75	3.75	3.75	2.7	2.7	2.7	2.2	2.1	2.1
Attorney's Office	5.3	5.3	5.3	5.3	5.3	5.3	5.125	5.125	5.03	5.13
Assessor	7	7	7	7	7	7	7	7	6	6
Clerk-Treasurer's Office	7	7	7	7	6.88	6.75	6	6	6	6
Finance	5.63	5.63	5.63	4.63	5.63	5.63	5.63	5.63	5.63	5.63
Information Systems	13	13	13	13	13	12	12	12	11	11
Planning	8	8	8	8.25	8.25	8.25	8.25	8.25	8.25	8.25
Building Inspection	8	8	8	8.25	8.25	8.25	8.25	7.75	7.75	7.75
<b>Total General Government</b>	<b>64.18</b>	<b>64.18</b>	<b>65.18</b>	<b>64.68</b>	<b>64.01</b>	<b>62.88</b>	<b>61.955</b>	<b>60.955</b>	<b>58.76</b>	<b>58.86</b>
<b>Public Safety</b>										
Police										
Officers	106	106	107	107	113	113	113	113	113	117
Civilians	36	36	37	37	37.5	37.5	38	37	37	37
Fire										
Firefighters and Officers	91	91	91	91	92	92	92	92	101	101
Civilians	7	7	7	7	6	6	5	5.5	5.5	5
<b>Highways and Streets</b>										
Engineering	27	27	29	29	29	29	29	28	27.2	27.2
Maintenance	56	56	56	56	56.75	56.75	55.75	55.75	54.75	54.75
<b>Culture and Recreation</b>										
Parks and Recreation	40	40	41	42	43	43.5	42.5	43.9	43.8	43.8
Library	43	43	45	46	48.6	48.11	46.73	45.5	46.1	44.9
Parking	5.2	5.2	5.7	5.7	5.7	5.7	5.7	5.82	4.75	4.75
Waste Water Treatment Utility	30	30	30	32	27	27	25	25	25	25
Cemetery	6.5	6.5	6.5	6.5	5.5	6	4.5	4.8	4.8	4.8
<b>TOTAL</b>	<b>511.88</b>	<b>511.88</b>	<b>520.38</b>	<b>523.88</b>	<b>528.06</b>	<b>527.44</b>	<b>519.135</b>	<b>517.225</b>	<b>521.66</b>	<b>524.06</b>

