CITY OF WAUKESHA

Waukesha, Wisconsin

FINANCIAL STATEMENTS

Including Independent Auditors' Report

As of and for the Year Ended December 31, 2015

CITY OF WAUKESHA, WISCONSIN
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INDEPENDENT AUDITORS' REPORT

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INDEPENDENT AUDITORS' REPORT

To the Common Council
City of Waukesha
Waukesha, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Waukesha, Wisconsin, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City of Waukesha's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

To the Common Council
City of Waukesha

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Waukesha, Wisconsin, as of December 31, 2015 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note I, the City of Waukesha adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*, effective January 1, 2015. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

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 accompanying supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

To the Common Council
City of Waukesha

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 18, 2016 on our consideration of the City of Waukesha's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Waukesha's internal control over financial reporting and compliance.

Baker Tilly Virchow Krause, LLP

Milwaukee, Wisconsin
July 18, 2016

BASIC FINANCIAL STATEMENTS

CITY OF WAUKESHA, WISCONSIN
Statement of Net Position
As of December 31, 2015

	Primary Government		
	Governmental Activities	Business-type Activities	Totals
ASSETS			
Cash and investments	$ 108,265,551	$ 30,676,727	$ 138,942,278
Receivables (net of allowance for uncollectibles)			
Taxes	44,126,672	88,661	44,215,333
Accounts	3,142,424	7,608,206	10,750,630
Special assessments	102,561	-	102,561
Accrued interest	77,002	-	77,002
Long-Term loans	3,240,926	-	3,240,926
Prepaid items and inventories	649,809	1,373,054	2,022,863
Other assets	-	2,473,605	2,473,605
Internal balances	2,336,947	(2,336,947)	-
Due from other governmental units	11,786,160	-	11,786,160
Restricted Assets			
Cash and investments	543,218	5,855,698	6,398,916
Accrued interest	-	1,135	1,135
Net pension asset	7,313,167	806,852	8,120,019
Advances	(1,639,837)	1,639,837	-
Capital Assets			
Land	31,191,331	3,043,087	34,234,418
Construction in progress	2,770,718	43,477,171	46,247,889
Intangible asset - easements	119,286	184,896	304,182
Buildings	55,968,519	250,816,330	306,784,849
Improvements other than buildings	7,230,850	-	7,230,850
Machinery and equipment	44,634,638	-	44,634,638
Infrastructure	193,507,390	-	193,507,390
Less: Accumulated depreciation/amortization	(171,135,058)	(95,578,138)	(266,713,196)
Total Assets	344,232,274	250,130,174	594,362,448
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	1,605,323	554,065	2,159,388
Pension related amounts	7,624,335	824,545	8,448,880
Total Deferred Outflows of Resources	9,229,658	1,378,610	10,608,268
LIABILITIES			
Accounts payable and accrued expenses	7,066,126	7,639,408	14,705,534
Due to other governmental units	65,467,714	-	65,467,714
Deposits	470,121	329,339	799,460
Noncurrent Liabilities			
Due within one year	13,400,472	3,331,792	16,732,264
Due in more than one year	113,138,172	81,377,149	194,515,321
Total Liabilities	199,542,605	92,677,688	292,220,293
DEFERRED INFLOWS OF RESOURCES			
Unearned revenues	67,853,953	523,928	68,377,881
NET POSITION			
Net Investment in Capital Assets	93,904,645	126,272,194	220,176,839
Restricted			
Debt service	-	565,837	565,837
Impact fees	96,082	-	96,082
TIF Districts	170,000	-	170,000
Confiscated property	33,447	-	33,447
Grants	224,573	-	224,573
Loan programs	4,175,354	-	4,175,354
Trust donations	389,886	-	389,886
Library	38,974	-	38,974
Cemetery	2,069,961	-	2,069,961
Pensions	7,313,167	806,852	8,120,019
Equipment replacement	-	3,020,200	3,020,200
Unrestricted (deficit)	(22,350,715)	27,642,085	5,291,370
TOTAL NET POSITION	$ 86,065,374	$ 158,307,168	$ 244,372,542

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

CITY OF WAUKESHA, WISCONSIN
Statement of Activities
For the Year Ended December 31, 2015

	Primary Government			
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	$ 9,948,278	$ 913,855	$ -	$ 72,928
Public safety	30,892,731	3,977,238	480,994	-
Public works	18,028,962	1,522,940	3,100,871	4,032,026
Sanitation	2,785,521	9,066	411,667	-
Health and human services	191,014	-	-	-
Culture and recreation	9,515,399	1,916,042	1,182,832	-
Conservation and development	4,347,246	74,654	401,035	-
Interest and fiscal charges	3,711,994	-	-	-
Total Governmental Activities	79,421,145	8,413,795	5,577,399	4,104,954
Business-type Activities				
Water Utility	8,456,648	11,235,113	-	1,341,700
Wastewater Utility	9,017,231	12,024,146	71,322	-
Transit System Utility	9,878,114	2,064,859	5,066,196	3,418,207
Parking Utility	889,423	727,541	-	-
Cemetery	645,165	357,690	-	-
Total Business-type Activities	28,886,581	26,409,349	5,137,518	4,759,907
Total Primary Government	$ 108,307,726	$ 34,823,144	$ 10,714,917	$ 8,864,861

General Revenue
Taxes
Property taxes levied for general purposes
Property taxes levied for debt service
Property taxes levied for TIF
Property taxes levied for capital assets
Franchise fees and other taxes
Intergovernmental revenues not restricted for specific programs
Investment income
Miscellaneous
Transfers
Total General Revenue and Transfers

Change in Net Position

NET POSITION - Beginning of Year (As Restated)
NET POSITION - END OF YEAR

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

Net (Expense) Revenues and Changes in Net Position		
Primary Government		
Government Activities	Business-type Activities	Totals
$ (8,961,495)	$ -	$ (8,961,495)
(26,434,499)	-	(26,434,499)
(9,373,125)	-	(9,373,125)
(2,364,788)	-	(2,364,788)
(191,014)	-	(191,014)
(6,416,525)	-	(6,416,525)
(3,871,557)	-	(3,871,557)
(3,711,994)	-	(3,711,994)
(61,324,997)	-	(61,324,997)
-	4,120,165	4,120,165
-	3,078,237	3,078,237
-	671,148	671,148
-	(161,882)	(161,882)
-	(287,475)	(287,475)
-	7,420,193	7,420,193
(61,324,997)	7,420,193	(53,904,804)
42,703,167	1,781,507	44,484,674
10,100,295	-	10,100,295
4,707,144	-	4,707,144
655,530	-	655,530
2,261,585	-	2,261,585
4,491,005	-	4,491,005
174,862	101,992	276,854
401,935	245,556	647,491
1,447,783	(1,447,783)	-
66,943,306	681,272	67,624,578
5,618,309	8,101,465	13,719,774
80,447,065	150,205,703	230,652,768
$ 86,065,374	$ 158,307,168	$ 244,372,542

CITY OF WAUKESHA, WISCONSIN
Balance Sheet
Governmental Funds
As of December 31, 2015

	General	Debt Service - General	Debt Service- TIF Districts	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	$ 78,661,455	$ 987,566	$ -	$ 19,982,748	$ 99,631,769
Receivables					
Taxes	27,138,744	10,850,217	4,623,001	1,514,710	44,126,672
Accounts (net)	1,577,817	-	1,007,805	450,024	3,035,646
Special assessments	30,804	-	-	71,757	102,561
Loans (net)	-	-	-	3,240,926	3,240,926
Accrued interest	77,002	-	-	-	77,002
Due from other funds	6,419,481	-	-	-	6,419,481
Due from other governmental units	11,595,401	-	-	190,759	11,786,160
Restricted cash	-	-	-	543,218	543,218
Advance due from other fund	409,805	-	-	-	409,805
Inventories	229,219	-	-	-	229,219
Prepaid items	237,418	-	-	20,463	257,881
TOTAL ASSETS	$ 126,377,146	$ 11,837,783	$ 5,630,806	$ 26,014,605	$ 169,860,340
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	$ 1,014,115	$ 71	$ 501,525	$ 695,952	$ 2,211,663
Other accrued liabilities	1,910,341	-	-	21,160	1,931,501
Compensated absences	556,730	-	-	-	556,730
Due to other governmental units	65,467,714	-	-	-	65,467,714
Due to other funds	-	-	3,679,744	366,482	4,046,226
Deposits	27,548	-	-	442,573	470,121
Advance due to other fund	-	-	409,805	1,639,837	2,049,642
Total Liabilities	68,976,448	71	4,591,074	3,166,004	76,733,597
Deferred Inflows of Resources					
Unavailable revenues	30,804	-	-	71,757	102,561
Unearned revenues	42,536,168	10,850,217	5,288,737	9,178,831	67,853,953
Total Deferred Inflows of Resources	42,566,972	10,850,217	5,288,737	9,250,588	67,956,514
Fund Balances (Deficits)					
Nonspendable	4,587,614	-	-	20,463	4,608,077
Restricted	-	987,495	-	7,198,277	8,185,772
Committed	-	-	-	6,379,273	6,379,273
Assigned	52,454	-	-	-	52,454
Unassigned (Deficit)	10,193,658	-	(4,249,005)	-	5,944,653
Total Fund Balances (Deficits)	14,833,726	987,495	(4,249,005)	13,598,013	25,170,229
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 126,377,146	$ 11,837,783	$ 5,630,806	$ 26,014,605	$ 169,860,340

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

CITY OF WAUKESHA, WISCONSIN
Reconciliation of the Balance Sheet to the Statement of Net Position
Governmental Funds
As of December 31, 2015

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

Fund balance from previous page:		$ 25,170,229
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds (less internal service fund assets of $219,623)		164,068,051
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		102,561
Other long-term assets are not available to pay for current period expenditures and are deferred outflows		1,605,323
The net pension asset does not relate to current financial resources and is not reported in the governmental funds		7,313,167
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds		7,624,335
Internal service funds are reported in the statement of net position as governmental funds		8,170,342
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	$ (104,047,068)	
Accrued interest	(1,449,990)	
Compensated absences	(5,850,471)	
OPEB liability	(11,964,737)	
Long-term disability payable	(389,793)	
Premium on debt issued	(4,286,575)	
		(127,988,634)
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 86,065,374

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
For the Year Ended December 31, 2015

	General	Debt Service - General	Debt Service - TIF Districts	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	$ 43,620,401	$ 10,100,295	$ 5,079,811	$ 655,530	$ 59,456,037
Intergovernmental	7,780,151	-	113,726	3,264,585	11,158,462
Licenses and permits	2,237,863	-	-	360,234	2,598,097
Fines, forfeitures and penalties	878,637	-	-	24,276	902,913
Public charges for services	3,509,698	-	-	994,995	4,504,693
Interdepartmental charges	1,129,579	-	-	132,963	1,262,542
Special assessments	-	-	-	151,390	151,390
Investment income (loss)	168,744	28,729	(2,173)	(10,337)	184,963
Miscellaneous	172,938	-	-	288,920	461,858
Total Revenues	59,498,011	10,129,024	5,191,364	5,862,556	80,680,955
EXPENDITURES					
Current					
General government	8,851,475	-	39,780	16,366	8,907,621
Public safety	30,011,845	-	-	61,649	30,073,494
Public works	8,172,405	-	-	7,200	8,179,605
Sanitation	2,871,649	-	-	199,135	3,070,784
Culture and recreation	9,027,726	-	-	1,081,331	10,109,057
Conservation and development	-	-	3,005,615	284,154	3,289,769
Capital Outlay	-	-	-	16,489,111	16,489,111
Debt Service					
Principal retirement	-	7,898,608	7,134,576	-	15,033,184
Interest and fiscal charges	-	2,207,848	1,634,095	134,225	3,976,168
Total Expenditures	58,935,100	10,106,456	11,814,066	18,273,171	99,128,793
Excess (Deficiency) of Revenues Over (Under) Expenditures	562,911	22,568	(6,622,702)	(12,410,615)	(18,447,838)
OTHER FINANCING SOURCES (USES)					
Long-term debt issued	-	-	2,030,000	12,290,000	14,320,000
Refunding bonds issued	-	3,475,000	6,730,000	-	10,205,000
Premium on debt issued	-	1,078,449	526,910	228,862	1,834,221
Payment to refunding escrow agent	-	(3,735,164)	(3,107,337)	-	(6,842,501)
Sale of city property	18,143	-	-	39,174	57,317
Transfers in	1,808,593	-	-	163,345	1,971,938
Transfers out	(215,070)	(306,024)	-	(246,082)	(767,176)
Total Other Financing Sources (Uses)	1,611,666	512,261	6,179,573	12,475,299	20,778,799
Net Changes in Fund Balances	2,174,577	534,829	(443,129)	64,684	2,330,961
FUND BALANCES (DEFICITS) - Beginning of Year	12,659,149	452,666	(3,805,876)	13,533,329	22,839,268
FUND BALANCES (DEFICITS) - END OF YEAR	$ 14,833,726	$ 987,495	$ (4,249,005)	$ 13,598,013	$ 25,170,229

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
For the Year Ended December 31, 2015

Net change in fund balances - from previous page		$ 2,330,961
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 position 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	$ 16,489,111	
Some items reported as capital outlay expenditures in the fund financial statements are operating expenses in the government-wide financial statements	(3,368,144)	
Depreciation reported in the government-wide statements	(7,732,201)	
Net book value of assets retired	(70,465)	
Net book value of assets contributed	2,902,138	8,220,439
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.		(38,630)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Debt issued	(24,525,000)	
Principal repaid	21,393,187	(3,131,813)
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	(174,013)	
Long-term disability	16,240	
OPEB liability	(1,408,776)	
Net pension asset	(4,543,584)	
Deferred outflows of resources related to pensions	4,718,598	
Accured interest on debt	(397,724)	(1,789,259)
Governmental funds report premiums associated with the issuance of long-term debt as other financing sources and uses but these items are amortized over the life of the debt issue on the statement of activities. Similarly, losses on refundings of debt are recorded as expenditures in the governmental funds but amortized over the life of the debt issue on the statement of activities.		
Premium on debt issued	(1,824,292)	
Amortization of premium	761,940	
Refunding loss on debt issued	510,445	
Amortization of refunding loss	(148,028)	(699,935)
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.		726,546
CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 5,618,309

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

CITY OF WAUKESHA, WISCONSIN
Statement of Net Position
Proprietary Funds
As of December 31, 2015

	Business-type Enterprise Funds		
	Water Utility	Wastewater Utility	Transit System Utility
ASSETS			
CURRENT ASSETS			
Cash and investments	$ 18,639,438	$ 11,776,203	$ 8,741
Restricted Assets			
Redemption account	602,741	-	-
Accounts receivable	3,334,155	294,079	2,284,097
Unbilled revenue	1,480,240	-	-
Taxes receivable	-	-	-
Due from other funds	-	2,183,370	-
Inventories	423,329	-	142,309
Prepaid items	130,614	-	72,383
Total Current Assets	24,610,517	14,253,652	2,507,530
NON-CURRENT ASSETS			
Restricted Assets			
Revenue bond reserve	654,699	-	-
Capital improvement	1,579,193	-	-
Net pension asset	344,769	362,362	15,370
Equipment replacement - accrued interest	-	1,135	-
Equipment replacement	-	3,019,065	-
Total Restricted Assets	2,578,661	3,382,562	15,370
Utility Plant			
Land	565,558	31,107	1,683,701
Utility plant in service (at cost)	108,159,966	107,876,266	22,970,833
Construction work in progress	464,867	43,012,304	-
Total Utility Plant	109,190,391	150,919,677	24,654,534
Intangible assets	184,896	-	-
Equipment	-	-	-
Less: Accumulated depreciation	(28,457,189)	(50,026,176)	(10,648,774)
Net Plant/Equipment	80,918,098	100,893,501	14,005,760
Other Assets			
Preliminary survey and investigation	2,038,515	-	-
Property held for future use	435,090	-	-
Advance to other funds	-	1,639,837	-
Total Other Assets	2,473,605	1,639,837	-
Total Noncurrent Assets	85,970,364	105,915,900	14,021,130
Total Assets	110,580,881	120,169,552	16,528,660
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	502,489	-	-
Pension related items	357,207	366,563	16,088
Total Deferred outflows	859,696	366,563	16,088

(Continued)

Business-type Enterprise Funds			Governmental Activities - Internal Service Funds
Parking Utility	Nonmajor Prairie Home Cemetery	Totals	
$ 147,814	$ 104,531	$ 30,676,727	$ 8,633,782
-	-	602,741	-
28,791	186,844	6,127,966	106,778
-	-	1,480,240	-
-	88,661	88,661	-
-	70,827	2,254,197	-
-	604,419	1,170,057	537
-	-	202,997	162,172
176,605	1,055,282	42,603,586	8,903,269
-	-	654,699	-
-	-	1,579,193	-
36,041	48,310	806,852	-
-	-	1,135	-
-	-	3,019,065	-
36,041	48,310	6,060,944	-
668,744	93,977	3,043,087	-
11,070,477	738,788	250,816,330	-
-	-	43,477,171	-
11,739,221	832,765	297,336,588	-
-	-	184,896	-
-	-	-	442,607
(5,972,216)	(473,783)	(95,578,138)	(222,984)
5,767,005	358,982	201,943,346	219,623
-	-	2,038,515	-
-	-	435,090	-
-	-	1,639,837	-
-	-	4,113,442	-
5,803,046	407,292	212,117,732	219,623
5,979,651	1,462,574	254,721,318	9,122,892
50,344	1,232	554,065	-
36,893	47,794	824,545	-
87,237	49,026	1,378,610	-

CITY OF WAUKESHA, WISCONSIN
Statement of Net Position (Continued)
Proprietary Funds
As of December 31, 2015

