

**CITY OF WAUWATOSA,  
WISCONSIN**



**Comprehensive Annual Financial Report**

**For the Year Ended December 31, 2014**

**CITY OF WAUWATOSA, WISCONSIN  
Milwaukee County, Wisconsin**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
For the year ended December 31, 2014**

**Prepared by:**

**City of Wauwatosa, Wisconsin Finance Department  
John Ruggini, Finance Director**

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## **INTRODUCTORY SECTION**



## CITY OF WUWATOSA

Finance Department  
7725 W. North Avenue  
Wauwatosa, WI 53213

July 23, 2015

Citizens, Honorable Mayor and Common Council of the City of Wauwatosa:

Wisconsin Statutes and the Wisconsin Administrative Code require that cities with a population greater than 25,000 publish at the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to those requirements, the Comprehensive Annual Financial Report of the City of Wauwatosa for the fiscal year ended December 31, 2014 is hereby submitted.

This report was prepared by the City's Finance Department and contains representations concerning the finances of the City. Responsibility for the accuracy of the data presented, and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. To provide a reasonable basis for these representations, management has established and maintained an internal control structure designed to ensure that City assets are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow the accurate preparation of financial statements in conformity with GAAP in the United States of America. The system of internal control has been designed to provide reasonable assurance that the financial statements will be free from material misstatement. The concept of reasonable assurance recognizes that the cost of internal controls should not exceed the benefit derived. To the best of our knowledge and belief, the presented data is complete and reliable in all material aspects and is reported in a manner that presents fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included in this report.

As indicated above, state law requires that the City's financial records be audited annually by independent certified public accountants. Based upon the recommendation of the Budget and Finance Committee and the approval of the Common Council, the City retained the services of CliftonLarsonAllen, LLP to perform its audit. CliftonLarsonAllen, LLP concluded based upon its audit procedures that the City's financial statements for the year ended December 31, 2014 are fairly presented in accordance with GAAP. The auditor's opinion is included as the first item in the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

## PROFILE OF THE CITY OF WAUWATOSA

The City of Wauwatosa is located in Milwaukee County, approximately five miles from downtown Milwaukee, in the southeast corner of Wisconsin. Incorporated in 1892, the City of Wauwatosa covers thirteen square miles and has a population of 46,766 (per state Department of Administration). The City operates under the Council-Administrator form of government. The sixteen aldermen represent eight districts, serving four-year staggered terms, with one alderman per district elected every two years. The Mayor is elected to serve a four-year term while the City Administrator is appointed by the Common Council to manage the day-to-day operations of the City. Wauwatosa provides a full range of services typical of municipal governments, including police, fire and emergency medical protection; public works activities such as highway and street maintenance, refuse and recycling collection, water utility and wastewater treatment services; public library; parks and recreation activities; community development activities including planning and zoning enforcement, economic development, and construction inspection; and general and financial administration.

The annual budget process serves as the City's basis for financial planning and control. Departmental budgets are prepared on an annual basis by department heads and are submitted for examination in August of each year. The initial review of these budgets is conducted by the Mayor, City Administrator, and the Finance Department. After review of the department requests, the Mayor submits her recommendations to the Budget Committee for its review and approval. Public meetings are held starting in September by the Budget Committee whereby the budget is submitted to the Common Council for final approval. A public hearing on the proposed budget is held prior to approval by the Common Council, which usually occurs on the third Tuesday in November. Budget to actual comparisons are provided in this report for each individual governmental fund for which an annual budget has been adopted.

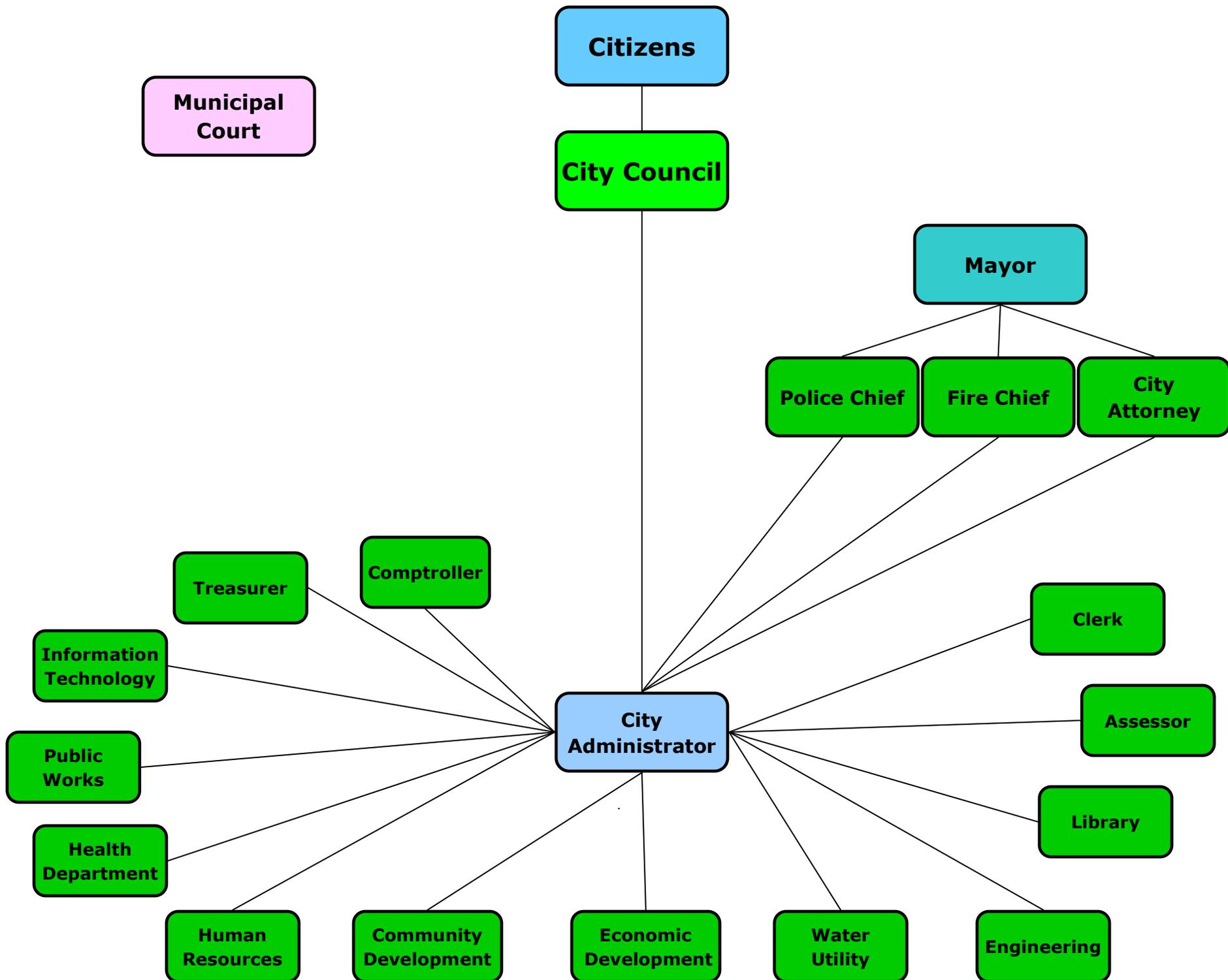
## ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wauwatosa for its comprehensive annual financial report for the fiscal year ended December 31, 2013. This was the third consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The preparation of this report was made possible by the efficient and dedicated services of the entire staff of the Finance Department and fiscal staff in the Water Utility along with the advice of the independent auditors, CliftonLarsonAllen, LLP. We would also like to thank the Common Council for their continued interest and support of the financial operations of the City.