Source:  
2000 - 2009 City of Waukesha Budget Documents

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

FUNCTION	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b><u>Court</u></b>										
Traffic Citations	8,177	7,536	7,545	6,958	6,892	8,047	8,112	6,982	5,121	5,762
Ordinance Violations	4,046	3,417	3,456	2,472	2,370	1,848	1,881	2,161	2,429	2,142
Juvenile	NA	NA	NA	931	913	796	816	848	389	336
Building	NA	NA	NA	43	114	197	152	145	105	94
<b><u>Assessor</u></b>										
Number of Parcels	18,224	18,681	18,948	19,326	19,567	20,170	20,375	20,946	21,274	21,387
Personal Property	2,443	2,424	2,433	2,447	2,414	2,406	2,387	2,364	2,374	2,366
Assessment Appeals	2	53	12	6	4	61	6	11	11	37
<b><u>Treasurer</u></b>										
Tax Bills Issued	21,468	21,934	22,384	21,615	21,909	22,430	22,620	23,167	21,604	23,639
Tax Refunds Issued	2,000	1,750	1,100	687	375	475	1,525	440	505	556
Licenses Issued (excluding dog and cat)	800	975	786	887	775	975	800	920	732	804
<b><u>IT</u></b>										
Workstations Supported	374	404	410	425	443	463	463	482	541	550
Software supported	59	62	70	150	158	160	160	162	227	307
<b><u>Police</u></b>										
Calls for Service	74,738	78,188	77,479	78,223	75,093	77,796	74,264	70,057	66,897	49,774
Self-Initiated	47,434	48,597	47,855	49,273	47,202	47,924	46,444	42,968	43,500	13,477
Incident Reports	7,022	7,051	6,839	6,301	6,323	6,517	6,375	6,536	7,046	6,013
Accident Reports	2,714	2,392	2,381	2,453	2,477	2,642	2,272	2,396	2,135	1,904
Citations	8,106	7,324	6,869	6,585	6,729	7,597	7,225	6,685	6,123	6,864
Alarms Responses	1,268	943	977	865	872	793	827	805	910	805
<b><u>Fire</u></b>										
EMS Responses	3,711	3,793	3,834	3,769	4,022	4,205	4,461	4,478	4,536	4,685
Fire Responses	868	847	869	854	860	875	874	1,027	1,128	1,023
Fire Inspections	4,582	5,063	5,120	5,483	5,655	5,643	5,578	5,489	4,800	5,582
<b><u>Building Inspection</u></b>										
Building Permits	1,281	1,367	1,199	1,155	1,123	1,019	1,033	996	899	644
Electric Permits	1,956	1,963	1,893	1,993	1,778	1,735	1,731	1,642	1,534	1,281
Plumbing Permits	1,592	1,546	1,405	1,521	1,497	1,468	1,200	1,038	1,023	807
Heating Permits	1,073	1,077	1,096	1,064	1,159	1,094	927	867	882	717
Sign Permits	405	272	267	240	203	189	192	114	235	173
Heating Licenses	173	170	175	247	114	226	184	91	205	129
Electric Licenses	260	253	262	293	286	288	318	266	277	251
<b><u>Engineering</u></b>										
Erosion Control Permits	108	81	68	66	78	68	55	59	39	35
Digger's Hotline Tickets Received	11,374	9,010	9,705	9,906	9,781	9,193	8,697	8,017	3,489	5,900
Sidewalk Replacement (Square Feet)	54,000	58,500	38,000	37,500	42,900	40,750	49,527	47,446	49,000	49,150
Miles of Paving.	4	2	4	4	3	3	3	2	1	0
<b><u>Planning</u></b>										
Final Plats & CSMs	7	2	3	36	41	36	2	25	17	10
Rezoning	20	16	26	28	20	24	21	17	3	17
Residential PUD	5	10	18	9	11	16	11	5	0	3
Commercial PUD	8	16	12	4	31	0	3	0	0	0
Annexations	27	27	32	20	8	21	20	32	4	0
Site Plan Architectural Review	NA	NA	NA	79	98	84	47	49	47	60
Conditional Uses	NA	NA	NA	NA	23	25	23	19	13	17
Preliminary Plats	NA	NA	NA	NA	14	28	3	3	2	1
<b><u>Public Works Department</u></b>										
Catch Basins Repaired	76	24	26	19	85	130	60	85	86	98
Sewer Flushing (Miles)	235	235	236	236	259	285	280	212	186	208
Street Maintenance ( Grinding/Paving)(Miles)	6	4	7	3	0	0	3	4	4	5
Snow Plowing and Salting (Miles)	247	247	264	264	287	287	295	253	263	273
Salting (Tons Per Year)	6,900	5,400	6,400	7,100	8,010	8,250	10,700	9,600	7,730	4,920
Street Light Repair - Knockdowns	44	36	66	26	51	67	62	75	60	32
Street Light Repair - Replacement Bulbs	150	126	132	120	242	360	300	500	625	600
Street Light Repair - Fuses and Ballasts	40	125	225	161	196	190	125	280	350	60
Signal Repair	33	41	61	36	63	91	35	80	550	30
Tarring (Miles)	2	2	25	2	2	2	1	1	0	0
Street Repair - Paving (Miles)	4	3	4	1	3	5	1	6	4	5
Land Terracing (Miles)	3	2	2	1	2	3	1	4	1	0
Mason Repair Work	121	21	51	20	22	56	86	105	118	20