	Business-type Enterprise Funds		
	Water Utility	Wastewater Utility	Transit System Utility
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	202,037	4,536,602	392,540
Accrued liabilities	547,675	93,937	134,777
Claims payable	-	-	-
Accrued interest		216,686	-
Current portion of long-term debt	100,000	464,314	-
Due to other funds	3,959,880	-	631,264
Compensated absences	-	574,848	475,297
Current liabilities payable from restricted assets			
Current portion of revenue bonds	738,258	1,608,705	-
Accrued interest	36,904	-	-
Total Current Liabilities	5,584,754	7,495,092	1,633,878
NON-CURRENT LIABILITIES			
Revenue bonds	3,438,229	38,263,948	-
Unamortized debt premium	1,346,491	407,693	-
Customer advances for construction	329,339	-	-
OPEB liability	1,043,616	622,042	-
General obligation debt	25,870,000	9,172,754	-
Total Noncurrent Liabilities	32,027,675	48,466,437	-
Total Liabilities	37,612,429	55,961,529	1,633,878
DEFERRED INFLOWS OF RESOURCES			
Unearned revenue	-	-	-
NET POSITION			
Net investment in capital assets	52,161,501	55,202,887	14,005,760
Restricted for:			
Equipment replacement	-	3,020,200	-
Debt service	565,837	-	-
Pensions	344,769	362,362	15,370
Unpaid claims and restricted deposits	-	-	-
Unrestricted (Deficit)	20,756,041	5,989,137	889,740
TOTAL NET POSITION	$ 73,828,148	$ 64,574,586	$ 14,910,870

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

Business-type Enterprise Funds			Governmental Activities Internal Service Funds
Parking Utility	Nonmajor Prairie Home Cemetery	Totals	
13,317	215,658	5,360,154	48,841
9,460	9,717	795,566	-
-	-	-	867,401
10,030	4,080	230,796	-
365,251	55,264	984,829	-
-	-	4,591,144	36,308
63,151	102,692	1,215,988	-
-	-	2,346,963	-
-	-	36,904	-
461,209	387,411	15,562,344	952,550
-	-	41,702,177	-
47,651	12,552	1,814,387	-
-	-	329,339	-
-	-	1,665,658	-
861,383	290,790	36,194,927	-
909,034	303,342	81,706,488	-
1,370,243	690,753	97,268,832	952,550
-	523,928	523,928	-
4,543,064	358,982	126,272,194	219,623
-	-	3,020,200	-
-	-	565,837	-
36,041	48,310	806,852	-
-	-	-	7,843,152
117,540	(110,373)	27,642,085	107,567
$ 4,696,645	$ 296,919	$ 158,307,168	$ 8,170,342

CITY OF WAUKESHA, WISCONSIN
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2015

	Business-type Enterprise Funds		
	Water Utility	Wastewater Utility	Transit System Utility
OPERATING REVENUES			
Charges for services	$ 10,754,811	$ 12,020,451	$ 1,460,608
Parking fines	-	-	-
Sales of crypts and niches	-	-	-
Sales of lots	-	-	-
Other revenue	480,302	3,695	604,251
Total Operating Revenues	11,235,113	12,024,146	2,064,859
OPERATING EXPENSES			
Operation and maintenance	5,195,475	6,340,322	8,822,389
Depreciation	2,335,822	2,504,561	1,055,725
Total Operating Expenses	7,531,297	8,844,883	9,878,114
Operating Income (Loss)	3,703,816	3,179,263	(7,813,255)
NONOPERATING REVENUES (EXPENSES)			
Investment income (loss)	46,718	54,945	-
Miscellaneous	136,434	(1,216)	-
Interest and fiscal charges	(1,031,152)	(250,250)	-
General property taxes	-	-	1,692,846
Amortization of debt premium	152,544	77,902	-
Amortization of loss on refunding	(46,743)	-	-
Sale of capital assets	-	27,160	-
Intergovernmental revenue	-	71,322	5,066,196
Total Nonoperating	(742,199)	(20,137)	6,759,042
Income (Loss) Before Transfers and Contributions	2,961,617	3,159,126	(1,054,213)
Transfers in	-	-	-
Transfers out	(1,776,510)	(23,476)	-
Capital contributions	1,268,860	-	2,792,823
Capital contributions - municipality	72,840	-	625,384
	(434,810)	(23,476)	3,418,207
Changes in Net Position	2,526,807	3,135,650	2,363,994
TOTAL NET POSITION - Beginning of Year (As Restated)	71,301,341	61,438,936	12,546,876
TOTAL NET POSITION - END OF YEAR	$ 73,828,148	$ 64,574,586	$ 14,910,870

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

Business-type Enterprise Funds			Governmental Activities - Internal Service Funds
Parking Utility	Nonmajor Prairie Home Cemetery	Totals	
$ 372,690	$ 235,851	$ 24,844,411	$ 13,214,465
353,462	-	353,462	-
-	65,777	65,777	-
-	56,062	56,062	-
1,389	-	1,089,637	3,581
727,541	357,690	26,409,349	13,218,046
671,360	612,028	21,641,574	12,691,477
167,963	20,641	6,084,712	43,044
839,323	632,669	27,726,286	12,734,521
(111,782)	(274,979)	(1,316,937)	483,525
1,622	(1,293)	101,992	-
-	79,884	215,102	-
(48,161)	(12,955)	(1,342,518)	-
-	88,661	1,781,507	-
29,418	1,207	261,071	-
(31,357)	(748)	(78,848)	-
3,294	-	30,454	-
-	-	5,137,518	-
(45,184)	154,756	6,106,278	-
(156,966)	(120,223)	4,789,341	483,525
240,000	136,850	376,850	243,021
(5,865)	(18,782)	(1,824,633)	-
-	-	4,061,683	-
-	-	698,224	-
234,135	118,068	3,312,124	243,021
77,169	(2,155)	8,101,465	726,546
4,619,476	299,074	150,205,703	7,443,796
$ 4,696,645	$ 296,919	$ 158,307,168	$ 8,170,342

CITY OF WAUKESHA, WISCONSIN
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2015

	Business-type Enterprise Funds		
	Water Utility	Wastewater Utility	Transit System Utility
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	$ 11,190,129	$ 11,851,785	$ 1,807,275
Cash received from interfund services provided	-	-	-
Cash paid to suppliers for goods and services	(2,469,192)	(5,308,598)	(5,487,522)
Cash payments to employees	(1,655,609)	(2,036,869)	(2,198,663)
Net Cash Flows From Operating Activities	7,065,328	4,506,318	(5,878,910)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
General property taxes	-	-	1,668,046
Operating grants received	-	71,322	4,255,884
Repayments of advances	-	2,880	-
Tax equivalent paid	(1,790,232)	-	-
Transfers in	-	-	-
Transfers out	-	(23,476)	-
Net Cash Flows From Non-Capital Financing Activities	(1,790,232)	50,726	5,923,930
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income (loss)	46,718	53,810	-
Net Cash Flows From Investing Activities	46,718	53,810	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Debt issued	12,405,000	26,449,401	-
Premium on new debt	536,080	46,869	-
Principal payments	(6,787,347)	(409,558)	-
Interest paid	(885,421)	(1,157,487)	-
Debt issuance costs	(106,391)	(30,358)	-
Capital contributions	1,373,227	-	3,368,692
Acquisition and construction of capital assets	(8,835,773)	(25,111,652)	(3,404,971)
Net Cash Flows From Capital and Financing Activities	(2,300,625)	(212,785)	(36,279)
Net Change in Cash and Cash Equivalents	3,021,189	4,398,069	8,741
CASH AND CASH EQUIVALENTS - Beginning of Year	18,454,882	10,397,199	-
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 21,476,071	$ 14,795,268	$ 8,741

(Continued)

Business-type Enterprise Funds			
Parking Utility	Nonmajor Prairie Home Cemetery	Totals	Governmental Activities - Internal Service Funds
$ 719,925	$ 497,715	$ 26,066,829	$ -
-	-	-	13,238,074
(506,226)	(378,155)	(14,149,693)	(13,261,885)
(238,931)	(298,073)	(6,428,145)	-
(25,232)	(178,513)	5,488,991	(23,811)
-	88,661	1,756,707	-
-	-	4,327,206	-
-	-	2,880	-
-	-	(1,790,232)	-
240,000	136,850	376,850	243,021
(5,865)	(18,782)	(48,123)	-
234,135	206,729	4,625,288	243,021
1,622	(1,293)	100,857	-
1,622	(1,293)	100,857	-
-	285,000	39,139,401	-
-	13,534	596,483	-
(357,025)	(350,066)	(7,903,996)	-
(52,257)	(11,876)	(2,107,041)	-
-	(3,256)	(140,005)	-
-	-	4,741,919	-
(15,214)	(13,763)	(37,381,373)	(41,270)
(424,496)	(80,427)	(3,054,612)	(41,270)
(213,971)	(53,504)	7,160,524	177,940
361,785	158,035	29,371,901	8,455,842
$ 147,814	$ 104,531	$ 36,532,425	$ 8,633,782

CITY OF WAUKESHA, WISCONSIN
Statement of Cash Flows
Proprietary Funds (Continued)
For the Year Ended December 31, 2015

	Business-type Enterprise Funds		
	Water Utility	Wastewater Utility	Transit System Utility
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income (loss)	$ 3,703,816	$ 3,179,263	$ (7,813,255)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities			
Nonoperating income (expense)			
Miscellaneous	13,042	(1,216)	-
Depreciation	2,335,822	2,504,561	1,055,725
Depreciation charged to operating accounts	179,132	-	-
Changes in Assets, Deferred Outflows, and Liabilities			
Accounts receivable	(244,493)	25,611	(257,584)
Due from other funds	-	(196,756)	586,876
Inventories	(76,100)	-	(319)
Prepaid items	(3,406)	-	8,373
Accounts payable	(88,210)	(1,145,598)	(18,280)
Due to other funds	196,756	-	631,264
Customer deposits	(23,446)	-	(77,723)
OPEB liability	109,535	119,447	-
Amortization of preliminary survery and investigation	945,706	-	-
Pension related assets and deferrals	(6,019)	2,545	(432)
Other current liabilities	23,193	18,461	6,445
NET CASH FLOWS FROM OPERATING ACTIVITIES	$ 7,065,328	$ 4,506,318	$ (5,878,910)
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION - PROPRIETARY FUNDS			
Cash and investments	$ 18,639,438	$ 11,776,203	$ 8,741
Restricted cash and investments	2,836,633	3,019,065	-
CASH AND CASH EQUIVALENTS END OF YEAR	$ 21,476,071	$ 14,795,268	$ 8,741
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES			
Change in capital grant receivables	$ -	$ -	$ 49,515
Change in operating grant receivables	$ -	$ -	$ 835,111
Developer financed additions to utility plant	$ 35,717	$ -	$ -
Loss on refunding	$ -	$ -	$ -
Interest charged to construction	$ 123,392	$ 854,906	$ -

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

Business-type Enterprise Funds			
Parking Utility	Non-Major Prairie Home Cemetery	Totals	Governmental Activities - Internal Service Funds
$ (111,782)	$ (274,979)	$ (1,316,937)	$ 483,525
-	79,884	91,710	-
167,963	20,641	6,084,712	43,044
-	-	179,132	-
(7,616)	64,277	(419,805)	20,028
-	48,173	438,293	-
-	(18,343)	(94,762)	344
509	-	5,476	72,751
(89,490)	(40,311)	(1,381,889)	(575,939)
-	-	828,020	-
-	(52,309)	(153,478)	-
-	-	228,982	-
-	-	945,706	-
(182)	1,416	(2,672)	-
15,366	(6,962)	56,503	(67,564)
$ (25,232)	$ (178,513)	$ 5,488,991	$ (23,811)
$ 147,814	$ 104,531	$ 30,676,727	$ 8,633,782
-	-	5,855,698	-
$ 147,814	$ 104,531	$ 36,532,425	$ 8,633,782
$ -	$ -	$ 49,515	$ -
$ -	$ -	$ 835,111	$ -
$ -	$ -	$ 35,717	$ -
$ -	$ (1,879)	$ (1,879)	$ -
$ -	$ -	$ 978,298	$ -

CITY OF WAUKESHA, WISCONSIN

INDEX TO NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

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NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Waukesha, 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. The reporting entity for the City consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or 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. The City has not identified any organizations that meet this criteria.

B. Government-Wide and Fund Financial Statements

In June 2012, the GASB issued statement No. 68 - *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. This statement establishes standards for measuring and recognizing assets, liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to pensions. In November 2013, the GASB issued statement No. 71 - *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68.* This statement addresses an issue regarding application of the transition provisions of Statement No. 68. These standards were implemented January 1, 2015.

Government-Wide Financial Statements

The statement of net position 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.

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.

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

B. Government-Wide and Fund Financial Statements (cont.)

Fund Financial Statements

Financial statements of the City 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, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues, and expenditures/expenses.

Funds are organized as major funds or nonmajor 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/deferred outflows of resources, liabilities/deferred inflows of resources, 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 and report all financial resources except those accounted for and reported in another fund.
Debt service fund - General - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of general long-term debt principal, interest, and related costs, other than TIF or enterprise debt.
Debt service fund - TIF Districts - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of general long-term debt principal, interest, and related costs on TIF debt.

The City reports the following major enterprise funds:

Water Utility - accounts for operations of the water system.
Wastewater Utility - accounts for operations of the wastewater system.
Transit Utility - accounts for the operations of the transit system.
Parking Utility Fund - accounts for operations of the parking facilities.

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

B. Government-Wide and Fund Financial Statements (cont.)

Fund Financial Statements (cont.)

The City reports the following nonmajor governmental and enterprise funds:

Special Revenue Funds - used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

- Lighted Dome
- Festival and Special Activities
- Police Crime Prevention
- Community Development Block Grant
- WHEDA Loan Program
- Housing Development Grant
- Public Works Impact Fees
- Public Works DNR Grants
- Park Development Impact Fees
- Library Impact Fees
- Police 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
- Lead Abatement Grant
- State Confiscated Property
- Civic Band Donation
- Holiday Decorations

Capital Projects Funds - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

- General Improvement
- Public Works Improvements
- Municipal Facilities
- Fleet Replacement
- TIF Districts

Permanent Funds - used to account for and report resources that are 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 - used to account for and 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

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

B. Government-Wide and Fund Financial Statements (cont.)

Fund Financial Statements (cont.)

In addition, the City reports the following fund types:

Internal Service Funds - used to account for and report 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.

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide statement of net position 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 deferred inflows. 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.

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.

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 except for intergovernmental grants, for which available is defined as 180 days. 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.

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (cont.)

Fund Financial Statements (cont.)

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

Intergovernmental aids and grants are recognized as revenues in the period the City is entitled the resources and the amounts are available. Amounts owed to the City which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

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 unavailable 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.

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

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, deferred outflows of resources, liabilities, and deferred inflows of resources 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.

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

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position 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, the University of Wisconsin Hospitals and Clinics Authority, or the Wisconsin Aerospace Authority.

c. Bonds or securities issued or guaranteed by the federal government.

d. The local government investment pool.

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.

Investment of most trust funds including cemetery perpetual care funds, is regulated by Chapter 881 of the Wisconsin Statutes. Investment of library trust funds is regulated by Chapter 112. Those sections give broad authority to use such funds to acquire various kinds of investments including stocks, bonds and debentures.

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

No policy exists for the following risks:
Interest rate risk
Concentration of credit risk
Investments highly sensitive to interest rate changes
Foreign currency risk

The City's investment policy does address custodial credit risk. Full collateralization is required on deposits and repurchase agreements with banking institutions in excess of $500,000 at authorized financial institutions. Collateral shall be with U.S. Government guaranteed securities specifically pledged to the City (not part of a pooled fund) and placed in a custodial account at a Federal Reserve Bank, a trust department of a commercial bank, or through another financial institution.

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

D. *Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity* (cont.)

1. *Deposits and Investments* (cont.)

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, 2015, 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 governmental fund's balance sheet.

Property tax calendar - 2015 tax roll:

Lien date and levy date	December 2015
Tax bills mailed	December 2015
Payment in full, or	January 31, 2016
First installment due	January 31, 2016
Second installment due	July 31, 2016
Personal property taxes in full	January 31, 2016
Tax sale - 2015 delinquent real estate taxes	October 2018

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. No provision for uncollectible accounts receivable has been made for the water and wastewater utilities because they have the right by law to place substantially all delinquent bills on the tax roll, and other delinquent bills are generally not significant.

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

D. *Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity* (cont.)

2. *Receivables* (cont.)

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 position. 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 nonspendable fund balance account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation or by a restricted fund balance account, if the funds will ultimately be restricted when the advance is repaid.

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 been reduced by an allowance for uncollectible accounts of $79,884.

It is the City's policy to record unavailable 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 restricted 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.

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 position.

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

D. *Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity* (cont.)

5. *Capital Assets*

Government-Wide Statements

Capital assets, which include property, plant and equipment, 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. $978,298 of net 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 and amortization of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation and amortization reflected in the statement of net position. Depreciation and amortization is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Buildings	20-70	Years
Land Improvements	20	Years
Machinery and Equipment	2-20	Years
Utility System	15-120	Years
Infrastructure	15-70	Years
Intangibles	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.

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

D. *Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity* (cont.)

6. Other Assets

$2,038,515 of this balance represents initial project engineering costs related to water utility plant construction. The balance will be capitalized upon commencement of the project or is amortized over a useful life established by the PSCW. The water utility amortized $945,706 in 2015.

The remaining balance of $435,090 represents the value of land not currently in service but held for future use in water utility operations.

7. Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position/fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

A deferred charge on refunding arises from the advance refunding of debt. The difference between the cost of the securities placed in trust for future payments of the refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide and proprietary fund financial statements.

8. 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, 2015, are determined on the basis of current salary rates and include salary related payments.

9. 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, accrued compensated absences, and other postemployment benefits liability.

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

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (cont.)