Respectfully submitted,

John Ruggini  
Director of Finance



**City Council**

**Boards, Commissions and Committees Adopted by the City—Resolution**

Citizens Advisory Solid Waste Recycling Committee

**Boards, Commissions and Committees Adopted by the City—Ordinance**

Board of Building and Fire Code Appeals  
Civic Celebration Commission  
Wauwatosa Senior Commission  
Economic Development Advisory Committee  
Wauwatosa Youth Commission  
Board of Public Debt Commissioners

**Repealed Boards, Commissions and Committees**

Ad Hoc Cable Television Committee  
Citizens’ Advisory Capital Improvements Committee  
Housing Authority  
Redevelopment Authority

**Boards, Commissions and Committees Defined by State Statues**

Library Board  
Board of Health  
Police and Fire Commission  
Board of Review  
City Plan Commission  
Board of Zoning Appeals  
Community Development Authority  
Civil Service Commission  
Tax Incremental Financing  
Board of Canvassers  
Park and Forestry Board

**Mayor**

Committee for Citizens with Disabilities  
Ad Hoc Energy Committee  
Mayor’s Advisory Committee on Innovation Park  
Mayor’s Advisory Committee on Fire Station #1

Design Review Board A, B and C  
Historic Preservation Commission

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ended December 31, 2014

## THE CITY OF WAUWATOSA, WISCONSIN

7725 W North Avenue  
WAUWATOSA, WISCONSIN 53213

**Kathleen Ehley, Mayor**  
**Dennis McBride, Common Council President**

### MEMBERS OF THE COMMON COUNCIL

Matt Stippich	Alderman, District # 1	Dennis McBride	Alderman, District # 4
Jim Moldenhauer	Alderman, District # 1	Bobby Pantuso	Alderman, District # 5
Kathleen Causier	Alderman, District # 2	Joel Tilleson	Alderman, District # 5
John Dubinski	Alderman, District # 2	Allison Byrne	Alderman, District # 6
Tim J Hanson	Alderman, District # 3	Jeffrey Roznowski	Alderman, District # 6
Gregory Walz- Chonjnacki	Alderman, District # 3	Jason Kofroth	Alderman, District # 7
Michael Walsh	Alderman, District # 4	Cheryl Berdan	Alderman, District # 7
		Craig Wilson	Alderman, District # 8
		Jason G Wilke	Alderman, District # 8

### ADMINISTRATORS

James Archambo	City Administrator
Beth Aldana	Human Resources Director
Richard Baker	Municipal Judge
Paulette Enders	Development Director
Alan Kesner	City Attorney
Nancy Kreuser	Health Officer
Carla Ledesma	City Clerk
Shannon Krause	City Assessor
Mary Murphy	Library Director
Jalal Ali	Information Systems Director
William Porter	Public Works Director
John Ruggini	Finance Director
Robert Ugaste	Fire Chief
Barry Weber	Police Chief
James Wojcehowicz	Water Superintendent

### OFFICIALS ISSUING REPORT

John Ruggini	Finance Director
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Government Finance Officers Association

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

Presented to

**City of Wauwatosa  
Wisconsin**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2013**

Executive Director/CEO

## **FINANCIAL SECTION**

## Independent Auditors' Report

Common Council  
City of Wauwatosa, Wisconsin  
Milwaukee County, 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 Wauwatosa, Wisconsin, as of and for the year ended December 31, 2014, and the respective budgetary comparison for the General Fund and Tax Incremental District Fund for the year then ended, and the related notes to the financial statements, which collectively comprise the entity'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 relevant to the entity'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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wauwatosa, Wisconsin as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and Tax Incremental District Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters*****Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 11 through 24 and the Schedule of Funding Progress - Other Postemployment Benefits - Retiree Health and Life Insurance on page 83 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.

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Wauwatosa, Wisconsin's basic financial statements. The combining and individual fund financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory section and statistical tables listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated July 23, 2015, on our consideration of the City of Wauwatosa, Wisconsin'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 result 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 City of Wauwatosa, Wisconsin's internal control over financial reporting and compliance.

*CliftonLarsonAllen LLP*

Milwaukee, Wisconsin  
July 23, 2015

# Management Discussion and Analysis

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This section of the City of Wauwatosa's comprehensive annual financial report provides the reader with management's narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2014. This discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the City's financial activity, (3) identify changes in the City's financial position, and (4) identify any changes in the City's financial plan (approved budget). The financial discussion and analysis presented in the section is intended to be used in conjunction with the accompanying financial statements. Additional information is provided in the transmittal letter which can be found on pages 1-3 of this report.

## Financial Highlights

- ◆ The assets of the City of Wauwatosa exceeded its liabilities by \$153,467,363 (net position) as of December 31, 2014.
- ◆ As of December 31, 2014, the City of Wauwatosa's governmental funds reported combined ending fund balances of \$48,879,264. Of this balance, \$12,032,385 is available for spending at the government's discretion (unassigned fund balance)
- ◆ At the end of the current fiscal year, \$12,032,385 of unassigned fund balance for the general fund is equal to 25.7% of general fund expenditures and transfers out.
- ◆ The City's net Other Post Employment Benefit (OPEB) obligation increased \$844,456 to \$21,533,139.
- ◆ Total primary government debt increased \$6,032,007 to \$56,650,433 while business-type debt increased \$5,356,436 to \$53,362,545. Government debt increased due to general obligation debt issued for Tax Increment District financing and business-type debt increased as part of a planned enhanced capital improvement plan to address end-of-life infrastructure as well as street and basement flooding.
- ◆ The City maintained a Aaa rating from Moody's

## Overview of the Financial Statements

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

## Government-wide Financial Statements.

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

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

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

Both of the government-wide financial statements distinguish functions of the City of Wauwatosa that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Wauwatosa include general government, public safety, public works, health and sanitation, and culture and recreation. The business-type activities of the City of Wauwatosa include the Water Utility, Redevelopment Authority, Sanitary and Storm Water Management.

The government-wide financial statements include the activities of the City of Wauwatosa itself (known as the *primary government*). The Water Utility, although legally separate, functions for all practical purposes as a department of the City of Wauwatosa, and therefore has been included as an integral part of the primary government.

The Government-wide financial statements can be found on pages 25-26.