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

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b><u>Public Works Department (Continued)</u></b>										
Signs Installed/Repaired	575	527	630	737	1,041	980	1,125	285	0	100
Drop Off Center Rubbish (Tons)	2,214	2,184	2,176	2,318	2,554	1,909	1,914	1,981	1,923	1,725
Drop Off Center Rubbish (Containers)	531	522	562	590	586	533	516	497	474	470
Metal Salvage (Tons)	102	102	113	109	112	103	91	86	74	80
Drop Off Center Traffic Volume	51,704	52,900	52,753	54,008	53,794	51,796	47,805	39,109	41,205	40,031
Leaves/Yard Waste (Tons)	1,141	2,541	2,926	2,357	3,812	3,043	4,672	3,019	2,448	3,215
Fall Leaf Pickup Equipment Hours	1,144	4,472	4,216	4,376	5,048	5,680	4,280	3,928	5,680	5,904
Curbside Households - rec.	18,335	18,613	18,878	19,200	19,529	19,716	19,885	20,042	20,267	20,304
Curbside Recyclables (Tons)	4,846	4,722	4,914	4,979	5,341	5,313	5,523	5,429	5,241	4,638
Drop Off Center Oil (Gallons)	16,060	15,275	16,390	16,460	15,980	14,035	11,300	9,375	7,300	11,090
Drop Off Center Antifreeze (Gallons)	825	850	650	880	750	715	440	385	450	485
Recycling Bins Sold (1)	265	328	274	290	331	168	7	1	1	5
<b><u>Library</u></b>										
Number of Visitors	468,168	480,464	491,537	515,112	505,647	480,452	469,017	479,294	548,000	530,166
Number of Items Circulated	1,139,510	1,348,837	1,504,452	1,575,406	1,640,292	1,565,404	1,471,793	1,413,122	1,384,612	1,369,999
Number of Questions Answered	134,352	140,446	135,953	140,428	128,902	130,910	132,327	132,816	132,153	116,225
Number of Cardholders (2)	69,051	67,292	75,391	81,294	83,253	76,497	70,934	68,680	66,058	64,688
Number of Children's Programs	540	525	543	544	515	465	493	503	493	323
Number Attending Children's Programs	15,770	17,909	19,094	24,249	23,522	20,208	22,495	21,254	21,782	17,502
Number Registrants Summer Reading Program	2,502	2,670	2,614	2,513	2,936	3,003	2,798	3,373	3,453	2,944
Number of Items in the Collection	280,998	286,052	302,754	315,667	336,093	332,062	333,162	339,998	337,239	329,482
Number of Circulations to the Homebound	19,505	23,256	26,417	22,492	24,831	25,354	28,318	30,672	29,260	25,077
Number of Hours Open	NA	3,527	3,513	3,562	3,516	3,424	3,481	3,479	3,453	3,487
Number of Personal Computers	NA	63	64	64	64	74	74	88	90	90
<b><u>Parks, Recreation, and Forestry</u></b>										
Pool Passes	1,130	1,241	1,166	1,017	895	985	1,225	1,471	1,308	1,328
Swim Lesson Enrollments	NA	NA	1,977	2,218	2,202	2,014	2,018	2,127	1,781	1,955
Recreation Program Enrollments	NA	NA	12,532	15,156	15,996	14,996	15,178	15,930	17,401	18,674
Park Acreage Mowed	560	573	573	603	610	610	580	582	582	582
Trees Planted	825	750	743	602	666	568	488	537	380	349
Trees Removed	NA	NA	NA	167	185	303	380	306	247	325
Stumps Removed	NA	NA	NA	NA	165	303	380	306	247	325
Trees Pruned	NA	NA	6,599	4,033	3,819	3,783	5,365	4,134	4,270	4,372
Service Requests	NA	NA	NA	NA	456	483	478	488	511	501
<b><u>Waste Water Treatment Plant</u></b>										
Gallons Treated (Millions)	3,368	3,648	3,822	3,035	3,656	3,194	3,619	3,902	4,190	3,909
Flow (Million Gals/Day Avg)	9	10	10	8	10	9	10	11	11	11
BOD5 (Thousands removed)	4,976	4,825	5,972	5,942	5,602	5,570	5,150	5,935	5,089	8,861
BOD5 (Thousands Discharged) (3)	4	1	1	8	8	2	0	0	30.6*	3
Suspended Solids (Thousands Discharged) (3)	22	21	21	7	12	9	15	12	31.6*	19
Biosolids Produced (Dry Metric Tons)	1,636	1,750	1,506	1,958	2,088	1,946	1,297	1,679	2,566	1,040
<b><u>Parking Utility</u></b>										
Ramp Parking - Number of Vehicles	80,437	76,394	68,365	58,199	46,042	48,382	56,235	47,484	46,732	3,989
Surface Lots - Number of Permits	1,922	1,875	2,125	1,995	1,869	1,877	1,854	1,599	1,695	1,907
Transit Center Permits	NA	NA	NA	NA	NA	NA	942	1,045	1,229	3,633
Tickets Issued	31,266	29,970	30,644	18,319	18,222	17,005	17,731	14,875	13,690	15,835
Overnight Permits Issued	NA	3,709	4,008	3,492	3,053	3,013	3,675	3,580	2,864	4,092