9. 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 amortized over the life of the issue using the effective interest method. The balance at year end is shown as an increase or decrease in the liability section of the statement of net position.

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 $31,405,242, made up of four issues.

10. Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position/fund balance that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

11. Equity Classifications

Government-Wide Statements

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

a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation/amortization 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 position - Consists of net position 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.

c. Unrestricted net position - All other net positions that do not meet the definitions of "restricted" or "net investment in capital assets."

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.

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

D. *Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity* (cont.)

11. *Equity Classifications* (cont.)

Fund Statements

Governmental fund balances are displayed as follows:

a. Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.

b. Restricted - Consists of fund balances 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.

c. Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the City Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City Council that originally created the commitment.

d. Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The City Council has, by resolution, adopted a financial policy authorizing the Finance Committee to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.

e. Unassigned - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

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

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (cont.)

11. Equity Classifications (cont.)

Fund Statements (cont.)

The City has a formal minimum fund balance policy. That policy is to maintain a working capital fund of no less than 10% nor more than 20% of subsequent year general fund budgeted expenditures. The general fund unassigned fund balance at year end was $10,193,658, or 16.8%, of subsequent year general fund budgeted expenditures.

See Note III. G. for further information.

12. Basis for Existing Rates

Water Utility

Current water rates were approved by the Public Service Commission of Wisconsin effective April 24, 2015.

Wastewater Utility

Current sewer rates were approved by the City Council effective January 1, 2015.

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

A budget has been adopted for the general fund, certain special revenue funds, all debt service funds, all capital projects funds, and all permanent funds. A budget has not been formally adopted for Lighted Dome, Police Crime Prevention, WHEDA Loan Program, Housing Development Grant, Public Works DNR Grants, Park Development Impact Fees, Library Impact Fees, Police Impact Fees, Home Rental Rehab, Energy Rental Rehab, Lead Abatement Grant, and Holiday Decorations Special Revenue Funds. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

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

B. Excess Expenditures and Other Financing Uses Over Appropriations

Funds	Final Budgeted Expenditures	Actual Expenditures	Excess Expenditures Over Budget
Special Revenue Fund - Public Works Impact Fees	$ -	$ 41,673	$ 41,673
Special Revenue Fund - Library Cafe	90,702	91,074	372
Special Revenue Fund - Cemetery Trust Fund C	11,000	15,845	4,845
Debt Service Fund - General	10,430,262	14,147,644	3,717,382
Debt Service Fund - TIF Districts	7,927,538	14,921,403	6,993,865
Capital Projects Fund - TIF Districts	1,053,477	1,095,323	41,846
Permanent Fund - Cemetery Specific Endowment	24,000	42,709	18,709
Permanent Fund - Library Endowment	9,000	26,862	17,862

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, 2015, the following individual funds held a deficit balance:

Fund	Amount	Reason
Debt Service - TIF Districts	$ 4,249,005	Increment not sufficient to cover current costs

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.

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

D. Limitations On The City's Tax Levy

Wisconsin law 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 zero percent. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions. The City is required to reduce its allowable levy by the estimated amount of fee revenue it collects for certain services, if those services were funded in 2013 by the property tax levy. Levies can be increased above the allowable limits if the amount is approved by referendum.

NOTE III - DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as cash and investments.

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

A. Deposits and Investments (cont.)

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

	Carrying Value	Statement Balances	Associated Risks
Demand Deposits	$ 18,754,260	$ 13,444,493	Custodial credit risk
Money Markets	117,022	117,022	Custodial credit risk
Repurchase Agreement	42,702,885	42,702,885	Custodial credit risk, credit risk, concentration of credit risk, interest rate risk, highly sensitive to interest rate changes, foreign currency risk
US Treasuries	2,000,000	2,000,000	Custodial credit risk, interest rate risk, highly sensitive to interest rate changes
US Agencies - Implicitly Guaranteed	9,771,726	9,771,726	Custodial credit risk, credit risk, interest rate risk, highly sensitive to interest rate changes
Mortgage backed securities	10,279,051	10,279,051	Custodial credit risk, credit risk, concentration of credit risk, interest rate risk, highly sensitive to interest rate changes
Mutual Funds	2,949,325	2,949,325	Credit risk, interest rate risk
LGIP	58,759,181	58,759,181	Credit risk
Petty cash	7,744	-	N/A
Total Deposits and Investments	$145,341,194	$140,023,683	

Reconciliation to financial statements

Per statement of net position	
Unrestricted cash and investments	$138,942,278
Restricted cash and investments	6,398,916
Total Deposits and Investments	$145,341,194

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

A. Deposits and Investments (cont.)

Deposits in each local and area bank are insured by the FDIC in the amount of $250,000 for time and savings accounts (including NOW accounts) and $250,000 for demand deposit accounts (interest-bearing and noninterest-bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of $250,000 for the combined amount of all deposit accounts.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of $400,000. However, due to the nature of this fund, recovery of material principal losses may not be significant to individual municipalities. This coverage has not been considered in computing custodial credit risk.

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, 2015, $4,083,568 of the City's total bank balances were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	$ 4,083,568

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.

Repurchase Agreements	
Neither insured nor registered and held by counterparty	$ 42,702,885
US Agencies	
Neither insured nor registered and held by counterparty	$ 9,771,726
US Treasuries	
Neither insured nor registered and held by counterparty	$ 2,000,000

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

A. *Deposits and Investments* (cont.)

Custodial Credit Risk (cont.)

Investments (cont.)

Mortgage backed securities	
Neither insured nor registered and held by counterparty	$ 10,279,051

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, 2015, the City's investments were rated as follows:

Investment Type	Standard & Poors	Moody's Investors Services	Not Rated
US agencies	AAA	AAA	
Mortgage backed securities	AAA	Aaa	
Mutual funds			X
Repurchase agreements	AAA	Aaa	

The City also held investments in the following external pool which is 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, 2015, the investment portfolio was concentrated as follows:

Issuer	Investment Type	Percentage of Net Position
Various	Repurchase agreements	63.00%
Various	Mortgage backed securities	14.40%
Various	US Agencies	15.20%

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

A. *Deposits and Investments* (cont.)

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, 2015, the City's investments were as follows:

		Maturity (In Months)		
Investment Type	Fair Value	Less than 1	1-5	5 or more
Repurchase agreements	$ 42,702,885	$ -	$ 7,306,669	$ 35,396,216
US treasuries	2,000,000	1,000,000	1,000,000	-
US agencies	9,771,726	500,165	9,271,561	-
Mortgage backed securities	10,279,051	-	1,300,000	8,979,051
Mutual funds	2,949,325	1,199,606	1,749,719	-
Totals	$ 67,702,987	$ 2,699,771	$ 20,627,949	$ 44,375,267

Investments Highly Sensitive to Interest Rate Changes

At December 31, 2015, the City held $10,279,051 in mortgage backed securities which matures on a variety of dates. These securities are subject to early payment in a period of declining interest rates. The resultant reduction in total cash flows affects the market value of these securities and makes the market values of these securities highly sensitive to changes in interest rates. The market value of this investment at December 31, 2015, was $10,279,051.

Foreign Currency Risk

Foreign currency risk is the risk that changes in the exchange rates will adversely affect the fair value of an investment or deposit.

At December 31, 2015, the City was exposed to foreign currency risk as follows:

Investment	Currency	Maturity Date	Fair Value
Repurchase agreement	Various	Various	$ 42,702,885

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

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

B. Receivables

All of the receivables on the balance sheet are expected to be collected within one year except for long-term loans of $3,240,926, deferred special assessments of $102,561, and delinquent personal property taxes of $31,428.

Governmental funds report *unavailable or unearned 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 *unavailable revenue* and *unearned revenue* reported in the governmental funds were as follows:

	Unearned	Unavailable
Property taxes receivable for subsequent year	$ 59,488,907	$ -
Jurisdictional transfer	5,897,184	-
Special assessments not yet due	-	102,561
Revenues received in advance	2,467,862	-
Total Unearned/Unavailable Revenue for Governmental Funds	$ 67,853,953	$ 102,561
Unearned revenue included in deferred inflows	$ 67,853,953	

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.

Equipment Replacement Account

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

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

C. *RESTRICTED ASSETS* (cont.)

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.

Net Pension Asset

Restricted assets have been reported in connection with the net pension asset balance since this balance must be used to fund employee benefits.

Capital Improvement

The water utility established a capital improvement account to report resources set aside to fund plan renewals and replacement or make up potential future deficiencies in the redemption account.

Following is a list of restricted assets at December 31, 2015:

	Restricted Assets	Liabilities Payable from Restricted Assets	Restricted Net Position
Bond redemption account	$ 602,741	$ 36,904	$ 565,837
Bond reserve account	654,699	654,699	n/a
Impact fee account	543,218	447,136	96,082
Equipment replacement account	3,020,200	-	3,020,200
Capital improvement account	1,579,193	1,579,193	n/a
Net pension asset	8,120,019	-	8,120,019
Total	$ 14,520,070	$ 2,717,932	$ 11,802,138

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

D. Capital Assets

Capital asset activity for the year ended December 31, 2015, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated/amortized				
Land	$ 31,191,331	$ -	$ -	$ 31,191,331
Construction in progress	811,591	2,604,051	644,924	2,770,718
Intangible asset - easements	119,286	-	-	119,286
Total Capital Assets Not Being Depreciated/Amortized	32,122,208	2,604,051	644,924	34,081,335
Capital assets being depreciated				
Buildings	55,668,257	300,262	-	55,968,519
Improvements other than buildings	6,651,711	579,139	-	7,230,850
Machinery and equipment	42,813,614	2,516,479	695,455	44,634,638
Infrastructure	182,974,602	10,709,368	176,580	193,507,390
Total Capital Assets Being Depreciated	288,108,184	14,105,248	872,035	301,341,397
Total Capital Assets	320,230,392	16,709,299	1,516,959	335,422,732
Less: Accumulated depreciation for				
Buildings	(21,451,243)	(1,210,189)	-	(22,661,432)
Improvements other than buildings	(3,437,430)	(274,705)	-	(3,712,135)
Machinery and equipment	(32,601,020)	(2,351,944)	681,075	(34,271,889)
Infrastructure	106,671,690)	(3,938,407)	120,495	(110,489,602)
Total Accumulated Depreciation	(164,161,383)	(7,775,245)	801,570	(171,135,058)
Net Capital Assets Being Depreciated	123,946,801	6,330,003	70,465	130,206,339
Total Governmental Activities Capital Assets, Net of Accumulated Depreciation	$156,069,009	$ 8,934,054	$ 715,389	$ 164,287,674

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

D. Capital Assets (cont.)

Depreciation expense was charged to functions as follows:

Governmental Activities	
General Government	$ 679,792
Public Safety	1,439,616
Public Works	731,455
Culture and Recreation	985,975
Infrastructure	3,938,407
Total Governmental Activities Depreciation Expense	$ 7,775,245

Business-type Activities

	Beginning Balance	Additions	Deletions	Ending Balance
Wastewater				
Capital assets not being depreciated				
Land	$ 31,107	$ -	$ -	$ 31,107
Construction in progress	20,274,819	22,737,485	-	43,012,304
Total Capital Assets Not Being Depreciated	20,305,926	22,737,485	-	43,043,411
Capital assets being depreciated				
Buildings and improvements	46,101,951	70,342	-	46,172,293
Machinery and equipment	21,006,459	125,146	-	21,131,605
Infrastructure	38,477,360	2,138,727	43,719	40,572,368
Total Capital Assets Being Depreciated	105,585,770	2,334,215	43,719	107,876,266
Total Capital Assets	125,891,696	25,071,700	43,719	150,919,677
Less: Accumulated depreciation for				
Buildings and improvements	(22,327,665)	(1,020,262)	-	(23,347,927)
Machinery and equipment	(14,784,869)	(615,769)	-	(15,400,638)
Infrastructure	(10,452,798)	(868,530)	43,717	(11,277,611)
Total Accumulated Depreciation	(47,565,332)	(2,504,561)	43,717	(50,026,176)
Net Capital Assets Being Depreciated	58,020,438	(170,346)	2	57,850,090
Net Wastewater Capital Assets	$ 78,326,364	$ 22,567,139	$ 2	$ 100,893,501

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

D. Capital Assets (cont.)

Business-type Activities (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
Water				
Capital assets not being depreciated/amortized				
Land	$ 1,000,648	$ -	$ 435,089	$ 565,559
Construction in progress	378,184	86,683	-	464,867
Intangible assets - easements	149,178	35,718	-	184,896
Total Capital Assets Not Being Depreciated/Amortized	1,528,010	122,401	435,089	1,215,322
Capital assets being depreciated/amortized				
Source of supply	2,591,773	-	-	2,591,773
Pumping	9,609,607	503,132	679,551	9,433,188
Water treatment	5,213,659	-	-	5,213,659
Transmission and distribution	78,211,341	7,326,344	421,102	85,116,583
General	5,841,289	285,344	321,871	5,804,762
Total Capital Assets Being Depreciated/Amortized	101,467,669	8,114,820	1,422,524	108,159,965
Total Capital Assets	102,995,679	8,237,221	1,857,613	109,375,287
Less: Accumulated depreciation/amortization for				
Source of supply	(1,432,731)	(63,236)	-	(1,495,967)
Pumping	(2,899,274)	(365,810)	693,630	(2,571,454)
Water treatment	(1,509,025)	(208,505)	-	(1,717,530)
Transmission and distribution	(17,626,420)	(1,520,846)	535,778	(18,611,488)
General	(4,002,645)	(379,976)	321,871	(4,060,750)
Total Accumulated Depreciation/Amortization	(27,470,095)	(2,538,373)	1,551,279	(28,457,189)
Net Capital Assets Being Depreciated/Amortized	73,997,574	5,576,447	(128,755)	79,702,776
Net Water Capital Assets	$ 75,525,584	$ 5,698,848	$ 306,334	$ 80,918,098

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

D. Capital Assets (cont.)

Business-type Activities (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
Transit				
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	12,165,071	38,792	16,832	12,187,031
Machinery and equipment	9,288,107	3,378,169	1,882,474	10,783,802
Total Capital Assets Being Depreciated	21,453,178	3,416,961	1,899,306	22,970,833
Total Capital Assets	23,136,879	3,416,961	1,899,306	24,654,534
Less: Accumulated depreciation for				
Buildings and improvements	(4,266,921)	(329,185)	16,832	(4,579,274)
Machinery and equipment	(7,213,444)	(723,668)	1,867,612	(6,069,500)
Total Accumulated depreciation	(11,480,365)	(1,052,853)	1,884,444	(10,648,774)
Net Capital Assets Being Depreciated	9,972,813	2,364,108	14,862	12,322,059
Net Transit Capital Assets	$ 11,656,514	$ 2,364,108	$ 14,862	$ 14,005,760

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

D. Capital Assets (cont.)

Business-type Activities (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
Parking				
Capital assets not being depreciated				
Land	$ 668,744	$ -	$ -	$ 668,744
Total Capital Assets Not Being Depreciated	668,744	-	-	668,744
Capital assets being depreciated				
Buildings and improvements	10,611,384	-	-	10,611,384
Improvements other than buildings	290,947	-	-	290,947
Machinery and equipment	163,491	18,508	13,853	168,146
Total Capital Assets Being Depreciated	11,065,822	18,508	13,853	11,070,477
Total Capital Assets	11,734,566	18,508	13,853	11,739,221
Less: Accumulated depreciation for				
Buildings and improvements	(5,582,100)	(148,936)	-	(5,731,036)
Improvements other than buildings	(198,608)	(3,415)	-	(202,023)
Machinery and equipment	(37,398)	(15,612)	13,853	(39,157)
Total Accumulated Depreciation	(5,818,106)	(167,963)	13,853	(5,972,216)
Net Capital Assets Being Depreciated	5,247,716	(149,455)	-	5,098,261
Net Parking Capital Assets	$ 5,916,460	$ (149,455)	$ -	$ 5,767,005

	Beginning Balance	Additions	Deletions	Ending Balance
Cemetery				
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	197,189	-	-	197,189
Improvements other than buildings	258,251	-	-	258,251
Machinery and equipment	269,585	13,763	-	283,348
Total Capital Assets Being Depreciated	725,025	13,763	-	738,788
Total Capital Assets	819,002	13,763	-	832,765

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

D. Capital Assets (cont.)

Business-type Activities (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
Cemetery (cont.)				
Less: Accumulated depreciation for				
Buildings and improvements	$ (105,658)	$ (8,202)	$ -	$ (113,860)
Improvements other than buildings	(134,892)	(2,935)	-	(137,827)
Machinery and equipment	(212,592)	(9,504)	-	(222,096)
Total Accumulated Depreciation	(453,142)	(20,641)	-	(473,783)
Net Capital Assets Being Depreciated	271,883	(6,878)	-	265,005
Net Cemetery Capital Assets	$ 365,860	$ (6,878)	$ -	$ 358,982
Business-type Capital Assets, Net of Accumulated Depreciation/Amortization	$ 171,790,782	$ 30,473,762	$ 321,198	$ 201,943,346

Depreciation expense was charged to functions as follows:

Business-type Activities	
Sewer	$ 2,504,561
Water	2,335,822
Transit	1,055,725
Parking	167,963
Cemetery	20,641
Total Business-type Activities Depreciation Expense	$ 6,084,712

Depreciation expense may be different from business-type activity accumulated depreciation additions because of joint metering, salvage, cost of removal, internal allocations, or costs associated with the disposal of assets.