### **Fund Financial Statements.**

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

### **Governmental Funds.**

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

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare information presented for *governmental funds* with similar

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

The City of Wauwatosa maintains ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Capital Projects General Obligation Debt Issue Fund, and the Tax Incremental Fund, which are considered to be major funds. Data from the other seven funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City has also presented budgetary comparison information for the General Fund and major Special Revenue Funds in the basic financial statements.

The basic governmental fund financial statements can be found on pages 27-31.

### **Proprietary funds.**

The City of Wauwatosa maintains ten proprietary funds. *Enterprise funds* are used to report the same function presented as *business-type activities* in the government-wide financial statements. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City of Wauwatosa's various functions. The City of Wauwatosa uses enterprise funds to account for its Water Utility, Storm Water Management and Sanitary Sewer Funds and the Redevelopment Authority. The City of Wauwatosa uses internal service funds to account for its fleet of vehicles, rental of space in the Municipal Complex, information systems, rental of occupied space in the public works garage, and four self insured insurance programs (health, dental, general liability, workers compensation). The City of Wauwatosa reports the health, dental and workers compensation as one fund for financial statement purposes. In the government-wide financial statements, these services have been allocated between the *governmental activities* and *business-type activities* based on cost drivers associated with the services provided.

The basic proprietary fund financial statements can be found on pages 32-35.

### **Fiduciary Funds.**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of Wauwatosa's programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 36-37.

## **Notes to the financial statements.**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 38-87.

## **Other information.**

In addition to the basic financial statements and accompanying notes, this report also presents certain additional supplementary information. The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the notes to the financial statements. A detailed budgetary comparison schedule for the General Fund is presented to demonstrate compliance with the budget. The City has also presented cumulative information related to its Tax Increment Districts and included a statistical section with 10 years of comparative financial, demographic and operational data.

The supplementary information can be found on pages 88-140.

## **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Wauwatosa assets exceeded liabilities by \$153,467,363 at the close of 2014 as shown below in Figure 1.

The largest portion of the City of Wauwatosa's net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment, less any related debt used to acquire those assets that is still outstanding). Although the City of Wauwatosa's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since most of the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Wauwatosa's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the city's ongoing obligations to citizens and creditors.

*Figure 1*  
*CITY OF WAUWATOSA NET POSITION*  
*December 31, 2014*

	Governmental Activities		Business Type Activities		Total	
	2014	2013	2014	2013	2014	2013
<b>Assets</b>						
Other assets	\$ 113,015,488	\$ 102,316,215	\$ 19,950,956	\$ 20,198,575	\$ 132,966,444	\$ 122,514,790
Capital assets	88,942,837	87,103,065	123,840,649	114,952,953	212,783,486	202,056,018
Total assets	<u>201,958,325</u>	<u>189,419,280</u>	<u>143,791,605</u>	<u>135,151,528</u>	<u>345,749,930</u>	<u>324,570,808</u>
<b>Liabilities and deferred inflows of resources</b>						
Current liabilities	\$ 9,547,164	\$ 72,283,259	\$ 3,044,420	\$ 2,474,847	\$ 12,591,584	\$ 74,758,106
Noncurrent liabilities	81,210,183	12,854,297	53,136,313	47,822,598	134,346,496	60,676,895
Deferred inflows of resources	45,344,487	45,711,202	-	-	45,344,487	45,711,202
Total liabilities and deferred inflows of resources	<u>136,101,834</u>	<u>130,848,758</u>	<u>56,180,733</u>	<u>50,297,445</u>	<u>192,282,567</u>	<u>181,146,203</u>
<b>Net position</b>						
Net investment in capital assets	\$ 57,512,246	\$ 64,419,399	\$ 79,309,166	\$ 71,559,243	\$ 136,821,412	\$ 135,978,642
Restricted	27,481,090	17,395,491	621,020	440,543	28,102,110	17,836,034
Unrestricted	<u>(19,136,845)</u>	<u>(23,244,368)</u>	<u>7,680,686</u>	<u>12,854,297</u>	<u>(11,456,159)</u>	<u>(10,390,071)</u>
Total net position	<u>65,856,491</u>	<u>58,570,522</u>	<u>87,610,872</u>	<u>84,854,083</u>	<u>153,467,363</u>	<u>143,424,605</u>

## Change in Net Position

Net position of the City of Wauwatosa increased by \$10,042,758 (7.0%) in 2014 as both governmental and business-type activities' net position increased. See details below. Net position of the City's governmental activities totaled \$65,856,491 as of December 31, 2014, an increase of \$7,285,969. The City's unrestricted net position for governmental activities is negative due development incentives associated with TIF 2 and TIF 6 that resulted in a liability without an associated asset. As the debt is repaid and when the TIF closes, this negative amount will be reduced. The net position of business-type activities totaled \$87,610,872, an increase of \$2,756,789. Following is a summary of the changes in net position for the City of Wauwatosa.

## Governmental Activities

Governmental activities for 2014 increased the City's net position by \$7,285,969 as detailed above. Some of the significant changes in revenues and expenses as shown in Figure 2 that contributed to that change were as follows:

### Revenues

- ◆ Operating grants decreased \$618,372. The most significant decrease was the result of a FEMA grant of \$238,520 received in 2013 that was not received in 2014.
- ◆ Property tax revenue increased \$2,041,991. This was the result of a 2.48% property tax levy increase which raised \$919,152. Tax Increment revenue also increased \$1,057,133. The increase in tax increment revenue was largely generated by Tax Increment Districts 2 and 3 whose value increased.

- ◆ Other taxes increased \$401,226 due in part to an increase in special assessment revenue as the volume of street and sidewalk projects assessed to the homeowner increased.
- ◆ Intergovernmental grants not restricted to specific programs as a result of an increase in exempt computer aid related to the TIF districts.
- ◆ Investment revenue increased \$943,303 due in large part to the investment rate environment in 2013. The 2013 mark-to-market was a negative \$651,788. As the City resets its portfolio value each year, this resulted in a significant swing in the other direction for 2014. In addition, the City temporarily financed improvements within TIF 6 which provided additional interest earnings.

### Expenses

- ◆ General government increased due to an increase attorney related expenses.
- ◆ Protection of persons and property decreased in a large part due to a high number of vacancies in the police and fire departments which resulted in over \$800,000 in savings.
- ◆ Highway and transportation expenditures decreased \$1,174,735 as result of a more accurate methodology for charging time to capital projects. This decrease is offset by an increase in the transfer from the General Fund to the Capital Projects Fund of \$450,000 which is categorized under transfers.
- ◆ Education and recreation spending decreased \$578,532 due largely to a one-time transfer of \$500,000 to the Library Foundation in 2013.
- ◆ Conservation and Development decreased \$2,599,396 largely due to Tax Incremental District related expenditures. \$1,671,000 less in federal grants were disbursed to the University of Wisconsin – Milwaukee Real Estate Foundation through the City to finance the construction of the business accelerator building. In addition, \$1,355,101 was spent to construct the ABB parking structure in 2013 but only \$621,016 was spent in 2014. As this asset will not be owned by the City of Wauwatosa but by the developer of the project, this expense was not capitalized.
- ◆ Transfers increased over \$4.1 million in 2014 due almost entirely to the nearly \$3.5 million reduction in fixed assets that that were transferred from the governmental to the proprietary funds. The majority of these fixed assets were purchased by the Tax Incremental District special revenue fund as part of the Discovery Parkway project.