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  
(3) 2008 Increase Due to the Flooding in June 2008

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

<b>FUNCTION</b>	<b><u>2000</u></b>	<b><u>2001</u></b>	<b><u>2002</u></b>	<b><u>2003</u></b>	<b><u>2004</u></b>	<b><u>2005</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>
<b>Public Safety</b>										
<b>Police</b>										
Police Stations/Substations	2	2	2	2	2	2	2	2	2	2
Patrol Units/Squads	Unavailable	24	24	25	25	25	25	21	21	24
Unmarked Vehicles	Unavailable	30	30	30	30	30	30	32	32	30
<b>Fire</b>										
Number of Stations	4	4	4	4	4	4	4	4	5	5
Fire Engines/Trucks	8	8	8	8	8	8	8	8	9	9
Ambulances	5	5	5	5	5	5	5	5	7	7
<b>Highways and Streets (1)</b>										
Acres - Public Right of Way	1286.98	1293.56	1322.37	1349.25	1356.3	1381.3	1406.79	1,414.64	1,449.50	1,451.37
Miles of Streets	216.56	223.51	238.95	242	247.07	249.25	252.12	253.10	253.60	253.77
Sidewalks - Miles	259.61	266.14	272.66	278.91	287.85	294.47	301.82	301.82	304	304.54
Traffic Signals - Number	56	58	58	59	60	60	61	61	61	64
Bridges - Number	7	7	7	7	7	7	7	7	7	7
<b>Culture and Recreation</b>										
Park Acreage	818	828	854	975	1,014	1,017	1,055	1,055	1,055	1,055
Picnic Area & Shelters										24
Restroom Facilities	NA	27	27	27	27	29	29	29	29	29
Baseball/Softball Fields	23	24	24	24	24	27	27	27	27	27
Tennis Courts	NA	NA	39	39	41	41	42	42	42	42
Basketball Courts										12
Playgrounds	NA	25	25	25	26	26	26	27	28	28
Swimming Pools	2	2	2	2	2	2	2	2	2	2
<b>Sewers</b>										
Sanitary Sewer - Miles	234.5	234.5	235.5	235.5	259.1	285.0	288.1	289.1	290.8	290.8

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

CITY OF WAUKEHSA

Table 20  
INSURANCE COVERAGES  
December 31, 2009

TYPE	COVERAGE
Public Entity Liability Insurance Community Insurance Corporation Policy CGL6801810	Limit Per Occurrence: \$10,000,000 \$10,000 Deductible per Occurrence \$75,000 Aggregate Deductible
Equipment Breakdown Hartford Steam and Boiler Inspection & Insurance Company Policy FBP9170427	Limit: \$50,000,000 \$5,000 Deductible
Government Crime Policy Fidelity & Deposit Companies Policy CCP005876407	\$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 Policy WCK-Y91-524572-309	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 Experience Modification Factor Applied (1.00 is Average): .71
Buildings, Personal Property, Inland Marine Floater, Property in the Open, and Builders' Risk Local Government Property Insurance Fund Policy 140839	Coverage: \$284,636,844 Deductible: \$5,000
Contractors Equipment Coverage (Replacement Cost) Local Government Property Insurance Fund Policy 140839	Coverage: \$8,910,361 Deductible: \$500
Motor Vehicle Comprehensive Coverage Local Government Property Insurance Fund Policy 140839	Coverage: \$12,129,944 Deductible: 500
Motor Vehicle Collision Coverage Local Government Property Insurance Fund Policy 140839	Coverage: \$12,129,944 Deductible: 500
Business Interruption Local Government Property Insurance Fund Policy 140839	Coverage: 750,000; Deductible: \$5,000
Accounts Receivable Local Government Property Insurance Fund Policy 140839	Coverage: 720,000; Deductible: \$5,000
Loss of Rents Local Government Property Insurance Fund Policy 140839	Coverage: 20,000; Deductible: \$5,000