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:

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
General Fund	TIF Debt Service Fund	$ 3,679,744	$ 3,679,744
General Fund	Nonmajor Special Revenue Funds	295,655	-
General Fund	Water Utility	1,776,510	-
General Fund	Transit	631,264	-
General Fund	Internal Service Fund - Insurance	36,308	-
Nonmajor Enterprise Fund	Nonmajor Special Revenue Funds	15,547	-
Nonmajor Enterprise Fund	Permanent Funds	55,280	-
Wastewater Utility	Water Utility	2,183,370	-
Total - Fund Financial Statements		8,673,678	
Less: Fund eliminations		(6,158,769)	
Less: Government-wide eliminations		(177,962)	
Total Internal Balances - Government-Wide Statement of Net Position		$ 2,336,947	

Receivable Fund	Payable Fund	Amount
Governmental Activities	Business-type Activities	$ 2,407,774
Business-type Activities	Governmental Activities	(70,827)
Total Government-Wide Financial Statements		$ 2,336,947

The principal purpose of these interfunds is to clear any fund cash deficits. 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 position, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated.

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

E. Interfund Receivables/Payables, Advances and Transfers (cont.)

Advances

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
Wastewater Fund	Nonmajor Fleet Replacement Capital Project Fund	$ 1,639,837	$ -
General Fund	TIF Debt Service Fund	409,805	276,601
Total - Fund Financial Statements		2,049,642	
Less: Fund eliminations		(409,805)	
Total - Interfund Advances - Government-Wide Statement of Net Position		$ 1,639,837	

The principal purpose of these interfunds is to fund fleet replacement and temporarily cover development in TIF 14. No repayment schedule for the advance between Wastewater and Fleet Replacement Fund. The repayment schedule for the TIF Debt Service Fund to the General Fund is over a four year period at a rate of 2.5%. Payments are due on January 1 of each of the next three years.

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

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:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
General Fund	Public Works DNR Grant Fund	$ 32,083	Close-out fund
General Fund	Water Utility	1,776,510	PILOT
Festival and Special Activities Fund	General Fund	15,000	Transfer of funds contributed by the City for Jamoree activities
Public Works Improvements Fund	Public Works Impact Fees Fund	41,673	Transfer for operations
Municipal Facilities Fund	Park and Rec Sponsorship Program Fund	101,500	Transfer to pay for capital projects
Cemetery Trust Fund K Fund	Prairie Home Cemetery	5,172	Trust fund transfer
Prairie Home Cemetery	Cemetery Trust Fund	15,547	Trust fund transfer
Prairie Home Cemetery	Cemetery Lot Maintenance Fund	18,013	Trust fund transfer
Prairie Home Cemetery	Specific Endowment Fund	37,266	Trust fund transfer
Prairie Home Cemetery	General Debt Service Fund	66,024	Debt service transfer
Parking Utility	General Debt Service Fund	240,000	Debt service transfer
Health Insurance Fund	Parking Utility	5,865	Sick leave conversion
Health Insurance Fund	Prairie Home Cemetery	13,610	Sick leave conversion
Health Insurance Fund	General Fund	200,070	Sick leave conversion
Health Insurance Fund	Wastewater Utility	23,476	Sick leave conversion
Total - Fund Financial Statements		2,591,809	
Less: Fund eliminations		(1,144,026)	
Total Transfers - Government-Wide Statement of Activities		$ 1,447,783	

Fund Transferred To	Fund Transferred From	Amount
Governmental Activities	Business-type Activities	$ 1,824,633
Business-type Activities	Governmental Activities	(376,850)
Total Government-wide Financial Statements		$ 1,447,783

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

E. Interfund Receivables/Payables, Advances and Transfers (cont.)

Transfers (cont.)

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.

F. Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2015, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General obligation debt	$ 98,439,253	$ 23,775,000	$ 21,393,187	$ 100,821,066	$ 11,764,422
Note anticipation notes	-	750,000	-	750,000	-
Promissory notes	2,476,002	-	-	2,476,002	-
Unamortized premium	3,224,223	1,824,292	761,940	4,286,575	-
Sub-totals	104,139,478	26,349,292	22,155,127	108,333,643	11,764,422
Other Liabilities					
Vested compensated absences	5,676,458	1,792,189	1,618,176	5,850,471	1,617,000
Long-term disability	406,033	-	16,240	389,793	19,050
OPEB liability	10,555,961	2,284,526	875,750	11,964,737	-
Total Other Liabilities	16,638,452	4,076,715	2,510,166	18,205,001	1,636,050
Total Governmental Activities Long-Term Liabilities	$ 120,777,930	$ 30,426,007	$ 24,665,293	$ 126,538,644	$ 13,400,472
Business-type Activities					
Bonds and Notes Payable					
General obligation debt	$ 19,903,757	$ 8,097,648	$ 1,351,649	$ 26,649,756	$ 984,829
Revenue bonds	24,364,734	20,511,753	827,347	44,049,140	2,346,963
Note anticipation notes	5,725,000	10,530,000	5,725,000	10,530,000	-
Unamortized premium	1,482,857	596,483	264,953	1,814,387	-
Sub-totals	51,476,348	39,735,884	8,168,949	83,043,283	3,331,792
Other Liabilities					
OPEB liability	1,436,676	366,429	137,447	1,665,658	-
Total Other Liabilities	1,436,676	366,429	137,447	1,665,658	-
Total Business-type Activities Long-Term Liabilities	$ 52,913,024	$ 40,102,313	$ 8,306,396	$ 84,708,941	$ 3,331,792

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, 2015, was $283,205,580. Total general obligation debt outstanding at year end was $127,470,822.

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 December 31, 2015
GO Debt	5/01/05	10/01/23	3.62-4.38%	$ 1,700,000	$ 300,000
GO Debt	3/15/06	10/01/21	4.00-4.25	8,900,000	665,000
GO Debt	5/21/07	10/01/21	4.00-4.75	5,885,000	1,475,000
GO Debt	7/28/09	10/01/18	2.00-3.75	6,980,000	2,035,000
GO Debt	7/28/09	10/01/23	3.50-4.10	6,260,000	6,260,000
GO Debt	7/28/09	10/01/28	1.85-6.10	1,865,000	1,475,000
GO Debt	2/09/10	10/01/20	2.00-4.00	5,460,000	2,180,000
GO Debt	8/10/10	10/01/19	.60-2.50	6,165,000	1,982,578
GO Debt	12/01/10	10/01/30	1.10-5.70	19,015,000	16,391,305
GO Debt	8/09/11	10/01/20	2.00-4.00	8,540,000	1,610,000
GO Debt	8/09/11	10/01/28	1.00-5.30	2,575,000	2,190,000
GO Debt	7/10/12	10/01/21	2.00-4.00	14,393,540	8,975,012
GO Debt	7/10/12	10/01/21	2.00-4.00	4,465,000	4,140,000
GO Debt	5/07/13	4/01/23	2.00-4.00	17,505,000	14,938,706
GO Debt	4/08/14	10/01/23	2.00-4.00	11,674,000	11,129,642
GO Debt	9/09/14	10/01/24	1.45-2.95	1,090,000	1,090,000
GO Debt	11/18/14	2/15/22	-	238,655	208,823
GO Debt	5/12/15	10/01/24	2.00-4.00	20,310,000	20,310,000
GO Debt	5/12/15	10/01/24	.65-2.70	3,465,000	3,465,000
Total Governmental Activities - General Obligation Debt					$100,821,066

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 December 31, 2015
GO Debt	8/10/10	10/01/19	.60-2.50%	$ 6,165,000	$ 27,421
GO Debt	12/01/10	10/01/30	1.10-5.70	19,015,000	233,695
GO Debt	1/10/12	10/01/21	2.00-4.00	4,006,460	2,884,988
GO Debt	5/07/13	4/01/23	2.00-4.00	17,505,000	16,294
GO Debt	5/07/13	10/01/32	2.00-4.00	10,085,000	8,965,000
GO Debt	4/08/14	10/01/33	2.00-4.25	4,600,000	4,600,000
GO Debt	4/08/14	10/01/23	2.00-4.00	121,000	115,358
GO Debt	6/25/14	5/01/34	2.63	4,107,000	4,107,000
GO Debt	5/12/15	10/01/24	2.00-4.00	285,000	285,000
GO Debt	5/12/15	10/01/34	2.00-4.00	5,415,000	5,415,000
Total Business-type Activities - General Obligation Debt					$ 26,649,756

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt		Business-type Activities General Obligation Debt	
	Principal	Interest	Principal	Interest
2016	$ 11,764,422	$ 3,834,482	$ 984,829	$ 991,010
2017	12,640,661	3,221,205	913,044	883,503
2018	12,101,298	2,854,420	1,166,978	857,277
2019	11,212,592	2,470,349	1,580,375	818,914
2020	10,868,503	2,115,564	1,884,278	781,447
2021-2025	34,463,590	5,316,880	8,607,591	3,019,470
2026-2030	7,770,000	1,201,902	6,902,353	1,522,632
2031-2034	-	-	4,610,308	360,187
Totals	$ 100,821,066	$ 21,014,802	$ 26,649,756	$ 9,234,440

Revenue Debt

Business-type activities revenue bonds are payable only from revenues derived from the operation of the water and wastewater utilities.

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

F. Long-Term Obligations (cont.)

Revenue Debt (cont.)

The City has pledged future water revenues to repay revenue bonds issued in 2006-2013. Proceeds from the bonds provided financing for the refunding of old revenue bonds and capital projects. The bonds are payable solely from water revenues and are payable through 2033. Annual principal and interest payments on the bonds are expected to require 2.00% of gross revenues. The total principal and interest remaining to be paid on the bonds is $4,880,764. Principal and interest paid for the current year and total customer gross revenues were $890,756 and $11,281,831, respectively.

The City has pledged future wastewater revenues, net of specified operating expenses, to repay revenue bonds issued in 2014 and 2015. Proceeds from the bonds provided financing for the sewer infrastructure project. The bonds are payable solely from sewer revenues and are payable through 2034. Annual principal and interest payments on the bonds are expected to require 46% of net revenues. The total principal and interest remaining to be paid on the bonds is $51,433,726. Principal and interest paid for the current year and total customer net revenues were $659,449 and $5,836,035, respectively.

Revenue debt payable at December 31, 2015, consists of the following:

Business-type Activities Revenue Debt

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2015	
Wastewater Utility						
Series 2014	4/08/14	11/01/34	2.00-4.10%	$ 7,455,000	$ 7,335,000	
Series 2014	6/25/14	5/01/34	2.63	20,527,028	20,527,028	
Series 2015	7/08/15	5/01/34	2.254	12,010,625	12,010,625	(1)
				Total Wastewater Utility	$ 39,872,653	
Water Utility						
Series 2006	4/15/06	10/01/26	4.00-5.00%	$ 7,865,000	$ 335,000	
Series 2008	4/22/08	10/01/22	3.00-4.38	4,945,000	2,815,000	
Series 2013	5/07/13	5/01/33	1.93	1,055,512	1,026,487	
				Total Water Utility	4,176,487	
Total Business-type Activities - Revenue Debt					$ 44,049,140	

(1) - During 2015 the utility was authorized to issue $15,583,127 of wastewater system Clean Water Fund revenue bonds. The original amount reported above has been issued as of December 31, 2015. The repayment schedule is for the amount issued.

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

F. Long-Term Obligations (cont.)

Revenue Debt (cont.)

Debt service requirements to maturity are as follows:

Years	Business-type Activities Revenue Debt Principal	Interest
2016	$ 2,346,963	$ 1,217,639
2017	2,066,016	1,150,424
2018	2,120,917	1,092,163
2019	2,181,688	1,030,735
2020	2,243,350	967,467
2021-2025	10,794,453	3,834,862
2026-2030	11,353,174	2,316,078
2031-2034	10,942,579	655,982
Totals	$ 44,049,140	$ 12,265,350

Note Anticipation Notes

Note anticipation notes at December 31, 2015, consist of the following:

Governmental Activities Note Anticipation Notes	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2015
Note Anticipation Note	5/12/15	7/01/16	2.00%	750,000	$ 750,000

Business-type Activities Note Anticipation Notes	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2015
Note Anticipation Note	5/12/15	7/01/16	2.00%	$ 10,530,000	$ 10,530,000

Debt service requirements to maturity are as follows:

Years	Governmental Activities Note Anticipation Notes Principal	Interest	Business-type Activities Note Anticipation Notes Principal	Interest
2016	$ 750,000	$ 17,042	$ 10,530,000	$ 239,265

While the 2015 note anticipation notes are due July 1, 2016, it is the City's intent to refinance these notes with long-term debt. As such, they have been presented as noncurrent in the statement of net position.

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

F. LONG-TERM OBLIGATIONS (cont.)

Other Debt Information

Estimated payments of compensated absences, long-term disability, and OPEB liability are not included in the debt service requirement schedules. The compensated absences liability, long-term disability, and OPEB 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 city agrees to pay to the developer 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, 2015 is $2,476,002.

Current and Advance Refunding

On May 12, 2015, the City and Cemetery Fund issued $9,055,000 in general obligation notes with an average coupon rate of 3.00% to advance and current refund $9,355,000 of outstanding notes with an average coupon rate of 4.38%. The net proceeds along with existing funds of the City were used to purchase U.S. government securities or to currently refund existing debt. The securities purchased for the portion of the notes that were advance refunded, were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded notes. As a result, the refunded notes are considered defeased and the liability for those notes has been removed from the statement of net position.

The cash flow requirements on the refunded debt prior to the advance refunding was $15,511,744 from 2015 through 2024. The cash flow requirements on the 2015 refunding bonds are $10,811,167 from 2015 through 2024. The advance refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of $411,103.

Current Refunding

On May 12, 2015, the City issued $1,435,000 in general obligation notes with an average coupon rate of 0.78% to refund $1,415,000 of outstanding bonds with an average coupon rate of 5.33%. The net proceeds along with existing funds of the City were used to prepay the outstanding debt.

The cash flow requirements on the refunded debt prior to the current refunding was $1,529,525 from 2015 through 2017. The cash flow requirements on the 2015 refunding bonds are $1,456,904 from 2015 through 2017. The current refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of $72,185.

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

F. Long-Term Obligations (cont.)

Bond Covenant Disclosures

Insurance

The water utility 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.

The water utility is covered under the following insurance policies at December 31, 2015:

Type	Coverage		Expiration
General Liability	$ 1,000,000	Each occurrence	7/1/16
General Liability	3,000,000	Each occurrence and aggregate	7/1/16
Automobile	1,000,000		7/1/16
Umbrella Liability	10,000,000	Aggregate	7/1/16
Workers Compensation	500,000		7/1/16

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 1.25 times the subsequent year debt service. The coverage only includes revenue debt and does not include general obligation or other debt. The coverage requirement was met in 2015 as follows:

Operating revenues	$	11,235,113
Investment income		46,718
Less: Operation and maintenance expenses		(5,195,475)
Net Defined Earnings	$	6,086,356
Minimum Required Earnings per Resolution:		
2006 revenue bonds subsequent year debt service	$	349,238
2008 revenue bonds subsequent year debt service		475,206
2013 SDWL revenue bonds subsequent year debt service		67,554
Subtotal		891,998
Coverage factor		1.25
Minimum Required Earnings	$	1,114,998
Actual Debt Coverage		6.82

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

F. Long-Term Obligations (cont.)

Debt Coverage - Sewer

Under terms of the resolutions providing for the issue of revenue bonds, revenues less operating expenses excluding depreciation (defined net earnings) must exceed 1.25 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 2015 as follows:

Operating revenues	$	12,024,146
Investment income		54,945
Miscellaneous nonoperating income		97,266
Less: Operation and maintenance expenses		(6,340,322)
Net Defined Earnings	$	5,836,035
Minimum Required Earnings per Resolution:		
Highest annual debt service	$	2,673,777
Coverage factor		1.25
Minimum Required Earnings	$	3,342,221
Actual Debt Coverage		2.18

Number of Customers and Billed Volumes - Water

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

	Customers	Sales (000 gals)
Residential	17,572	937,774
Commercial	1,240	376,763
Industrial	146	262,477
Wholesale	119	99,076
Multifamily residential	952	397,554
Totals	20,029	2,073,644

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

G. Net Position/Fund Balances

Net position reported on the government wide statement of net position at December 31, 2015, includes the following:

Governmental Activities

Net Investment in Capital Assets	
Land	$ 31,191,331
Construction in progress	2,770,718
Intangible asset	119,286
Other capital assets, net of accumulated depreciation/amortization	130,206,339
Less: Long-term debt outstanding	(101,571,066)
Plus: Unspent capital related debt proceeds	5,799,226
Plus: Noncapital debt proceeds	28,070,063
Plus: Unamortized loss on refunding	1,605,323
Less: Unamortized debt premium	(4,286,575)
Total Net Investment in Capital Assets	93,904,645
Restricted	
Impact fees	96,082
TIF Districts	170,000
Confiscated property	33,447
Grants	224,573
Loan programs	4,175,354
Trust donations	389,886
Library	38,974
Cemetery	2,069,961
Pensions	7,313,167
Total Restricted	14,511,444
Unrestricted (deficit)	(22,350,715)
Total Governmental Activities Net Position	$ 86,065,374

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

G. Net Position/Fund Balances (cont.)

Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2015, include the following:

Nonspendable		
Major Funds		
General Fund		
Delinquent personal property taxes	$	31,428
Advances		409,805
Prepaid items		237,418
Inventories		229,219
Noncurrent receivables		3,679,744
Total	$	4,587,614
Nonmajor Fund		
Capital Project Fund		
General improvement fund - prepaid items	$	20,463
Restricted		
Major Fund		
Debt Service Fund - General	$	987,495
Nonmajor Funds		
Special Revenue Funds		
Community development block grant	$	1,697,769
WHEDA loan program		1,399,325
Housing development grant		992,304
Public works impact fees		27,885
Park development impact fees		68,197
Home rental rehab		63,556
Energy rental rehab		22,400
Confiscated property		14,894
Lead abatement grant		224,573
State confiscated property		18,553
Sub-Total		4,529,456
Capital Projects Fund		
TIF Districts		170,000

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

G. Net Position/Fund Balances (cont.)

Governmental Funds (cont.)