*Figure 2*  
**CHANGE IN NET POSITION- GOVERNMENTAL ACTIVITIES**  
*For The Years Ended December 31, 2013 and 2012*

	2014	Governmental Activities 2013	Variance
<b>Revenues:</b>			
Program Revenues:			
Charges for services	\$ 6,380,195	\$ 6,465,885	(85,690)
Operating grants	3,503,698	4,122,070	(618,372)
Capital grants/ contributions	4,528,057	4,552,526	(24,469)
General Revenues:			
Property taxes	45,752,956	43,710,965	2,041,991
Other taxes	1,875,735	1,474,509	401,226
Grants not restricted to specific programs	3,392,712	2,617,256	775,456
Investments	1,047,731	104,428	943,303
Gain -sales/disposal of capital assets	26,572	-	26,572
<b>Total revenues</b>	<b>\$ 66,507,656</b>	<b>\$ 63,047,639</b>	<b>3,460,017</b>
<b>Expenses:</b>			
General government	\$ 6,859,099	\$ 5,248,071	1,611,028
Protection of persons and property	29,206,942	32,087,476	(2,880,534)
Health and sanitation	3,631,064	3,919,856	(288,792)
Highway and transportation	7,504,667	8,679,402	(1,174,735)
Education and recreation	4,237,835	4,816,367	(578,532)
Conservation and development	6,641,624	9,241,020	(2,599,396)
Interest and fiscal charges	1,979,079	1,891,502	87,577
<b>Total gov't activities expense</b>	<b>\$ 60,060,310</b>	<b>\$ 65,883,694</b>	<b>(5,823,384)</b>
<b>Increase (decrease) in net assets before transfers</b>	<b>\$ 6,447,346</b>	<b>\$ (2,836,055)</b>	<b>9,283,401</b>
Net Transfers	838,623	(3,282,005)	4,120,628
<b>Change in net position</b>	<b>\$ 7,285,969</b>	<b>\$ (6,118,060)</b>	<b>13,404,029</b>
<b>Net position- beginning</b>	<b>58,570,522</b>	<b>64,688,582</b>	<b>(6,118,060)</b>
<b>Net position- ending</b>	<b>\$ 65,856,491</b>	<b>\$ 58,570,522</b>	<b>7,285,969</b>

## Business Activities

Business activities for 2014 increased the City's net position by \$2,756,789 as detailed above. Some of the significant changes in revenues and expenses as shown in Figure 3 that contributed to that change were as follows:

### Revenues

- ◆ Higher charges for service are due to water, sanitary and storm rate increases necessary to fund increasing capital improvement costs associated with aging infrastructure. Water rates increased 3.65%, sanitary rates increased 6.8% and storm rates increased 17.0%.

### Expenses

- ◆ Water expenses increased 13.0% largely due the first year of a five-year amortization of the painting of the Glenview Water Tower as well the severe winter which caused a record number of water main breaks which were repaired in part by private contractors. In addition, interest expense increased resulting from the 2013 debt issuance.
- ◆ Sanitary expenses increased 11.6% as interest costs rose \$237,831 due to increased debt, an additional \$244,165 was spent on the private lateral pilot project and an additional \$312,626 was spent conducting analysis on reducing inflow and expanding capacity of the sanitary sewer system.
- ◆ Transfers decreased \$4.1 million due largely to the approximate \$3.5 million decrease in fixed assets that that were transferred from the governmental to the proprietary funds in 2013 as compared to 2014. The majority of these fixed assets were purchased by the Tax Incremental District special revenue fund as part of the Discovery Parkway project.

*Figure 3*  
**CHANGE IN NET POSITION- BUSINESS ACTIVITIES**  
*For The Years Ended December 31, 2014 and 2013*

	<u>2014</u>	<u>2013</u>	<u>Variance</u>
<b>Revenues:</b>			
Program Revenues:			
Charges for services	\$ 18,606,929	\$ 17,103,940	1,502,989
Capital grants/ contributions	216,219	225,813	(9,594)
General Revenues:			
Investments	9,865	25,137	(15,272)
Total revenues	<u>\$ 18,833,013</u>	<u>\$ 17,354,890</u>	<u>1,478,123</u>
<b>Expenses:</b>			
Water Utility	\$ 7,075,139	\$ 6,262,927	812,212
Sanitary sewer	6,040,772	5,412,934	627,838
Storm water management	2,121,690	2,111,893	9,797
Total business activities expense	<u>\$ 15,237,601</u>	<u>\$ 13,787,754</u>	<u>1,449,847</u>
<b>Increase (decrease) in net assets</b>			
<b>before transfers</b>	\$ 3,595,412	\$ 3,567,136	28,276
Net Transfers	<u>(838,623)</u>	<u>3,282,005</u>	<u>(4,120,628)</u>
Change in net position	\$ 2,756,789	\$ 6,849,141	(4,092,352)
<b>Net position- beginning</b>	<u>84,854,083</u>	<u>78,004,942</u>	<u>6,849,141</u>
<b>Net position- ending</b>	<u>\$ 87,610,872</u>	<u>\$ 84,854,083</u>	<u>2,756,789</u>

## Fund Financial Analysis

As noted earlier, the City of Wauwatosa uses fund accounting to ensure and demonstrate compliance with finance-related laws and regulations. Fund financial reporting focuses on short-term spendable resources and balances of spendable resources available at year-end.

### Governmental Funds

As of December 31, 2014, the City of Wauwatosa's governmental funds reported combined ending balances of \$48,879,264, an increase of \$11,158,745 from the prior year. This increase is due to several factors described below and presented in Figure 4.

- The increase is almost entirely due to an increase in the Tax Incremental District fund balance of \$8.8 million due to the completion of the Discovery Parkway project resulting in a large surplus in Tax Increment District 2 as incremental revenue exceed project expenses by \$2.6 million. It was also temporarily boosted as \$5.2 million in debt was

issued for Tax Increment District 7 but the project expenses were not incurred until 2015.

- The General Fund balance increased \$859,758 to \$19,925,991. This was largely the result of a continued high level of building activity producing permit revenue surplus, salary savings due to vacancies in public safety and engineering and a significant swing in the mark-to-market from 2013. It is important to note that the non-spendable balance nearly entirely is represented by an internal advance to Tax Increment District Six in lieu of a note-anticipation general obligation bond. This was refinanced in early 2015. Of the \$12,032,385 in the Unassigned Fund Balance, \$7,594,102 is held in the Amortization Fund but considered unassigned.
- The \$2,212,545 in Debt Service fund balance is made up of \$2,000,000 of an advance to TIF 6 that was repaid in 2014 as well as capitalized interest on that debt and bond premium.
- The Parks Fund increased by \$81,406 due in part by \$95,000 in asset replacement costs which is budgeted annually so as to build up fund balance in order to cash finance the replacement of the Hart Park stadium turf in 2018 and track in 2028.
- The Capital Projects General Obligation Debt Issue fund balance grew by \$1,444,935 due largely to unspent bond proceeds.

*Figure 4*  
*CHANGE IN GOVERNMENTAL FUND BALANCES*

	General Fund	TIF	Debt Service	Library	Parks	Redevelopment Lease	Information Systems Equipment	Community Development Block Grant	Capital Projects	Total
Beginning year balance	\$ 19,066,233	\$ 9,897,014	\$ 2,316,145	\$ 190,259	\$ 703,480	\$ 27	\$ 103,974	\$ -	\$ 5,443,387	\$ 37,720,519
Current Year Activity	\$ 859,758	\$ 8,814,884	\$ (103,600)	\$ 2,071	\$ 81,406	\$ (27)	\$ 59,245	\$ 73	\$ 1,444,935	\$ 11,158,745
End of Year Balance	\$ 19,925,991	\$ 18,711,898	\$ 2,212,545	\$ 192,330	\$ 784,886	\$ -	\$ 163,219	\$ 73	\$ 6,888,322	\$ 48,879,264
Non-spendable	\$ 5,608,760	\$ 1,800								\$ 5,610,560
Restricted		\$ 18,710,098	\$ 2,212,545					\$ 73	\$ 6,888,322	\$ 27,811,038
Committed	\$ -									\$ -
Assigned	\$ 2,284,846			\$ 192,330	\$ 784,886		\$ 163,219			\$ 3,425,281
Unassigned	\$ 12,032,385									\$ 12,032,385

## Proprietary Funds

Revenue and Expenditure highlights related to Water, Sanitary and Storm water funds are discussed above. Internal Service Funds showed a small decrease in net position of \$61,267 as surpluses in the funds nearly offset the increase in the net Other Post Employment Benefit (OPEB) obligation by \$844,456 to a total of \$21,533,139 in the Health/Life Fund. The annual OPEB cost was \$3,821,514 representing 66.73% of the net OPEB obligation. The unfunded actuarial accrued liability (UAAL) is \$47,952,213. The nearly \$14 million decrease from 2013 is largely due changes in the [benefits provided to retirees that have reduced the future expected costs of health care associated with retirees](#).

## General Fund Budgetary Highlights

Differences between actual revenues and expenses and the final amended budget resulted in a positive revenue variance of \$20,038 (0.04% of total) and a positive expenditure variance of \$1,477,246 (3.2% of total). The following explains these variances:

### Revenues

- ◆ Taxes increased \$171,513 over budget due to chargeback revenue from other jurisdiction as a result of successful property tax appeals by several corporations.
- ◆ Intergovernmental revenues was down \$228,296 compared to budget as a state and federal grant which were awarded in 2014 were not drawn down as the project expenses were not incurred. Both grants are available in 2015.
- ◆ Licenses and permits was \$448,419 over budget due to a very strong construction year in which multiple large projects and increased construction overall drove revenue higher than budget. Building permit revenue exceeded \$1,400,000 and was derived from \$191 million in construction value.
- ◆ Fines, penalties and forfeitures was \$214,579 under the original budget due largely to parking violation revenue and court penalties. A continued slow-down in parking violation revenue resulted in a loss of nearly \$85,000 as compared to the revised budget. Court penalties also continued to slow resulting in a \$134,646 deficit. Both revenues are attributed to vacancies in the police department. Of the 119.5 FTE budgeted for 2014, the police maintained 112.7 FTE which resulted in an estimated 12,500 unfilled productive hours. It is important to note that while this reduced revenues, it also resulted in salary surpluses.
- ◆ Public charges for services was \$541,615 under budget as the City had to write-off \$250,000 in ambulance bills greater than 120 days past due from the prior billing company. In addition, it appears this revenue has been budgeted too high.
- ◆ Commercial revenues were \$411,286 over budget due to a mark to market adjustment in 2013 of a negative \$651,788 which resulted in a corresponding swing in 2014 as discussed above. Due to uncertainty of where the market would end up on 12/31/14, the budget was not adjusted for the mark-to-market changes.

## Expenditures

- ◆ General Government expenditures were \$311,998 less than budget due largely savings in the City Planning function.
- ◆ \$1,009,706 of savings compared to the budget for the Protection of Persons and Property is due largely to vacancies related to higher-than-average retirements in the police and fire department.
- ◆ Highway and transportation had a surplus of \$124,380 due to a surplus of \$117,518 in contractual savings related to lower tonnage of disposed solid waste by the City's private hauler from the transfer station as budgeted.

## Capital Assets and Debt Administration

### Capital Assets

The City of Wauwatosa investments in capital assets for its governmental and business-type activities as of December 31, 2014 increased \$10,727,468 to \$212,783,486 net of accumulated depreciation. This investment in capital assets includes land, buildings, sewer and water main improvements, machinery and equipment, parks facilities, roads and bridges. The increase in the City of Wauwatosa's investment in capital assets for the current fiscal year was 2.1% for governmental and 7.7% for business-type functions. This increase reflects the continuation of the City's enhanced capital improvement plan to replace infrastructure (largely roads, bridges and sewer mains) that are past-their useful life or of insufficient capacity.

Major capital assets improvements during 2014 included the following:

- ◆ 15,344 linear feet of reconstructed and resurfaced streets.
- ◆ 41,500 linear feet of replaced or relined sanitary sewer mains
- ◆ 8,666 linear feet of replaced or relined storm sewer mains
- ◆ 3,400 linear feet of replaced water mains
- ◆ \$1,230,745 in public building upgrades including the construction of the Hart Park comfort station, the replacement of the City fueling station, an upgrade of the City Hall Emergency Backup Generator, interior lighting replacement at the public works garage and a boiler replacement at the Hart Park Office.

Additional information on the City of Wauwatosa's capital assets can be found on pages 61-62.

### Debt Administration

At the end of the current fiscal year, the City of Wauwatosa had total bonded debt outstanding of \$107,685,021. Of this amount \$84,685,021 is backed by the full faith and credit of the City. The City of Wauwatosa issued \$21,610,000 for street and sewer improvements as well as Tax Increment District projects. The City maintains an "Aaa" rating from Moody's for its general obligation debt.

State Statutes limit the amount of general obligation debt a government entity may issue to 5 percent of its total equalized valuation. The current debt limitation for the City of Wauwatosa is

\$267,531,355 of which the City has utilized 31.66% for its current outstanding general obligation debt.

The remainder of the City of Wauwatosa's debt represents bonds secured solely by specific revenue sources. The Wauwatosa Water Utility has outstanding debt of \$13,450,000 and maintains a Aa2 rating from Moody's. The balance of \$9,550,000 are bonds issued by the Wauwatosa Redevelopment Authority that are payable only out of revenues derived from a lease agreement between the City and the Authority.

Additional information on the City of Wauwatosa's long-term debt can be found in note G on pages 65-72 of this report.