Restricted (cont.)

Nonmajor Funds (cont.)		
Permanent Funds		
Cemetery lot maintenance	$	1,181,593
Cemetery specific endowment		888,368
Cemetery trust fund K		361,490
Library endowment		38,974
H.B. Mills recreation		28,396
Sub-Total		2,498,821
Total	$	7,198,277

Committed

Nonmajor Funds		
Special Revenue Fund		
Lighted dome	$	6,125
Festival and special activites		10,523
Police crime prevention		730
Park and recreation sponsorship activities		281,631
Library cafe		1,748
Cemetary trust fund C		35,024
Paramedics		42,602
Civic band donation		18,847
Holiday decorations		1,162
Sub-Total		398,392
Capital Project Funds		
General improvement fund		644,260
Public works improvement		2,637,465
Municipal facilities		2,150,585
Fleet replacement		548,571
Sub-Total		5,980,881
Total	$	6,379,273

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

G. Net Position/Fund Balances (cont.)

Governmental Funds (cont.)

Assigned	
Major Fund	
General Fund	
Honor guard	$ 2,494
Waukesha reads grant	5,092
Children services grant	4,474
Consulting	40,394
Total	$ 52,454
Unassigned (deficit)	
Major Funds	
General fund	$ 10,193,658
Debt service - TIF districts (deficit)	(4,249,005)
Total	$ 5,944,653

Business-type Activities

Net Investment in Capital Assets	
Land	$ 3,043,087
Construction in progress	43,477,171
Intangible assets	184,896
Utility plant in service	250,816,330
Less: accumulated depreciation	(95,578,138)
Less: Long-term debt outstanding	(81,228,896)
Plus: Unspent capital related debt proceeds	6,460,692
Plus: Noncapital debt proceeds	346,054
Plus: Unamortized loss on refunding	552,833
Less: Unamortized debt premium	(1,801,835)
Total Net Investment in Capital Assets	126,272,194
Restricted	
Equipment replacement	3,020,200
Debt service	565,837
Pensions	806,852
Total Restricted	4,392,889
Unrestricted	27,642,085
Total Business-type Activities Net Position	$ 158,307,168

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

H. Restatement of Net Position

Net position has been restated as a result of the implementation of GASB Statement No. 68 - *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27* and implementation of GASB Statement No. 71 - *Pension Transition for Contributions Made Subsequent to the Measurement Date*. These statements require the net pension asset (liability) and related deferred outflows and deferred inflows, if any, to be reported in the financial statements. The details of this restatement are as follows:

	Governmental Activities	Business-type Activities	Water Utility	Wastewater Utility	Transit	Parking Utility	Nonmajor Enterprise Fund
Net Position - December 31, 2014 (as reported)	$ 65,684,577	$ 148,576,978	$ 70,605,384	$ 60,707,466	$12,515,850	$4,546,724	$ 201,544
Add: Net pension asset	11,856,751	1,308,139	558,970	587,493	24,919	58,432	78,325
Add: Deferred outflows related to pensions	2,905,737	320,586	136,987	143,977	6,107	14,320	19,195
Net position - December 31, 2014 (as restated)	$ 80,447,065	$ 150,205,703	$ 71,301,341	$ 61,438,936	$12,546,876	$4,619,476	$ 299,064

NOTE IV - OTHER INFORMATION

A. Employees' Retirement System

Summary of Significant Accounting Policies

Pension. For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information About the Pension Plan

Plan description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

NOTE IV - OTHER INFORMATION (cont.)

A. Employees' Retirement System (cont.)

Vesting. For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998, and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

Benefits provided. Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and State executive participants) are entitled to receive an unreduced retirement benefit. 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 participant's three highest years' earnings. Creditable service is the creditable current and prior service expressed in years or decimal equivalents of partial years for which a participant receives earnings and makes contributions as required. The formula factor is a standard percentage based on employment category.

Employees may retire at age 55 (50 for protective occupation employees) and receive reduced benefits. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and forfeit all rights to any subsequent benefits.

The WRS also provides death and disability benefits for employees.

NOTE IV - OTHER INFORMATION (cont.)

A. Employees' Retirement System (cont.)

Post-retirement adjustments. The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system's consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the "floor") set at retirement. The Core and Variable annuity adjustments granted during recent years are as follows:

Year	Core Fund Adjustment	Variable Fund Adjustment
2005	2.6%	7%
2006	0.8	3
2007	3.0	10
2008	6.6	0
2009	(2.1)	(42)
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25

NOTE IV - OTHER INFORMATION (cont.)

A. Employees' Retirement System (cont.)

Contributions. Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for General category employees and Executives and Elected Officials. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized $3,261,778 in contributions from the City.

Contribution rates as of December 31, 2015 are:

Employee Category	Employee	Employer
General	6.8%	6.8%
Executives & Elected Officials	7.7%	7.7%
Protective with Social Security	6.8%	9.5%
Protective without Social Security	6.8%	13.1%

Pension Asset (liability)s, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2015, the City reported an asset (liability) of $8,120,019 for its proportionate share of the net pension asset (liability). The net pension asset (liability) was measured as of December 31, 2014, and the total pension liability used to calculate the net pension asset (liability) was determined by an actuarial valuation as of December 31, 2013 rolled forward to December 31, 2014. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension asset (liability) was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2014, the City's proportion was 0.33058285%, which was a decrease of 0.00333970% from its proportion measured as of December 31, 2013.

For the year ended December 31, 2015, the City recognized pension expense of $3,048,637.

NOTE IV - OTHER INFORMATION (cont.)

A. Employees' Retirement System (cont.)

At December 31, 2015, the City reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Differences between expected and actual experience	$ 1,177,151
Changes in assumptions	3,932,105
Changes in proportion and differences between employer contributions and proportionate share of contributions	133,072
Employer contributions subsequent to the measurement date	3,206,552
Totals	$ 8,448,880

$3,206,552 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources related to pension will be recognized in pension expense as follows:

Year Ended December 31:	Deferred Outflows of Resources
2016	$ 1,281,741
2017	1,281,741
2018	1,281,741
2019	1,281,741
2020	115,364

NOTE IV - OTHER INFORMATION (cont.)

A. Employees' Retirement System (cont.)

Actuarial assumptions. The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2013
Measurement Date of Net Pension Liability (Asset)	December 31, 2014
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Market Value
Long-Term Expected Rate of Return:	7.2%
Discount Rate:	7.2%
Salary Increases:	
Inflation	3.2%
Seniority/Merit	0.2% - 5.8%
Mortality:	Wisconsin 2012 Mortality Table
Post-retirement Adjustments*:	2.1%

** No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 2.1% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.*

Actuarial assumptions are based upon an experience study conducted in 2012 using experience from 2009 – 2011. The total pension liability for December 31, 2014 is based upon a roll-forward of the liability calculated from the December 31, 2013 actuarial valuation.

NOTE IV - OTHER INFORMATION (cont.)

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

Long-term expected return on plan assets. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Long-Term Real Rate of Return	Target Allocation
US Equities	5.3%	21%
International Equities	5.7	23
Fixed Income	1.7	36
Inflation Sensitive Assets	2.3	20
Real Estate	4.2	7
Private Equity/Debt	6.9	7
Multi-Asset	3.9	6
Cash	0.9	-20

Single discount rate. A single discount rate of 7.20% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20% and a long term bond rate of 3.56%. Because of the unique structure of WRS, the 7.20% expected rate of return implies that a dividend of approximately 2.1% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE IV - OTHER INFORMATION (cont.)

A. *Employees' Retirement System* (cont.)

Sensitivity of the City's proportionate share of the net pension asset (liability) to changes in the discount rate. The following presents the City's proportionate share of the net pension asset (liability) calculated using the discount rate of 7.20 percent, as well as what the City's proportionate share of the net pension asset (liability) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

	1% Decrease to Discount Rate (6.20%)	Current Discount Rate (7.20%)	1% Increase to Discount Rate (8.20%)
City's proportionate share of the net pension asset (liability)	$(22,907,972)	$8,120,019	$32,624,672

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at http://legis.wisconsin.gov/lab/ and reference report number 15-11.

At December 31, 2015, the City reported a payable to the pension plan of $520,774, which represents contractually required contributions outstanding as of the end of the year.

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 healthcare and dental 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.

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 .

NOTE IV - OTHER INFORMATION (cont.)

B. *Risk Management* (cont.)

Self Insurance (cont.)

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, 2013	$ 19,891	$ 695,956	$ 715,847
Current year claims and changes in estimates	503,018	9,533,094	10,036,112
Claim payments	(497,805)	(8,817,385)	(9,315,190)
Unpaid claims - December 31, 2014	25,104	1,411,665	1,436,769
Current year claims and changes in estimates	506,739	8,244,644	8,751,383
Claim payments	(531,715)	10,225,805)	10,757,520)
Unpaid Claims - December 31, 2015	$ 25,232	$ 842,169	$ 867,401

C. *Commitments and Contingencies*

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

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.

The City has active construction projects as of December 31, 2015. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

The City has the following open contracts outstanding at year end expected to be honored upon performance by the vendor:

Wastewater Utility	$ 7,721,469
Nonmajor funds	2,114,000

NOTE IV - OTHER INFORMATION (cont.)

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 judgment 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.).

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

In December 2000, the EPA finalized its rule for radium 226 and 228. In response to this rule, the City of Waukesha, doing business as the City of Waukesha Water Utility, petitioned the United States Court of Appeals, District of Columbia Circuit, in Washington, D.C. to review the rule promulgated by the EPA. The case City of Waukesha, et al. v. EPA, 01-1028, was heard on November 20, 2002. On February 25, 2003 the United States Court of Appeals ruled in favor of the EPA. As such, the municipality terminated the legal process and began 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-compliant 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.

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.

NOTE IV - OTHER INFORMATION (cont.)

C. Commitments and Contingencies (cont.)

A settlement was successfully negotiated and was filed with the Clerk of Circuit Court in Waukesha County on March 30, 2009. The agreement required 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.

As a solution to the radionuclide issue, the City of Waukesha is in the process of developing a new water supply. As a result of the investigation of water supply alternatives, the City of Waukesha has submitted an Application for Great Lakes Water with the WDNR. This application was updated in October 2013. The City is working with the WDNR through the approval process.

In January 2016, the WDNR concluded that Waukesha has no reasonable water supply alternative and qualifies for water under the Great Lakes Compact. It submitted the City of Waukesha's proposal to borrow Lake Michigan water to the governors and premieres of other Great Lakes states and provinces.

The Governors of the eight states met in June and approved the application.

In 2014, the City issued a municipal revenue obligation as part of a development agreement. The amount of the obligation was $3,500,000, and is payable to the developer solely from tax increments collected from a specific portion of the development in TIF No. 21.

Payments are scheduled through the year 2022, and carry an interest rate of .50%. The obligation does not constitute a charge upon any funds of the City. In the event that future tax increments are not sufficient to pay off the obligation, the obligation terminates with no further liability to the City. Since the amount of future payments is contingent on the collection of future TIF increments, the obligation is not reported as a liability in the accompanying financial statements. The balance of the commitment outstanding at year end was $3,042,195.

In 2014, the City issued a municipal revenue obligation as part of a development agreement. The amount of the obligation was $600,000, and is payable to the developer solely from tax increments collected from a specific portion of the development in TIF No. 22.

NOTE IV - OTHER INFORMATION (cont.)

C. Commitments and Contingencies (cont.)

Payments are scheduled through the year 2030, and carry an interest rate of 1.00 - 3.00%. The obligation does not constitute a charge upon any funds of the City. In the event that future tax increments are not sufficient to pay off the obligation, the obligation terminates with no further liability to the City. Since the amount of future payments is contingent on the collection of future TIF increments, the obligation is not reported as a liability in the accompanying financial statements. The balance of the commitment outstanding at year end was $600,000.

In 2015, the City issued a municipal revenue obligation as part of a development agreement. The amount of the obligation was $1,725,000, and is payable to the developer solely from tax increments collected from a specific portion of the development in TIF No. 22.

Payments are scheduled through the year 2030. The obligation does not constitute a charge upon any funds of the City. In the event that future tax increments are not sufficient to pay off the obligation, the obligation terminates with no further liability to the City. Since the amount of future payments is contingent on the collection of future TIF increments, the obligation is not reported as a liability in the accompanying financial statements. The balance of the commitment outstanding at year end was $1,725,000.

D. Other Postemployment Benefits

The City administers a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides health insurance contributions for eligible retirees and their spouses through the City's group health insurance plan, which covers both active and retired members. Benefit provisions are established through collective bargaining agreements and state that eligible retirees and their spouses receive lifetime healthcare insurance at established contribution rates. The Retiree Health Plan does not issue a publicly available financial report.

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.

NOTE IV - OTHER INFORMATION (cont.)

D. Other Postemployment Benefits (cont.)

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 plan, and changes in the City's net OPEB obligation to the Retiree Health Plan:

Annual required contribution	$ 2,748,235
Interest on net OPEB obligation	479,705
Adjustment to annual required contribution	(585,083)
Annual OPEB cost	2,642,857
Contributions made	(1,005,099)
Increase in net OPEB obligation	1,637,758
Net OPEB Obligation - Beginning of Year	11,992,637
Net OPEB Obligation - End of Year	$ 13,630,395

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015 and the two preceding years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
December 31, 2013	$ 2,850,173	41.00 %	$ 10,231,884
December 31, 2014	2,850,173	38.22 %	11,992,637
December 31, 2015	2,642,857	38.03 %	13,630,395

The funded status of the plan as of January 1, 2015, the most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	$ 25,583,717
Actuarial value of plan assets	-
Unfunded Actuarial Accrued Liability (UAAL)	$ 25,583,717
Funded ratio (actuarial value of plan assets/AAL)	-%
Covered payroll (active plan members)	$ 39,078,563
UAAL as a percentage of covered payroll	65.47%

NOTE IV - OTHER INFORMATION (cont.)

D. Other Postemployment Benefits (cont.)

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 as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing 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, 2015 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% initially, reduced by decrements to an ultimate rate of 6% after 10 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 amortization period at December 31, 2015, was 24 years.

E. Subsequent Events

On May 10, 2016 the City issued general obligation promissory notes (Series 2016 A) in the amount of $18,025,000 with annual interest rates between 2.00-3.00%. This amount will be used for numerous City projects, TIF 17 project, TIF 22 project and to refund outstanding debt.

On May 10, 2016 the City issued note anticipation notes (Series 2016 B) in the amount of $17,400,000 with annual interest rates of 3.00%. This amount will be used for numerous Water Utility projects.

On May 10, 2016 the City issued note anticipation notes (Series 2016 C) in the amount of $10,745,000 with annual interest rates of 2.00%. This amount will be used for Fire Station #3/Police Substation and Sewer Utility projects.

On May 10, 2016 the City issued general obligation refunding bonds (Series 2016 D) in the amount of $6,280,000 with an interest rate of 3.00-4.00%. This amount will be used to refund Water Utility Note Anticipation Notes.

NOTE IV - OTHER INFORMATION (cont.)

E. Subsequent Events (cont.)

On May 10, 2016 the City issued taxable general obligation promissory notes (Series 2016 E) in the amount of $1,200,000 with an interest rate of 1.10-2.40%. This amount will be used economic incentives in TIF 25.

On May 10, 2016 the City issued sewer system revenue bonds (Series 2016 F) in the amount of $3,610,000 with an interest rate of 2.00-4.00%. This amount will be used to refund Sewer Utility Note Anticipation Notes.

F. Related Organizations/Jointly Governed Organizations/Joint Agreements

Housing Authority

The City's officials are responsible for appointing the board members of the Waukesha Housing Authority, but the City's accountability for this organization does not extend beyond making the appointments.

G. Effect of New Accounting Standards on Current-Period Financial Statements

The Governmental Accounting Standards Board (GASB) has approved the following:

> Statement No. 72, *Fair Value Measurement and Application*

> Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*

> Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*

> Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*

> Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Government*

> Statement No. 77, *Tax Abatement Disclosures*

> Statement No. 78, *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans*

When they become effective, application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - General Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Taxes	$ 43,354,646	$ 43,354,646	$ 43,620,401	$ 265,755
Intergovernmental	7,568,798	7,568,798	7,780,151	211,353
Licenses and permits	2,134,000	2,134,000	2,237,863	103,863
Fines, forfeitures and penalties	889,500	889,500	878,637	(10,863)
Public charges for services	3,282,244	3,282,244	3,509,698	227,454
Interdepartmental charges	1,126,097	1,126,097	1,129,579	3,482
Investment income	263,350	263,350	168,744	(94,606)
Miscellaneous	146,544	150,490	172,938	22,448
Total Revenues	58,765,179	58,769,125	59,498,011	728,886
EXPENDITURES				
Current				
General government	9,448,186	9,453,980	8,851,475	602,505
Public safety	30,007,081	30,010,812	30,011,845	(1,033)
Public works	8,814,891	8,814,891	8,172,405	642,486
Sanitation	2,851,099	2,872,858	2,871,649	1,209
Culture and recreation	9,170,906	9,175,138	9,027,726	147,412
Total Expenditures	60,292,163	60,327,679	58,935,100	1,392,579
Excess (deficiency) of Revenues Over (Under) Expenditures	(1,526,984)	(1,558,554)	562,911	2,121,465
OTHER FINANCING SOURCES (USES)				
Sale of City property	13,500	13,500	18,143	4,643
Transfers in	1,790,312	1,790,312	1,808,593	18,281
Transfers out	(279,460)	(279,460)	(215,070)	64,390
Total Other Financing Sources (Uses)	1,524,352	1,524,352	1,611,666	87,314
Net Changes in Fund Balance	$ (2,632)	$ (34,202)	2,174,577	$ 2,208,779
FUND BALANCE - Beginning of Year			12,659,149	
FUND BALANCE - END OF YEAR			$ 14,833,726	

See notes to required supplementary information and independent auditors' report.