## **Economic Factors and Next Year's Budget and Rates**

The City of Wauwatosa is an inner ring suburban community located in Milwaukee County. Wauwatosa is strategically located at the center of the Milwaukee metropolitan area with excellent transportation access. It is the home of a number of regionally significant institutions and companies – including the Milwaukee County Grounds, the County Medical Center, Research Park, Harley-Davidson, GE Health Care and Briggs and Stratton – and is second only to downtown Milwaukee as a regional employment center. The City of Wauwatosa features diverse neighborhoods, an excellent variety of housing stock, a thriving Village business district, and a key regional shopping center; the City is noted for its level of municipal services, excellent schools, the civic engagement of its citizens, and its high quality of life.

Other key economic factors include:

- ◆ The City's equalized property valuation has increased from \$5.14 billion in 2005 to \$5.35 billion in 2014.
- ◆ The unemployment rate for the City of Wauwatosa is currently 4.2% annually for 2014. This compares favorably to the state's average of 7.0% and Milwaukee County's average rate of 8.0%.
- ◆ The City maintains a Aaa bond rating from Moody's Investors Service, based in part on the relatively strong economic climate of the City.

The City adopts operating budgets for its governmental funds (General, Special Revenue, Debt Service, Capital Projects) and enterprise funds (Water and Sewer Utilities). The 2015 fiscal year operating budget for the General Fund includes \$55,128,666 in projected revenues and expenditures. The budget includes the use of \$400,000 in assigned fund balance from the general fund parks reserve for the construction of the Hart Park comfort station. This was a planned one-time use of fund balance.

Funding for the operating budget of the City is provided from many sources, including property taxes, room taxes, grants and aids from the State and County, user fees, permits and licenses, fines, and other miscellaneous revenues. Several revenue sources are more sensitive to economic factors, in particular building permits, room taxes and investment earnings. Building permit and room tax revenue show positive growth due to local economic recovery and modest

increases are budgeted. However, beginning in 2016, the state has imposed additional limits on the use of room tax revenue. Property tax limitations put in place by the State of Wisconsin and flat or declining state and federal revenues will continue to put pressure on the City's operating budget.

Total compensation increases have been moderated in 2015 due to a health plan redesign. This was made possible by changes in state legislation in 2011 that made design of the healthcare plan a non-negotiable item.

No significant new programs were added to the 2015 operating budget given the current economic climate and revenue pressures. Accompanying the revenue challenges noted above will be the need to examine program expenditures and service levels for modifications.

Rate increases for sanitary and stormwater are planned for 2015 due largely to increases in debt service associated with enhanced capital spending. The increases in capital spending are predominately related to replacing infrastructure at the end of its useful life as well as expanding capacity of the storm and sanitary sewer system to address surface and basement flooding that has been experienced in recent years.

## **BASIC FINANCIAL STATEMENTS**

**CITY OF WAUWATOSA, WISCONSIN  
STATEMENT OF NET POSITION  
DECEMBER 31, 2014**

	Governmental Activities	Business- type Activities	Total
<b>ASSETS</b>			
Cash and investments	\$ 60,816,301	\$ 4,690,046	\$ 65,506,347
Receivables (net of allowance for uncollectible accounts)	50,048,486	4,633,918	54,682,404
Internal balances	1,057,593	(1,057,593)	-
Inventories	124,489	126,420	250,909
Prepaid items	4,113	7,700	11,813
Investment in Cities and Villages Mutual Insurance Company	964,506	-	964,506
Restricted assets - cash and investments	-	2,762,586	2,762,586
Designated assets - cash and cash equivalents	-	7,739,235	7,739,235
Unamortized maintenance costs	-	1,045,960	1,045,960
Non-utility property	-	2,684	2,684
Capital assets, not being depreciated	23,884,708	3,554,404	27,439,112
Capital assets, being depreciated, net of accumulated depreciation	<u>65,058,129</u>	<u>120,286,245</u>	<u>185,344,374</u>
Total assets	<u>201,958,325</u>	<u>143,791,605</u>	<u>345,749,930</u>
<b>LIABILITIES</b>			
Accounts payable and other current liabilities	9,120,990	1,388,561	10,509,551
Accrued interest payable	330,506	136,464	466,970
Deposits	87,936	6,507	94,443
Unearned revenue	7,732	-	7,732
Liabilities payable from restricted assets	-	1,512,888	1,512,888
Noncurrent liabilities:			
Due within one year	8,925,485	4,022,204	12,947,689
Due in more than one year	50,751,559	49,114,109	99,865,668
Accrued net other postemployment benefits obligation	<u>21,533,139</u>	<u>-</u>	<u>21,533,139</u>
Total liabilities	<u>90,757,347</u>	<u>56,180,733</u>	<u>146,938,080</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Subsequent year tax levy	<u>45,344,487</u>	<u>-</u>	<u>45,344,487</u>
<b>NET POSITION</b>			
Net investment in capital assets	57,512,246	79,309,166	136,821,412
Restricted for debt service	27,481,090	621,020	28,102,110
Unrestricted (deficit)	<u>(19,136,845)</u>	<u>7,680,686</u>	<u>(11,456,159)</u>
<b>TOTAL NET POSITION</b>	<u>\$ 65,856,491</u>	<u>\$ 87,610,872</u>	<u>\$ 153,467,363</u>

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

**CITY OF WAUWATOSA, WISCONSIN  
STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2014**

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expenses) Revenues and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Totals
Governmental activities:							
General government	\$ 6,859,099	\$ 1,220,034	\$ 80,817	\$ -	\$ (5,558,248)	\$ -	\$ (5,558,248)
Protection of persons and property	29,206,942	4,150,664	1,777,385	24,727	(23,254,166)	-	(23,254,166)
Health and sanitation	3,631,064	191,998	379,409	28,847	(3,030,810)	-	(3,030,810)
Highway and transportation	7,504,667	249,716	-	4,474,483	(2,780,468)	-	(2,780,468)
Education and recreation	4,237,835	520,639	306,119	-	(3,411,077)	-	(3,411,077)
Conservation and development	6,641,624	47,144	959,968	-	(5,634,512)	-	(5,634,512)
Interest and fiscal charges	1,979,079	-	-	-	(1,979,079)	-	(1,979,079)
Total governmental activities	<u>60,060,310</u>	<u>6,380,195</u>	<u>3,503,698</u>	<u>4,528,057</u>	<u>(45,648,360)</u>	<u>-</u>	<u>(45,648,360)</u>
Business-type activities:							
Water Utility	7,075,139	7,232,570	-	313,144	-	470,575	470,575
Sanitary Sewer	6,040,772	8,001,660	-	(172,316)	-	1,788,572	1,788,572
Storm Water Management	2,121,690	3,372,699	-	75,391	-	1,326,400	1,326,400
Total business-type activities	<u>15,237,601</u>	<u>18,606,929</u>	<u>-</u>	<u>216,219</u>	<u>-</u>	<u>3,585,547</u>	<u>3,585,547</u>
<b>Total</b>	<u>\$ 75,297,911</u>	<u>\$ 24,987,124</u>	<u>\$ 3,503,698</u>	<u>\$ 4,744,276</u>	<u>(45,648,360)</u>	<u>3,585,547</u>	<u>(42,062,813)</u>
General revenues:							
Taxes:							
Property taxes, levied for general purposes					34,522,989	-	34,522,989
Property taxes, levied for debt service					3,493,931	-	3,493,931
Property taxes, levied for TIF					7,736,036	-	7,736,036
Other taxes					1,875,735	-	1,875,735
Gain on sale of capital assets					26,572	-	26,572
Intergovernmental revenues not restricted to specific programs					3,392,712	-	3,392,712
Investment income					1,047,731	9,865	1,057,596
Total general revenues					<u>52,095,706</u>	<u>9,865</u>	<u>52,105,571</u>
Transfers					838,623	(838,623)	-
Change in net position					7,285,969	2,756,789	10,042,758
<b>NET POSITION - BEGINNING OF YEAR</b>					<u>58,570,522</u>	<u>84,854,083</u>	<u>143,424,605</u>
<b>NET POSITION - END OF YEAR</b>					<u>\$ 65,856,491</u>	<u>\$ 87,610,872</u>	<u>\$ 153,467,363</u>