CITY OF WAUKESHA, WISCONSIN
SCHEDULE OF FUNDING PROGRESS
OTHER POST-EMPLOYMENT BENEFIT PLAN
For the Year Ended December 31, 2015

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)
2011	$ -	$ 26,304,152	0.00%	$ 26,304,152	$ 35,411,000	74%
2013	-	27,901,608	0.00%	27,901,608	36,211,015	77%
2015	-	25,583,717	0.00%	25,583,717	39,078,563	65%

See notes to required supplementary information and independent auditors' report.

CITY OF WAUKESHA, WISCONSIN
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFIT PLAN
For the Year Ended December 31, 2015

Year Ended December 31,	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2013	$ 1,158,379	$ 2,881,817	40%
2014	1,089,421	2,881,817	38%
2015	1,005,099	2,748,235	37%

See notes to required supplementary information and independent auditors' report.

CITY OF WAUKESHA, WISCONSIN

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION ASSET -
WISCONSIN RETIREMENT SYSTEM
For the Year Ended December 31, 2015

Fiscal Year Ending	Proportion of the Net Pension Asset	Proportionate Share of the Net Pension Asset	Covered Payroll	Proportionate Share of the Net Pension Asset as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Asset
12/31/15	0.33058285%	$ 8,120,019	$ 35,230,655	23.05%	102.74%

SCHEDULE OF EMPLOYER CONTRIBUTIONS - WISCONSIN RETIREMENT SYSTEM
For the Year Ended December 31, 2015

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/15	$ 3,206,552	$ 3,206,552	$ -	$ 36,421,255	8.80%

See independent auditors' report and accompanying notes to the required supplementary information.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended December 31, 2015

NOTE 1 – 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.

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 $52,454. Budgets are adopted at the department level of expenditure.

	Final Budget	Actual Expenditures and Other Financing Uses	Excess
General Fund			
Public safety	$ 30,010,812	$ 30,011,845	$ 1,033

NOTE 2 – WISCONSIN RETIREMENT SYSTEM

The amounts determined for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

The City is required to present the last ten fiscal years of data; however accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

Changes in benefit terms. There were no changes of benefit terms for any participating employer in the Wisconsin Retirement System.

Changes in Assumptions. There were no changes in assumptions.

SUPPLEMENTARY INFORMATION

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues and Other Financing Sources - Budget and Actual
General Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
TAXES				
General property taxes	$ 42,495,573	$ 42,495,573	$ 42,703,167	$ 207,594
Omitted taxes	15,000	15,000	12,739	(2,261)
Delinquent taxes and interest	150,000	150,000	163,205	13,205
Mobile home taxes	12,000	12,000	14,087	2,087
Forest cropland	-	-	8	8
Occupancy (room) tax	578,000	578,000	613,589	35,589
Payment in lieu of taxes	104,073	104,073	113,606	9,533
Total Taxes	43,354,646	43,354,646	43,620,401	265,755
INTERGOVERNMENTAL REVENUES				
Federal aid - OCDETF	-	-	10,605	10,605
Federal aid - FEMA	-	-	3,993	3,993
Federal aid - law enforcement	-	-	2,446	2,446
State shared revenues	2,453,874	2,453,874	2,444,119	(9,755)
State fire insurance tax	205,485	205,485	190,945	(14,540)
State payment for municipal services	216,578	216,578	215,838	(740)
State aid - law enforcement	46,880	46,880	44,582	(2,298)
State aid - general highway	2,547,752	2,547,752	2,751,854	204,102
State aid - connecting streets	75,661	75,661	75,777	116
State aid - ambulance	7,500	7,500	9,991	2,491
State aid - exempt computer	228,623	228,623	230,915	2,292
State aid - other	-	-	900	900
County aid - library	1,182,832	1,182,832	1,182,832	-
Other grants	603,613	603,613	615,354	11,741
Total Intergovernmental Revenues	7,568,798	7,568,798	7,780,151	211,353
LICENSES AND PERMITS				
Licenses	151,800	151,800	184,128	32,328
Nonbusiness licenses	11,400	11,400	11,659	259
Building permits and inspection fees	927,200	927,200	962,329	35,129
Cable TV franchise fee	950,000	950,000	971,683	21,683
Property tax exemption fees	200	200	50	(150)
Other permits and inspection fees	93,400	93,400	108,014	14,614
Total Licenses and Permits	2,134,000	2,134,000	2,237,863	103,863
FINES, FORFEITURES AND PENALTIES				
Law and ordinance violations	889,500	889,500	878,637	(10,863)

(Continued)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues and Other Financing Sources - Budget and Actual (Continued)
General Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
PUBLIC CHARGES FOR SERVICES				
General government	$ 57,100	$ 57,100	$ 48,881	$ (8,219)
Law enforcement fees	70,000	70,000	80,841	10,841
Fire department fees	44,350	44,350	49,080	4,730
Ambulance	1,510,000	1,510,000	1,786,198	276,198
Safety inspections	219,820	219,820	230,504	10,684
Public works	4,000	4,000	3,647	(353)
Engineering	25,000	25,000	140,110	115,110
Snow and ice control	7,500	7,500	8,169	669
Library	212,474	212,474	173,152	(39,322)
Recreation	1,110,000	1,110,000	981,830	(128,170)
Weed control	2,500	2,500	1,540	(960)
Trees	18,000	18,000	4,743	(13,257)
Other public charges	1,500	1,500	1,003	(497)
Total Public Charges for Services	3,282,244	3,282,244	3,509,698	227,454
INTERDEPARTMENTAL CHARGES				
General government services	292,097	292,097	270,053	(22,044)
Planning and zoning	100,000	100,000	101,306	1,306
Public works	100,000	100,000	62,621	(37,379)
Engineering	634,000	634,000	695,599	61,599
Total Interdepartmental Charges	1,126,097	1,126,097	1,129,579	3,482
INVESTMENT INCOME				
Investment income	263,350	263,350	168,744	(94,606)
MISCELLANEOUS REVENUES				
Insurance recoveries	50,000	50,000	85,110	35,110
Property rental	33,800	33,800	42,221	8,421
Donations	18,394	22,340	13,925	(8,415)
Miscellaneous	44,350	44,350	31,682	(12,668)
Total Miscellaneous	146,544	150,490	172,938	22,448
TOTAL REVENUES	58,765,179	58,769,125	59,498,011	728,886
OTHER FINANCING SOURCES				
Sale of city property	13,500	13,500	18,143	4,643
Transfers in	1,790,312	1,790,312	1,808,593	18,281
Total Other Financing Sources	1,803,812	1,803,812	1,826,736	22,924
TOTAL REVENUES AND OTHER FINANCING SOURCES	$ 60,568,991	$ 60,572,937	$ 61,324,747	$ 751,810

CITY OF WAUKESHA, WISCONSIN
Schedule of Expenditures and Other Financing Uses - Budget and Actual
General Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
GENERAL GOVERNMENT				
City council	$ 104,207	$ 104,207	$ 102,843	$ 1,364
Municipal court	348,368	348,368	343,824	4,544
Mayor's office	185,270	185,270	189,107	(3,837)
City administrator	286,488	286,488	328,782	(42,294)
Planning commission	1,535	1,535	751	784
Elections	49,036	49,036	55,265	(6,229)
Human resources	285,778	290,778	290,839	(61)
Labor relations	35,000	35,000	-	35,000
Unallocated benefits	601,794	601,794	584,798	16,996
Clerk/Treasurer	702,583	702,583	729,159	(26,576)
Assessor	498,643	498,643	495,469	3,174
Finance	787,070	787,070	642,243	144,827
City attorney	612,314	612,314	577,798	34,516
City hall	241,021	241,021	207,700	33,321
Planning and zoning	662,247	668,041	549,500	118,541
Information systems	2,490,159	2,490,159	2,198,347	291,812
Property and liability insurance	1,254,673	1,254,673	1,353,969	(99,296)
Bad debts, refunds, and contingency	160,000	155,000	47,691	107,309
Other general government	142,000	142,000	153,390	(11,390)
Total General Government	9,448,186	9,453,980	8,851,475	602,505
PUBLIC SAFETY				
Police department	16,554,070	16,552,261	16,501,909	50,352
Emergency government	20,325	20,325	12,555	7,770
Fire department	12,296,899	12,302,439	12,483,557	(181,118)
Police and fire commission	40,503	40,503	20,998	19,505
Building inspections	923,911	923,911	820,029	103,882
Other	171,373	171,373	172,797	(1,424)
Total Public Safety	30,007,081	30,010,812	30,011,845	(1,033)

(Continued)

CITY OF WAUKESHA, WISCONSIN
Schedule of Expenditures and Other Financing Uses - Budget and Actual (Continued)
General Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
PUBLIC WORKS				
Roadway and streets maintenance	$ 420,071	$ 420,071	$ 404,468	$ 15,603
Engineering	2,592,488	2,592,488	2,553,901	38,587
General public works	3,777,249	3,777,249	3,461,390	315,859
Storm sewers	65,500	65,500	64,149	1,351
Snow and ice removal	658,310	658,310	452,946	205,364
Fleet maintenance	724,119	724,119	659,287	64,832
Street lighting	571,310	571,310	569,378	1,932
Weed cutting	5,844	5,844	6,886	(1,042)
Total Public Works	8,814,891	8,814,891	8,172,405	642,486
SANITATION				
Solid waste disposal	2,851,099	2,872,858	2,871,649	1,209
CULTURE AND RECREATION				
Public library	3,836,296	3,840,528	3,832,159	8,369
Pools	370,594	370,594	378,926	(8,332)
Recreation programs	929,584	929,584	957,187	(27,603)
Forestry	954,122	954,122	942,779	11,343
Parks administration	569,694	569,694	564,859	4,835
Parks maintenance	2,486,906	2,486,906	2,328,537	158,369
Festivals	23,710	23,710	23,279	431
Total Culture and Recreation	9,170,906	9,175,138	9,027,726	147,412
TOTAL EXPENDITURES	60,292,163	60,327,679	58,935,100	1,392,579
OTHER FINANCING USES				
Transfers out	279,460	279,460	215,070	64,390
TOTAL EXPENDITURES AND OTHER FINANCING USES	$ 60,571,623	$ 60,607,139	$ 59,150,170	$ 1,456,969

CITY OF WAUKESHA, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds
As of December 31, 2015

	Special Revenue Funds											
	Lighted Dome	Festival and Special Activities	Police Crime Prevention	Community Development Block Grant	WHEDA Loan Program	Housing Development Grant	Public Works Impact Fees	Public Works DNR Grants	Park Development Impact Fees	Library Impact Fees	Police Impact Fees	Park and Recreation Sponsorship Program
ASSETS												
Cash and investments	$ 6,125	$ 13,056	$ 730	$ -	$ 198,276	$ 970,409	$ -	$ -	$ -	$ -	$ -	$ 106,117
Receivables												
Taxes	-	-	-	-	-	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	-	2,792	-	-	-	-	225,913
Special assessments	-	-	-	-	-	-	-	-	-	-	-	-
Loans (net)	-	-	-	1,811,680	1,201,049	25,000	-	-	-	-	-	-
Due from other governmental units	-	-	-	190,759	-	-	-	-	-	-	-	-
Restriced cash	-	-	-	-	-	-	395,356	-	139,981	308	7,573	-
Prepaid items	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	$ 6,125	$ 13,056	$ 730	$ 2,002,439	$ 1,399,325	$ 995,409	$ 398,148	$ -	$ 139,981	$ 308	$ 7,573	$ 332,030
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES												
Liabilities												
Accounts payable	$ -	$ 2,533	$ -	$ 9,015	$ -	$ 3,105	$ -	$ -	$ -	$ -	$ -	$ 32,120
Other accrued liabilities	-	-	-	-	-	-	-	-	-	-	-	18,279
Due to other funds	-	-	-	295,655	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Advance due to other funds	-	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	-	2,533	-	304,670	-	3,105	-	-	-	-	-	50,399
Deferred Inflows of Resources												
Unavailable revenues	-	-	-	-	-	-	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-	370,263	-	71,784	308	7,573	-
	-	-	-	-	-	-	370,263	-	71,784	308	7,573	-
Fund Balances												
Nonspendable	-	-	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	1,697,769	1,399,325	992,304	27,885	-	68,197	-	-	-
Committed	6,125	10,523	730	-	-	-	-	-	-	-	-	281,631
Total Fund Balances	6,125	10,523	730	1,697,769	1,399,325	992,304	27,885	-	68,197	-	-	281,631
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 6,125	$ 13,056	$ 730	$ 2,002,439	$ 1,399,325	$ 995,409	$ 398,148	$ -	$ 139,981	$ 308	$ 7,573	$ 332,030

(Continued)

CITY OF WAUKESHA, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds
As of December 31, 2015

	Special Revenue Funds (Continued)										
	Library Café	Home Rental Rehab	Energy Rental Rehab	Cemetery Trust Fund C	Crime Prevention Grant	Confiscated Property	Paramedics	Lead Abatement Grant	State Confiscated Property	Civic Band Donation	Holiday Decorations
ASSETS											
Cash and investments	$ 4,938	$ 18,556	$ 21,400	$ 50,571	$ -	$ 14,894	$ 43,028	$ 224,573	$ 21,857	$ 18,847	$ 1,162
Receivables											
Taxes	-	-	-	-	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-	-	-	-
Loans (net)	-	45,000	1,000	-	-	-	-	-	-	-	-
Due from other governmental units	-	-	-	-	-	-	-	-	-	-	-
Restriced cash	-	-	-	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	$ 4,938	$ 63,556	$ 22,400	$ 50,571	$ -	$ 14,894	$ 43,028	$ 224,573	$ 21,857	$ 18,847	$ 1,162
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES											
Liabilities											
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -	$ 426	$ -	$ 3,304	$ -	$ -
Other accrued liabilities	2,881	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	15,547	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advance due to other funds	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	2,881	-	-	15,547	-	-	426	-	3,304	-	-
Deferred Inflows of Resources											
Unavailable revenues	-	-	-	-	-	-	-	-	-	-	-
Unearned revenues	309	-	-	-	-	-	-	-	-	-	-
	309	-	-	-	-	-	-	-	-	-	-
Fund Balances											
Nonspendable	-	-	-	-	-	-	-	-	-	-	-
Restricted	-	63,556	22,400	-	-	14,894	-	224,573	18,553	-	-
Committed	1,748	-	-	35,024	-	-	42,602	-	-	18,847	1,162
Total Fund Balances	1,748	63,556	22,400	35,024	-	14,894	42,602	224,573	18,553	18,847	1,162
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 4,938	$ 63,556	$ 22,400	$ 50,571	$ -	$ 14,894	$ 43,028	$ 224,573	$ 21,857	$ 18,847	$ 1,162

(Continued)

CITY OF WAUKESHA, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds
As of December 31, 2015

	Capital Projects Funds					Permanent Funds					
	General Improvement	Public Works Improvements	Municipal Facilities	Fleet Replacement	TIF Districts	Cemetery Lot Maintenance	Cemetery Specific Endowment	Cemetery Trust Fund K	Library Endowment	H. B. Mills Recreation	Total Nonmajor Governmental Funds
ASSETS											
Cash and investments	$ 725,205	$ 10,454,537	$ 2,323,106	$ 2,193,401	$ 13,374	$ 1,199,606	$ 925,642	$ 361,490	$ 43,452	$ 28,396	$ 19,982,748
Receivables											
Taxes		-	391,010	1,123,700	-	-	-	-	-	-	1,514,710
Accounts	51,976	169,303	-	-	40	-	-	-	-	-	450,024
Special assessments	61,048	10,709	-	-	-	-	-	-	-	-	71,757
Loans (net)	-	-	-	-	157,197	-	-	-	-	-	3,240,926
Due from other governmental units	-	-	-	-	-	-	-	-	-	-	190,759
Restriced cash	-	-	-	-	-	-	-	-	-	-	543,218
Prepaid items	20,463	-	-	-	-	-	-	-	-	-	20,463
TOTAL ASSETS	$ 858,692	$ 10,634,549	$ 2,714,116	$ 3,317,101	$ 170,611	$ 1,199,606	$ 925,642	$ 361,490	$ 43,452	$ 28,396	$ 26,014,605
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES											
Liabilities											
Accounts payable	$ 132,921	$ 351,194	$ 151,245	$ 4,993	$ 611	$ -	$ 7	$ -	$ 4,478	$ -	$ 695,952
Other accrued liabilities	-	-	-	-	-	-	-	-	-	-	21,160
Due to other funds	-	-	-	-	-	18,013	37,267	-	-	-	366,482
Deposits	-	434,528	8,045	-	-	-	-	-	-	-	442,573
Advance due to other funds	-	-	-	1,639,837	-	-	-	-	-	-	1,639,837
Total Liabilities	132,921	785,722	159,290	1,644,830	611	18,013	37,274	-	4,478	-	3,166,004
Deferred Inflows of Resources											
Unavailable revenues	61,048	10,709	-	-	-	-	-	-	-	-	71,757
Unearned revenues	-	7,200,653	404,241	1,123,700	-	-	-	-	-	-	9,178,831
	61,048	7,211,362	404,241	1,123,700	-	-	-	-	-	-	9,250,588
Fund Balances											
Nonspendable	20,463	-	-	-	-	-	-	-	-	-	20,463
Restricted	-	-	-	-	170,000	1,181,593	888,368	361,490	38,974	28,396	7,198,277
Committed	644,260	2,637,465	2,150,585	548,571	-	-	-	-	-	-	6,379,273
Total Fund Balances	664,723	2,637,465	2,150,585	548,571	170,000	1,181,593	888,368	361,490	38,974	28,396	13,598,013
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 858,692	$ 10,634,549	$ 2,714,116	$ 3,317,101	$ 170,611	$ 1,199,606	$ 925,642	$ 361,490	$ 43,452	$ 28,396	$ 26,014,605