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

**CITY OF WAUWATOSA, WISCONSIN  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2014**

			<u>Capital Projects</u>		
	General	Special Revenue Fund Tax Incremental District Fund	General Obligation Debt Issue Fund	Nonmajor Governmental Funds	Total Governmental Funds
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Funds</u>	<u>Funds</u>
<b>ASSETS</b>					
Cash and investments	\$ 16,602,981	\$ 24,282,383	\$ 9,238,051	\$ 3,372,584	\$ 53,495,999
Taxes receivable	35,551,111	6,269,469	-	4,083,786	45,904,366
Delinquent personal property taxes	79,969	-	-	-	79,969
Special assessments receivable:					
Due in installments	365	-	-	504,138	504,503
Deferred	-	-	-	18,175	18,175
Accounts receivable, net	1,045,383	-	-	-	1,045,383
Accrued investment income receivable	126,696	-	-	-	126,696
Note receivable	87,707	-	-	-	87,707
Other accrued receivables	627,698	1,385,725	85,424	83,140	2,181,987
Due from other funds	1,027,904	-	-	-	1,027,904
Prepayments	2,313	1,800	-	-	4,113
Inventories	478	-	-	-	478
Advance to other funds	5,526,000	-	-	-	5,526,000
	<u>\$ 60,678,605</u>	<u>\$ 31,939,377</u>	<u>\$ 9,323,475</u>	<u>\$ 8,061,823</u>	<u>\$ 110,003,280</u>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 3,295,519	\$ 1,402,010	\$ 2,312,038	\$ 59,094	\$ 7,068,661
Accrued payroll	1,143,458	-	-	-	1,143,458
Unearned revenues	-	30,000	37,691	20,245	87,936
Due to other governments	7,732	-	-	-	7,732
Due to other funds	889,128	-	-	139,038	1,028,166
Advance from other funds	-	5,526,000	-	-	5,526,000
Total liabilities	<u>5,335,837</u>	<u>6,958,010</u>	<u>2,349,729</u>	<u>218,377</u>	<u>14,861,953</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Subsequent year tax levy	35,106,938	6,269,469	-	3,968,080	45,344,487
Special assessments	-	-	-	522,313	522,313
Long-term note receivable	87,707	-	-	-	87,707
Other accounts receivable	222,132	-	85,424	-	307,556
	<u>35,416,777</u>	<u>6,269,469</u>	<u>85,424</u>	<u>4,490,393</u>	<u>46,262,063</u>
<b>FUND BALANCES</b>					
Nonspendable	5,608,760	1,800	-	-	5,610,560
Restricted	-	18,710,098	6,888,322	2,212,618	27,811,038
Assigned	2,284,846	-	-	1,140,435	3,425,281
Unassigned	12,032,385	-	-	-	12,032,385
	<u>19,925,991</u>	<u>18,711,898</u>	<u>6,888,322</u>	<u>3,353,053</u>	<u>48,879,264</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>	<u>\$ 60,678,605</u>	<u>\$ 31,939,377</u>	<u>\$ 9,323,475</u>	<u>\$ 8,061,823</u>	

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

Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds.	84,617,176
Internal service funds net position	(8,640,812)
Other long-term assets that are not available to pay for current-period expenditures and therefore are deferred in the funds.	
Special assessments	522,313
Loan receivable	87,707
Other accounts receivable	307,556
Some liabilities, including long-term debt, are not due and payable in the current period and therefore are not reported in the funds.	<u>(59,916,713)</u>
	<u>\$ 65,856,491</u>

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

**CITY OF WAUWATOSA, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended December 31, 2014**

	General Fund	Special Revenue Fund Tax Incremental District Fund	Capital Projects		Total Governmental Funds
			General Obligation Debt Issue Fund	Nonmajor Governmental Funds	
<b>REVENUES</b>					
Taxes	\$ 33,660,827	\$ 7,736,036	\$ -	\$ 5,835,950	\$ 47,232,813
Intergovernmental revenues	4,667,455	3,273,786	4,989	933,635	8,879,865
Licenses and permits	2,068,477	-	-	-	2,068,477
Penalties and forfeitures	994,421	-	-	-	994,421
Public improvement revenues	34,622	-	-	652,913	687,535
Public charges for services	2,496,843	-	-	766,311	3,263,154
Intergovernmental charges for services	1,596,756	-	-	-	1,596,756
Commercial revenues	1,135,292	36,276	7,325	183,292	1,362,185
<b>Total revenues</b>	<b>46,654,693</b>	<b>11,046,098</b>	<b>12,314</b>	<b>8,372,101</b>	<b>66,085,206</b>
<b>EXPENDITURES</b>					
Current					
General government	5,823,484	-	-	-	5,823,484
Protection of persons and property	28,361,225	-	-	-	28,361,225
Health and sanitation	3,627,241	-	-	-	3,627,241
Highway and transportation	4,920,058	-	-	-	4,920,058
Education and recreation	46,355	-	-	3,700,469	3,746,824
Conservation and development	1,523,209	3,865,595	-	933,562	6,322,366
Unclassified	383,261	-	-	-	383,261
Debt service					
Principal	-	2,156,593	-	5,981,398	8,137,991
Interest and other fiscal charges	-	217,531	-	1,797,439	2,014,970
Capital outlay	281,180	-	7,550,422	65,007	7,896,609
<b>Total expenditures</b>	<b>44,966,013</b>	<b>6,239,719</b>	<b>7,550,422</b>	<b>12,477,875</b>	<b>71,234,029</b>
Excess of revenues over (under) expenditures	1,688,680	4,806,379	(7,538,108)	(4,105,774)	(5,148,823)
<b>OTHER FINANCING SOURCES (USES)</b>					
Long-term debt issued	-	8,780,000	5,390,000	-	14,170,000
Premium on long term debt	-	42,088	-	107,800	149,888
Proceeds from the sale of capital assets	26,572	-	-	-	26,572
Transfers in	944,360	-	3,653,231	4,939,373	9,536,964
Transfers out	(1,799,854)	(4,813,583)	(60,188)	(902,231)	(7,575,856)
Net change in fund balances	859,758	8,814,884	1,444,935	39,168	11,158,745
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<b>19,066,233</b>	<b>9,897,014</b>	<b>5,443,387</b>	<b>3,313,885</b>	<b>37,720,519</b>
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 19,925,991</b>	<b>\$ 18,711,898</b>	<b>\$ 6,888,322</b>	<b>\$ 3,353,053</b>	<b>\$ 48,879,264</b>