CITY OF WAUKESHA, WISCONSIN
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2015

	Special Revenue Funds												
	Lighted Dome	Festival and Special Activities	Police Crime Prevention	Community Development Block Grant	WHEDA Loan Program	Housing Development Grant	Public Works Impact Fees	Public Works DNR Grants	Park Development Impact Fees	Library Impact Fees	Police Impact Fees	Park and Recreation Sponsorship Program	Library Café
REVENUES													
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	329,876	-	-	-	20,523	-	-	-	231,161	91,149
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-	-	-	-	-	-	-	-	-
Public charges for services	-	9,684	-	-	-	-	41,673	-	-	-	-	746,803	-
Interdepartmental charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment income (loss)	-	-	-	-	10,391	-	1,101	-	601	-	-	1,243	(36)
Miscellaneous	-	-	1,620	-	-	-	-	-	-	-	-	36,872	-
Total Revenues	-	9,684	1,620	329,876	10,391	-	42,774	20,523	601	-	-	1,016,079	91,113
EXPENDITURES													
Current													
General government	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	1,628	-	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	21,495	-	-	-	-	-	-	-	-	-	926,796	91,074
Conservation and development	-	-	-	143,665	18,355	45,857	-	-	-	-	-	-	-
Capital Outlay	-	-	-	49,852	-	-	-	-	-	-	-	22,007	-
Debt Service													
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	21,495	1,628	193,517	18,355	45,857	-	-	-	-	-	948,803	91,074
Excess (Deficiency) of Revenues Over Expenditures	-	(11,811)	(8)	136,359	(7,964)	(45,857)	42,774	20,523	601	-	-	67,276	39
OTHER FINANCING SOURCES (USES)													
Long-term debt issued	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium on debt issued	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of city property	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	15,000	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(41,673)	(32,083)	-	-	-	(101,500)	-
Total Other Financing Sources (Uses)	-	15,000	-	-	-	-	(41,673)	(32,083)	-	-	-	(101,500)	-
Net Changes in Fund Balances	-	3,189	(8)	136,359	(7,964)	(45,857)	1,101	(11,560)	601	-	-	(34,224)	39
FUND BALANCES - Beginning of Year	6,125	7,334	738	1,561,410	1,407,289	1,038,161	26,784	11,560	67,596	-	-	315,855	1,709
FUND BALANCES - END OF YEAR	$ 6,125	$ 10,523	$ 730	$ 1,697,769	$ 1,399,325	$ 992,304	$ 27,885	$ -	$ 68,197	$ -	$ -	$ 281,631	$ 1,748

(Continued)

CITY OF WAUKESHA, WISCONSIN
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2015

	Special Revenue Funds (Continued)									
	Home Rental Rehab	Energy Rental Rehab	Cemetery Trust Fund C	Crime Prevention Grant	Confiscated Property	Paramedics	Lead Abatement Grant	State Confiscated Property	Civic Band Donation	Holiday Decorations
REVENUES										
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	11,873	-	-	172,668	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	3,573	-	-	20,703	-	-
Public charges for services	-	-	-	-	-	-	-	-	-	-
Interdepartmental charges	-	-	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-	-	-
Investment income (loss)	-	-	(2,289)	-	90	-	-	57	-	-
Miscellaneous	-	-	-	-	-	56,561	-	-	14,690	1,721
Total Revenues	-	-	(2,289)	11,873	3,663	56,561	172,668	20,760	14,690	1,721
EXPENDITURES										
Current										
General government	-	-	298	-	-	-	-	-	-	-
Public safety	-	-	-	11,873	10,462	23,638	-	14,048	-	-
Public works	-	-	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	199,135	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	14,665	559
Conservation and development	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Debt Service										
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	-	298	11,873	10,462	23,638	199,135	14,048	14,665	559
Excess (Deficiency) of Revenues Over Expenditures	-	-	(2,587)	-	(6,799)	32,923	(26,467)	6,712	25	1,162
OTHER FINANCING SOURCES (USES)										
Long-term debt issued	-	-	-	-	-	-	-	-	-	-
Premium on debt issued	-	-	-	-	-	-	-	-	-	-
Sale of city property	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	(15,547)	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	(15,547)	-	-	-	-	-	-	-
Net Changes in Fund Balances	-	-	(18,134)	-	(6,799)	32,923	(26,467)	6,712	25	1,162
FUND BALANCES - Beginning of Year	63,556	22,400	53,158	-	21,693	9,679	251,040	11,841	18,822	-
FUND BALANCES - END OF YEAR	$ 63,556	$ 22,400	$ 35,024	$ -	$ 14,894	$ 42,602	$ 224,573	$ 18,553	$ 18,847	$ 1,162

(Continued)

CITY OF WAUKESHA, WISCONSIN
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2015

	Capital Projects Funds					Permanent Funds					
	General Improvement	Public Works Improvements	Municipal Facilities	Fleet Replacement	TIF Districts	Cemetery Lot Maintenance	Cemetery Specific Endowment	Cemetery Trust Fund K	Library Endowment	H. B. Mills Recreation	Total Nonmajor Governmental Funds
REVENUES											
Taxes	$ -	$ -	$ -	$ 655,530	$ -	$ -	$ -	$ -	$ -	$ -	$ 655,530
Intergovernmental	1,007,391	1,342,773	57,171	-	-	-	-	-	-	-	3,264,585
Licenses and permits	360,234	-	-	-	-	-	-	-	-	-	360,234
Fines, forfeitures and penalties	-	-	-	-	-	-	-	-	-	-	24,276
Public charges for services	-	192,951	-	-	120	-	-	-	3,764	-	994,995
Interdepartmental charges	99,798	-	33,165	-	-	-	-	-	-	-	132,963
Special assessments	127,184	24,206	-	-	-	-	-	-	-	-	151,390
Investment income (loss)	6,800	41,437	10,687	12,136	499	(41,814)	(41,990)	(9,417)	167	-	(10,337)
Miscellaneous	-	-	92,500	-	-	39,794	22,490	-	22,672	-	288,920
Total Revenues	1,601,407	1,601,367	193,523	667,666	619	(2,020)	(19,500)	(9,417)	26,603	-	5,862,556
EXPENDITURES											
Current											
General government	-	-	-	-	-	7,157	5,443	3,468	-	-	16,366
Public safety	-	-	-	-	-	-	-	-	-	-	61,649
Public works	7,200	-	-	-	-	-	-	-	-	-	7,200
Sanitation	-	-	-	-	-	-	-	-	-	-	199,135
Culture and recreation	-	-	-	-	-	-	-	-	26,742	-	1,081,331
Conservation and development	-	-	-	-	76,277	-	-	-	-	-	284,154
Capital Outlay	1,612,144	9,116,754	1,804,820	2,875,791	1,007,623	-	-	-	120	-	16,489,111
Debt Service											
Interest and fiscal charges	-	122,802	-	-	11,423	-	-	-	-	-	134,225
Total Expenditures	1,619,344	9,239,556	1,804,820	2,875,791	1,095,323	7,157	5,443	3,468	26,862	-	18,273,171
Excess (Deficiency) of Revenues Over Expenditures	(17,937)	(7,638,189)	(1,611,297)	(2,208,125)	(1,094,704)	(9,177)	(24,943)	(12,885)	(259)	-	(12,410,615)
OTHER FINANCING SOURCES (USES)											
Long-term debt issued	-	7,506,759	2,055,510	1,727,731	1,000,000	-	-	-	-	-	12,290,000
Premium on debt issued	-	120,043	-	-	108,819	-	-	-	-	-	228,862
Sale of city property	-	-	-	39,174	-	-	-	-	-	-	39,174
Transfers in	-	41,673	101,500	-	-	-	-	5,172	-	-	163,345
Transfers out	-	-	-	-	-	(18,013)	(37,266)	-	-	-	(246,082)
Total Other Financing Sources (Uses)	-	7,668,475	2,157,010	1,766,905	1,108,819	(18,013)	(37,266)	5,172	-	-	12,475,299
Net Changes in Fund Balances	(17,937)	30,286	545,713	(441,220)	14,115	(27,190)	(62,209)	(7,713)	(259)	-	64,684
FUND BALANCES - Beginning of Year	682,660	2,607,179	1,604,872	989,791	155,885	1,208,783	950,577	369,203	39,233	28,396	13,533,329
FUND BALANCES - END OF YEAR	$ 664,723	$ 2,637,465	$ 2,150,585	$ 548,571	$ 170,000	$ 1,181,593	$ 888,368	$ 361,490	$ 38,974	$ 28,396	$ 13,598,013

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Lighted Dome Special Revenue Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Investment income	$ -	$ -	$ -	$ -
EXPENDITURES				
Capital outlay	-	-	-	-
Net Change in Fund Balance	-	-	-	-
FUND BALANCE - Beginning of Year	6,125	6,125	6,125	-
FUND BALANCE - End of Year	$ 6,125	$ 6,125	$ 6,125	$ -

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Festival and Special Activities Special Revenue Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Public charges for services	$ 13,000	$ 13,000	$ 9,684	$ (3,316)
EXPENDITURES				
Current				
Culture and recreation	30,973	30,973	21,495	9,478
Excess (Deficiency) of Revenues Over Expenditures	(17,973)	(17,973)	(11,811)	6,162
OTHER FINANCING SOURCES				
Transfers in	15,000	15,000	15,000	-
Net Change in Fund Balance	(2,973)	(2,973)	3,189	6,162
FUND BALANCE - Beginning of Year	7,334	7,334	7,334	-
FUND BALANCE - End of Year	$ 4,361	$ 4,361	$ 10,523	$ 6,162

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Police Crime Prevention Special Revenue Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Miscellaneous	$ -	$ -	$ 1,620	$ 1,620
EXPENDITURES				
Current				
Public safety	-	-	1,628	(1,628)
Net Change in Fund Balance	-	-	(8)	(8)
FUND BALANCE - Beginning of Year	738	738	738	-
FUND BALANCE - End of Year	$ 738	$ 738	$ 730	$ (8)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Community Development Block Grant Special Revenue Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental	$ 67,257	$ 225,814	$ 329,876	$ 104,062
EXPENDITURES				
Current				
Conservation and development	67,257	175,814	143,665	32,149
Capital outlay	-	50,000	49,852	148
Total Expenditures	67,257	225,814	193,517	32,297
Net Change in Fund Balance	-	-	136,359	136,359
FUND BALANCE - Beginning of Year	1,561,410	1,561,410	1,561,410	-
FUND BALANCE - END OF YEAR	$ 1,561,410	$ 1,561,410	$ 1,697,769	$ 136,359

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
WHEDA Loan Program Special Revenue Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Investment income	$ -	$ -	$ 10,391	$ 10,391
EXPENDITURES				
Current				
Conservation and development	-	-	18,355	(18,355)
Net Change in Fund Balance	-	-	(7,964)	(7,964)
FUND BALANCE - Beginning of Year	1,407,289	1,407,289	1,407,289	-
FUND BALANCE - END OF YEAR	$ 1,407,289	$ 1,407,289	$ 1,399,325	$ (7,964)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Housing Development Grant
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Investment income	$ -	$ -	$ -	$ -
EXPENDITURES				
Current				
Conservation and development	-	-	45,857	(45,857)
Net Change in Fund Balance	-	-	(45,857)	(45,857)
FUND BALANCE - Beginning of Year	1,038,161	1,038,161	1,038,161	-
FUND BALANCE - END OF YEAR	$ 1,038,161	$ 1,038,161	$ 992,304	$ (45,857)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Public Works Impact Fees Special Revenue Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Public charges for services	$ -	$ -	$ 41,673	$ 41,673
Investment income/(loss)	-	-	1,101	1,101
Total Revenues	-	-	42,774	42,774
EXPENDITURES				
Current				
Public works	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	42,774	42,774
OTHER FINANCING USES				
Transfers out	-	-	(41,673)	(41,673)
Net Change in Fund Balance	-	-	1,101	1,101
FUND BALANCE - Beginning of Year	26,784	26,784	26,784	-
FUND BALANCE - END OF YEAR	$ 26,784	$ 26,784	$ 27,885	$ 1,101

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Public Works DNR Grant Special Revenue Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental	$ -	$ -	$ 20,523	$ 20,523
EXPENDITURES				
Current				
Public works	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	20,523	20,523
OTHER FINANCING USES				
Transfers out	-	-	(32,083)	(32,083)
Net Change in Fund Balance	-	-	(11,560)	(11,560)
FUND BALANCE - Beginning of Year	11,560	11,560	11,560	-
FUND BALANCE - END OF YEAR	$ 11,560	$ 11,560	$ -	$ (11,560)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Park Development Impact Fees Special Revenue Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Investment income	$ -	$ -	$ 601	$ 601
EXPENDITURES				
Current				
Culture and recreation	-	-	-	-
Net Change in Fund Balance	-	-	601	601
FUND BALANCE - Beginning of Year	67,596	67,596	67,596	-
FUND BALANCE - END OF YEAR	$ 67,596	$ 67,596	$ 68,197	$ 601

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Park and Recreation Sponsorship Program Special Revenue Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental	$ 180,000	$ 225,210	$ 231,161	$ 5,951
Public charges for services	664,500	664,500	746,803	82,303
Investment income	-	-	1,243	1,243
Miscellaneous	46,000	46,000	36,872	(9,128)
Total Revenues	890,500	935,710	1,016,079	80,369
EXPENDITURES				
Current				
Culture and recreation	878,609	923,819	926,796	(2,977)
Capital outlay	25,000	25,000	22,007	2,993
Total Expenditures	903,609	948,819	948,803	16
Excess (Deficiency) of Revenues Over Expenditures	(13,109)	(13,109)	67,276	80,385
OTHER FINANCING USES				
Transfers out	(101,500)	(101,500)	(101,500)	-
Net Change in Fund Balance	(114,609)	(114,609)	(34,224)	80,385
FUND BALANCE - Beginning of Year	315,855	315,855	315,855	-
FUND BALANCE - END OF YEAR	$ 201,246	$ 201,246	$ 281,631	$ 80,385

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Library Cafe Special Revenue Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental	$ 90,839	$ 90,839	$ 91,149	$ 310
Investment income (loss)	-	-	(36)	(36)
Total Revenues	90,839	90,839	91,113	274
EXPENDITURES				
Current				
Culture and recreation	90,702	90,702	91,074	(372)
Net Change in Fund Balance	137	137	39	(98)
FUND BALANCE - Beginning of Year	1,709	1,709	1,709	-
FUND BALANCE - END OF YEAR	$ 1,846	$ 1,846	$ 1,748	$ (98)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Cemetery Trust Fund C Special Revenue Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Investment income (loss)	$ 11,000	$ 11,000	$ (2,289)	$ (13,289)
EXPENDITURES				
Current				
General government	1,000	1,000	298	702
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,000	10,000	(2,587)	(12,587)
OTHER FINANCING USES				
Transfers out	(10,000)	(10,000)	(15,547)	(5,547)
Net Change in Fund Balance	-	-	(18,134)	(18,134)
FUND BALANCE - Beginning of Year	53,158	53,158	53,158	-
FUND BALANCE - END OF YEAR	$ 53,158	$ 53,158	$ 35,024	$ (18,134)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Crime Prevention Grant Special Revenue Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental	$ -	$ 22,007	$ 11,873	$ (10,134)
EXPENDITURES				
Current				
Public safety	-	22,007	11,873	10,134
Net Change in Fund Balance	-	-	-	-
FUND BALANCE - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -	$ -

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Confiscated Property Special Revenue Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Fines, forfeitures and penalties	$ 40,000	$ 40,000	$ 3,573	$ (36,427)
Investment income	100	100	90	(10)
Total Revenues	40,100	40,100	3,663	(36,437)
EXPENDITURES				
Current				
Public safety	40,100	40,100	10,462	29,638
Net Change in Fund Balance	-	-	(6,799)	(6,799)
FUND BALANCE - Beginning of Year	21,693	21,693	21,693	-
FUND BALANCE - END OF YEAR	$ 21,693	$ 21,693	$ 14,894	$ (6,799)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Paramedics Special Revenue Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Miscellaneous	$ -	$ 56,207	$ 56,561	$ 354
Total Revenues	-	56,207	56,561	354
EXPENDITURES				
Current				
Public safety	-	63,207	23,638	39,569
Net Change in Fund Balance	-	(7,000)	32,923	39,923
FUND BALANCE - Beginning of Year	9,679	9,679	9,679	-
FUND BALANCE - END OF YEAR	$ 9,679	$ 2,679	$ 42,602	$ 39,923

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Lead Abatement Grant Special Revenue Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental	$ -	$ -	$ 172,668	$ 172,668
EXPENDITURES				
Current				
Sanitation	-	-	199,135	(199,135)
Net Change in Fund Balance	-	-	(26,467)	(26,467)
FUND BALANCE - Beginning of Year	251,040	251,040	251,040	-
FUND BALANCE - END OF YEAR	$ 251,040	$ 251,040	$ 224,573	$ (26,467)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
State Confiscated Property Special Revenue Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Fines, forfeitures and penalties	$ 20,000	$ 20,000	$ 20,703	$ 703
Investment income	-	-	57	57
Total Revenues	20,000	20,000	20,760	760
EXPENDITURES				
Current				
Public safety	20,000	20,000	14,048	5,952
Net Change in Fund Balance	-	-	6,712	6,712
FUND BALANCE - Beginning of Year	11,841	11,841	11,841	-
FUND BALANCE - END OF YEAR	$ 11,841	$ 11,841	$ 18,553	$ 6,712

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Civic Band Donation Special Revenue Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Investment income	$ 95	$ 95	$ -	(95)
Miscellaneous	19,000	19,000	14,690	(4,310)
Total Revenues	19,095	19,095	14,690	(4,405)
EXPENDITURES				
Current				
Culture and recreation	18,200	18,200	14,665	3,535
Net Change in Fund Balance	895	895	25	(870)
FUND BALANCE - Beginning of Year	18,822	18,822	18,822	-
FUND BALANCE - END OF YEAR	$ 19,717	$ 19,717	$ 18,847	$ (870)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Home Rental Rehab Special Revenue Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental	$ -	$ -	$ -	$ -
EXPENDITURES				
Current				
Conservation and development	-	-	-	-
Net Change in Fund Balance	-	-	-	-
FUND BALANCE - Beginning of Year	63,556	63,556	63,556	-
FUND BALANCE - END OF YEAR	$ 63,556	$ 63,556	$ 63,556	$ -

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Energy Rental Rehab Special Revenue Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental	$ -	$ -	$ -	$ -
EXPENDITURES				
Current				
Conservation and development	-	-	-	-
Net Change in Fund Balance	-	-	-	-
FUND BALANCE - Beginning of Year	22,400	22,400	22,400	-
FUND BALANCE - END OF YEAR	$ 22,400	$ 22,400	$ 22,400	$ -

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Holiday Decorations Special Revenue Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Miscllaneous	$ -	$ -	$ 1,721	$ 1,721
Total Revenues	-	-	1,721	1,721
EXPENDITURES				
Current				
Culture and Recreation	-	-	559	(559)
Total Expenditures	-	-	559	(559)
Net Change in Fund Balance	-	-	1,162	1,162
FUND BALANCE - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ 1,162	$ 1,162

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Debt Service Fund (Major Fund)
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Taxes	$ 10,100,295	$ 10,100,295	$ 10,100,295	$ -
Investment income	10,000	10,000	28,729	18,729
Total Revenues	10,110,295	10,110,295	10,129,024	18,729
EXPENDITURES				
Debt Service				
Principal retirement	7,898,608	7,898,608	7,898,608	-
Interest and fiscal charges	2,225,630	2,225,630	2,207,848	17,782
Total Expenditures	10,124,238	10,124,238	10,106,456	17,782
Excess (Deficiency) of Revenues Over (Under) Expenditures	(13,943)	(13,943)	22,568	36,511
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued	-	-	3,475,000	3,475,000
Premium on debt issued	-	-	1,078,449	1,078,449
Payment to refunding escrow agent	-	-	(3,735,164)	(3,735,164)
Transfers out	(306,024)	(306,024)	(306,024)	-
Total Other Financing Sources (Uses)	(306,024)	(306,024)	512,261	818,285
Net Change in Fund Balance	(319,967)	(319,967)	534,829	854,796
FUND BALANCE - Beginning of Year	452,666	452,666	452,666	-
FUND BALANCE - End of Year	$ 132,699	$ 132,699	$ 987,495	$ 854,796

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
TIF District Debt Service Fund (Major Fund)
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Taxes	$ 5,045,142	$ 5,045,142	$ 5,079,811	$ 34,669
Intergovernmental	113,726	113,726	113,726	-
Investment income (loss)	2,600	2,600	(2,173)	(4,773)
Total Revenues	5,161,468	5,161,468	5,191,364	29,896
EXPENDITURES				
Current				
General government	51,000	51,000	39,780	11,220
Conservation and development	2,506,805	2,509,955	3,005,615	(495,660)
Debt Service				
Principal	3,629,576	3,629,576	7,134,576	(3,505,000)
Interest and fiscal charges	1,737,007	1,737,007	1,634,095	102,912
Total Expenditures	7,924,388	7,927,538	11,814,066	(3,886,528)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,762,920)	(2,766,070)	(6,622,702)	(3,856,632)
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	2,065,000	2,065,000	2,030,000	(35,000)
Refunding bonds issued	-	-	6,730,000	6,730,000
Premium on debt issued	-	-	526,910	526,910
Payment to refunding escrow agent	-	-	(3,107,337)	(3,107,337)
Total Other Financing Sources (Uses)	2,065,000	2,065,000	6,179,573	4,114,573
Net Change in Fund Balance	(697,920)	(701,070)	(443,129)	257,941
FUND BALANCE (DEFICIT) - Beginning of Year	(3,805,876)	(3,805,876)	(3,805,876)	-
FUND BALANCE (DEFICIT) - END OF YEAR	$ (4,503,796)	$ (4,506,946)	$ (4,249,005)	$ 257,941

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Improvement Capital Projects Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental	$ 1,007,391	$ 1,057,391	$ 1,007,391	$ (50,000)
Licenses and permits	100,000	100,000	360,234	260,234
Intergovernmental charges for services	128,434	128,434	99,798	(28,636)
Special assessments	120,000	120,000	127,184	7,184
Investment income	-	-	6,800	6,800
Total Revenues	1,355,825	1,405,825	1,601,407	195,582
EXPENDITURES				
Current				
Public Works	7,200	7,200	7,200	-
Capital outlay	1,348,625	2,062,906	1,612,144	450,762
Total Expenditures	1,355,825	2,070,106	1,619,344	450,762
Net Change in Fund Balance	-	(664,281)	(17,937)	646,344
FUND BALANCE - Beginning of Year	682,660	682,660	682,660	-
FUND BALANCE - END OF YEAR	$ 682,660	$ 18,379	$ 664,723	$ 646,344

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Public Works Improvements Capital Projects Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental	$ -	$ 2,039,956	$ 1,342,773	$ (697,183)
Special assessments	-	-	24,206	24,206
Public charges for services	50,000	242,951	192,951	(50,000)
Investment income	-	-	41,437	41,437
Total Revenues	50,000	2,282,907	1,601,367	(681,540)
EXPENDITURES				
Capital outlay	7,554,000	12,302,054	9,116,754	3,185,300
Debt Service				
Interest and fiscal charges	-	-	122,802	(122,802)
Total Expenditures	7,554,000	12,302,054	9,239,556	3,062,498
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,504,000)	(10,019,147)	(7,638,189)	2,380,958
OTHER FINANCING SOURCES				
Long-term debt issued	7,504,000	7,504,000	7,506,759	2,759
Premium on debt issued	-	-	120,043	120,043
Transfers in	-	-	41,673	41,673
Total Other Financing Sources	7,504,000	7,504,000	7,668,475	164,475
Net Change in Fund Balance	-	(2,515,147)	30,286	2,545,433
FUND BALANCE - Beginning of Year	2,607,179	2,607,179	2,607,179	-
FUND BALANCE - END OF YEAR	$ 2,607,179	$ 92,032	$ 2,637,465	$ 2,545,433

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Municipal Facilities Capital Projects Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental	$ 56,000	$ 226,774	$ 57,171	$ (169,603)
Intergovernmental charges for services	12,160	12,160	33,165	21,005
Investment income	-	-	10,687	10,687
Miscellaneous	120,000	135,300	92,500	(42,800)
Total Revenues	188,160	374,234	193,523	(180,711)
EXPENDITURES				
Capital outlay	6,150,741	7,854,245	1,804,820	6,049,425
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,962,581)	(7,480,011)	(1,611,297)	5,868,714
OTHER FINANCING SOURCES				
Long-term debt issued	5,861,081	5,861,081	2,055,510	(3,805,571)
Transfers in	101,500	101,500	101,500	-
Total Other Financing Sources	5,962,581	5,962,581	2,157,010	(3,805,571)
Net Change in Fund Balance	-	(1,517,430)	545,713	2,063,143
FUND BALANCE - Beginning of Year	1,604,872	1,604,872	1,604,872	-
FUND BALANCE (DEFICIT) - END OF YEAR	$ 1,604,872	$ 87,442	$ 2,150,585	$ 2,063,143

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Fleet Replacement Capital Projects Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Taxes	$ 655,530	$ 655,530	$ 655,530	$ -
Investment income	4,000	4,000	12,136	8,136
Total Revenues	659,530	659,530	667,666	8,136
EXPENDITURES				
Capital outlay	1,603,605	3,502,327	2,875,791	626,536
Excess (Deficiency) of Revenues Over (Under) Expenditures	(944,075)	(2,842,797)	(2,208,125)	634,672
OTHER FINANCING SOURCES				
Long-term debt issued	866,175	2,135,278	1,727,731	(407,547)
Sale of City property	77,900	77,900	39,174	(38,726)
Total Other Financing Sources	944,075	2,213,178	1,766,905	(446,273)
Net Change in Fund Balance	-	(629,619)	(441,220)	188,399
FUND BALANCE - Beginning of Year	989,791	989,791	989,791	-
FUND BALANCE - END OF YEAR	$ 989,791	$ 360,172	$ 548,571	$ 188,399

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
TIF Districts Nos. 9 - 22 Capital Projects Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Public charges for services	$ -	$ -	$ 120	$ 120
Investment income	-	-	499	499
Total Revenues	-	-	619	619
EXPENDITURES				
Current				
Conservation and development	-	38,000	76,277	(38,277)
Capital outlay	-	1,000,000	1,007,623	(7,623)
Debt Service				
Interest and fiscal charges	-	15,477	11,423	4,054
Total Expenditures	-	1,053,477	1,095,323	(41,846)
Deficiency of Revenues Under Expenditures	-	(1,053,477)	(1,094,704)	(41,227)
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	-	1,015,477	1,000,000	(15,477)
Premium on debt issued	-	-	108,819	108,819
Transfers out	(40)	-	-	-
Total Other Financing Sources (Uses)	(40)	1,015,477	1,108,819	93,342
Net Change in Fund Balance	(40)	(38,000)	14,115	52,115
FUND BALANCE - Beginning of Year	155,885	155,885	155,885	-
FUND BALANCE - END OF YEAR	$ 155,845	$ 117,885	$ 170,000	$ 52,115

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Cemetery Lot Maintenance Permanent Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Investment income (loss)	$ 60,000	$ 60,000	$ (41,814)	$ (101,814)
Miscellaneous	-	-	39,794	39,794
Total Revenues	60,000	60,000	(2,020)	(62,020)
EXPENDITURES				
Current				
General government	10,000	10,000	7,157	2,843
Excess (Deficiency) of Revenues Over (Under) Expenditures	50,000	50,000	(9,177)	(59,177)
OTHER FINANCING USES				
Transfers out	(50,000)	(50,000)	(18,013)	31,987
Net Change in Fund Balance	-	-	(27,190)	(27,190)
FUND BALANCE - Beginning of Year	1,208,783	1,208,783	1,208,783	-
FUND BALANCE - END OF YEAR	$ 1,208,783	$ 1,208,783	$ 1,181,593	$ (27,190)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Cemetery Specific Endowment Permanent Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Investment income (loss)	$ 24,000	$ 24,000	$ (41,990)	$ (65,990)
Miscellaneous	-	-	22,490	22,490
Total Revenues	24,000	24,000	(19,500)	(43,500)
EXPENDITURES				
Current				
General government	4,000	4,000	5,443	(1,443)
Excess (Deficiency) of Revenues Over (Under) Expenditures	20,000	20,000	(24,943)	(44,943)
OTHER FINANCING USES				
Transfers out	(20,000)	(20,000)	(37,266)	(17,266)
Net Change in Fund Balance	-	-	(62,209)	(62,209)
FUND BALANCE - Beginning of Year	950,577	950,577	950,577	-
FUND BALANCE - END OF YEAR	$ 950,577	$ 950,577	$ 888,368	$ (62,209)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Cemetery Trust Fund K Permanent Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Investment income (loss)	$ 13,500	$ 13,500	$ (9,417)	$ (22,917)
EXPENDITURES				
Current				
General government	3,500	3,500	3,468	32
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,000	10,000	(12,885)	(22,885)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	5,172	5,172
Transfers out	(10,000)	(10,000)	-	10,000
Total Other Financing Sources (Uses)	(10,000)	(10,000)	5,172	15,172
Net Change in Fund Balance	-	-	(7,713)	(7,713)
FUND BALANCE - Beginning of Year	369,203	369,203	369,203	-
FUND BALANCE - END OF YEAR	$ 369,203	$ 369,203	$ 361,490	$ (7,713)

CITY OF WAUKESHA, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Library Endowment Permanent Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Public charges for services	$ 5,000	$ 5,000	$ 3,764	$ (1,236)
Investment income	-	-	167	167
Miscellaneous	4,000	4,000	22,672	18,672
Total Revenues	9,000	9,000	26,603	17,603
EXPENDITURES				
Current				
Culture and recreation	9,000	9,000	26,742	(17,742)
Capital outlay	-	-	120	(120)
Total Expenditures	9,000	9,000	26,862	(17,862)
Net Change in Fund Balance	-	-	(259)	(259)
FUND BALANCE - Beginning of Year	39,233	39,233	39,233	-
FUND BALANCE - END OF YEAR	$ 39,233	$ 39,233	$ 38,974	$ (259)

CITY OF WAUKESHA, WISCONSIN

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
H. B. Mills Recreation Permanent Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Investment income	$ 80	$ 80	$ -	$ (80)
EXPENDITURES				
Current				
Culture and recreation	-	-	-	-
Excess of Revenues Over Expenditures	80	80	-	(80)
OTHER FINANCING USES				
Transfers out	(80)	(80)	-	80
Net Change in Fund Balance	-	-	-	-
FUND BALANCE - Beginning of Year	28,396	28,396	28,396	-
FUND BALANCE - END OF YEAR	$ 28,396	$ 28,396	$ 28,396	$ -

CITY OF WAUKESHA, WISCONSIN
Combining Statement of Net Position
Internal Service Funds
As of December 31, 2015

	Dental/Life/ Vision Insurance	Health Insurance	Property and Liability Insurance	Printing	Totals
ASSETS					
Current Assets					
Cash and investments	$ 111,086	$ 8,415,070	$ -	$ 107,626	$ 8,633,782
Accounts receivable	-	106,778	-	-	106,778
Inventories	-	-	-	537	537
Prepaid items	10,180	4,071	147,080	841	162,172
Total Current Assets	121,266	8,525,919	147,080	109,004	8,903,269
Equipment	-	-	-	442,607	442,607
Less: Accumulated depreciation	-	-	-	(222,984)	(222,984)
Net Equipment	-	-	-	219,623	219,623
Total Assets	121,266	8,525,919	147,080	328,627	9,122,892
CURRENT LIABILITIES					
Accounts payable	-	47,404	-	1,437	48,841
Claims payable	25,232	842,169	-	-	867,401
Due to other funds	-	-	36,308	-	36,308
Total Current Liabilities	25,232	889,573	36,308	1,437	952,550
NET POSITION					
Net investment in capital assets	-	-	-	219,623	219,623
Restricted for					
Unpaid claims and restricted deposits	96,034	7,636,346	110,772	-	7,843,152
Unrestricted	-	-	-	107,567	107,567
TOTAL NET POSITION	$ 96,034	$ 7,636,346	$ 110,772	$ 327,190	$ 8,170,342

CITY OF WAUKESHA, WISCONSIN
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2015

	Dental/Life/ Vision Insurance	Health Insurance	Property and Liability Insurance	Printing	Totals
OPERATING REVENUES					
Charges for services	$ 629,589	$ 10,776,681	$ 1,678,369	$ 129,826	$ 13,214,465
Other revenues	16	3,373	-	192	3,581
Total Operating Revenues	629,605	10,780,054	1,678,369	130,018	13,218,046
OPERATING EXPENSES					
Operation and maintenance	647,385	10,280,813	1,685,582	77,697	12,691,477
Depreciation	-	-	-	43,044	43,044
Total Operating Expenses	647,385	10,280,813	1,685,582	120,741	12,734,521
Operating Income (Loss)	(17,780)	499,241	(7,213)	9,277	483,525
Transfers in	-	243,021	-	-	243,021
CHANGES IN NET POSITION	(17,780)	742,262	(7,213)	9,277	726,546
NET POSITION - Beginning of Year	113,814	6,894,084	117,985	317,913	7,443,796
NET POSITION - END OF YEAR	$ 96,034	$ 7,636,346	$ 110,772	$ 327,190	$ 8,170,342

CITY OF WAUKESHA, WISCONSIN
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2015

	Dental/Life/ Vision Insurance	Health Insurance	Property and Liability Insurance	Printing	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from interfund services provided	$ 629,605	$ 10,800,082	$ 1,678,369	$ 130,018	$ 13,238,074
Cash paid to suppliers	(647,384)	(10,852,565)	(1,678,369)	(83,567)	(13,261,885)
Net Cash Flows from Operating Activities	(17,779)	(52,483)	-	46,451	(23,811)
Cash Flows from Noncapital Financing Activities					
Transfers in	-	243,021	-	-	243,021
Net Cash Flows from Noncapital Financing Activities	-	243,021	-	-	243,021
Cash Flows from Capital and Related Financing Activities					
Acquisition of capital assets	-	-	-	(41,270)	(41,270)
Change in Cash and Cash Equivalents	(17,779)	190,538	-	5,181	177,940
Cash and Cash Equivalents - Beginning of Year	128,865	8,224,532	-	102,445	8,455,842
Cash and Cash Equivalents - End of Year	$ 111,086	$ 8,415,070	$ -	$ 107,626	$ 8,633,782
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities					
Operating income (loss)	$ (17,780)	$ 499,241	$ (7,213)	$ 9,277	$ 483,525
Adjustments to reconcile operating income (loss) to net cash provided by operations					
Depreciation	-	-	-	43,044	43,044
Changes in assets and liabilities					
Accounts receivable	-	20,028	-	-	20,028
Inventories	(127)	-	-	471	344
Prepaid items	-	(1,185)	74,777	(841)	72,751
Accounts payable	128	(570,567)	-	(5,500)	(575,939)
Due to other funds	-	-	(67,564)	-	(67,564)
Net Cash Provided by Operating Activities	$ (17,779)	$ (52,483)	$ -	$ 46,451	$ (23,811)
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION					
Cash and investments	$ 111,086	$ 8,415,070	$ -	$ 107,626	$ 8,633,782
CASH AND CASH EQUIVALENTS END OF YEAR	$ 111,086	$ 8,415,070	$ -	$ 107,626	$ 8,633,782

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES
None