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

**CITY OF WAUWATOSA, WISCONSIN  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2014**

Net change in fund balances - total governmental funds	\$	11,158,745
Amounts reported for governmental activities in the statement of activities are different because:		
<p>Governmental funds report capital outlays as expenditures. However in the statement of net position, the cost of these assets are capitalized and they are depreciated over their useful lives and reported estimated useful lives and reported as depreciation expense in the statement of activities.</p>		
Capital outlay is reported as an expenditure in the fund financial statements, but is capitalized in the government-wide financial statements.		7,896,609
Some items reported as capital outlay were not capitalized.		(1,120,931)
Capital assets purchased by the governmental funds are reported as capital outlay on the fund financial statements and capital contributions on the internal service fund statements, but are eliminated on the government-wide statements		(854,959)
Depreciation is reported in the government-wide financial statements		(3,882,928)
<p>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. This is the amount by which proceeds (\$14,170,000) were less than the repayments (\$8,572,752).</p>		
		(6,032,009)
<p>Governmental funds report debt premiums, discounts, as other financing sources (uses) or expenditures. However, in the statement of net assets, these are deferred and reported as other assets or adjustments to long-term debt. They are amortized over the period the debt is outstanding in the statement of activities and are reported as interest expense.</p>		
Premium on debt issued		(149,888)
Amortization of debt premium		105,342
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
		395,878
<p>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. This amount represents the decrease in accrued interest payable (\$69,451), and the increase in accrued vacation payable (\$98,222).</p>		
		(167,673)
<p>Some expenses in the governmental funds are recorded as a reduction in long-term liabilities in the statement of net assets. This amount represents payments on landfill closure obligation.</p>		
		6,835
<p>The net revenue (expense) of internal service funds is reported with governmental activities.</p>		
		(69,052)
Change in net assets of governmental activities	\$	7,285,969

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

**CITY OF WAUWATOSA, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**GENERAL FUND**

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 33,531,472	\$ 33,489,314	\$ 33,660,827	\$ 171,513
Intergovernmental revenues	4,718,125	4,895,751	4,667,455	(228,296)
Licenses and permits	1,340,100	1,620,058	2,068,477	448,419
Fines, penalties and forfeitures	1,269,000	1,209,000	994,421	(214,579)
Public improvement revenues	20,900	22,000	34,622	12,622
Public charges for services	3,069,038	3,038,458	2,496,843	(541,615)
Intergovernmental charges for services	1,634,181	1,636,068	1,596,756	(39,312)
Commercial revenues	667,500	724,006	1,135,292	411,286
Total revenues	46,250,316	46,634,655	46,654,693	20,038
<b>EXPENDITURES</b>				
General government	5,480,253	6,135,482	5,823,484	311,998
Protection of persons and property	29,325,223	29,370,931	28,361,225	1,009,706
Health and sanitation	3,551,271	3,634,828	3,627,241	7,587
Highway and transportation	4,836,686	5,044,438	4,920,058	124,380
Education and recreation	43,789	43,789	46,355	(2,566)
Conservation and development	1,496,163	1,553,280	1,523,209	30,071
Unclassified	529,736	533,011	383,261	149,750
Capital outlay	100,000	127,500	281,180	(153,680)
Total expenditures	45,363,121	46,443,259	44,966,013	1,477,246
Excess of revenues over (under) expenditures	887,195	191,396	1,688,680	1,497,284
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from the sale of capital assets	-	-	26,572	26,572
Transfers in	940,000	975,471	944,360	(31,111)
Transfers out	(1,882,008)	(1,402,288)	(1,799,854)	(397,566)
Net change in fund balances	\$ (54,813)	\$ (235,421)	859,758	\$ 1,095,179
<b>FUND BALANCES - BEGINNING OF YEAR</b>			19,066,233	
<b>FUND BALANCES - END OF YEAR</b>			\$ 19,925,991	

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

**CITY OF WAUWATOSA, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUND TAX INCREMENTAL DISTRICT FUND**  
**For the Year Ended December 31, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 7,668,913	\$ 7,736,036	\$ 7,736,036	\$ -
Intergovernmental revenues	597,429	4,429,143	3,273,786	(1,155,357)
Commercial revenues	9,600	37,672	36,276	(1,396)
Total revenues	8,275,942	12,202,851	11,046,098	(1,156,753)
<b>EXPENDITURES</b>				
Conservation and development	507,261	3,682,832	3,865,595	(182,763)
Debt service				
Principal	493,450	1,942,002	2,156,593	(214,591)
Interest and other fiscal charges	76,550	276,550	217,531	59,019
Total expenditures	1,077,261	5,901,384	6,239,719	(338,335)
Excess of revenues over expenditures	7,198,681	6,301,467	4,806,379	(1,495,088)
<b>OTHER FINANCING SOURCES (USES)</b>				
Premium on long-term debt	-	-	42,088	
Long-term debt issued	-	-	8,780,000	8,780,000
Transfers out	(4,563,430)	(10,737,718)	(4,813,583)	5,924,135
Net change in fund balance	\$ 2,635,251	\$ (4,436,251)	8,814,884	\$ 13,209,047
<b>FUND BALANCE - BEGINNING OF YEAR</b>			9,897,014	
<b>FUND BALANCE - END OF YEAR</b>			\$ 18,711,898	

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

**CITY OF WAUWATOSA, WISCONSIN  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2014**

	Business-type Activities Enterprise Funds				Governmental Activities	
	Water	Sanitary Sewer	Storm Water Management	Nonmajor Enterprise Fund	Total Enterprise Funds	Internal Service Funds
<b>ASSETS</b>						
<b>CURRENT ASSETS</b>						
Cash, cash equivalents and temporary investments	\$ 1,509,776	\$ 302,087	\$ 2,124,321	\$ 753,862	\$ 4,690,046	\$ 7,320,302
Receivables, net	2,047,508	2,119,637	466,773	-	4,633,918	99,700
Due from other funds	435,184	387,292	125,211	-	947,687	-
Inventories	126,420	-	-	-	126,420	124,011
Restricted assets - special redemption fund - bond principal and interest fund	853,400	-	-	-	853,400	-
Prepayments	7,700	-	-	-	7,700	-
<b>Total current assets</b>	<b>4,979,988</b>	<b>2,809,016</b>	<b>2,716,305</b>	<b>753,862</b>	<b>11,259,171</b>	<b>7,544,013</b>
<b>NONCURRENT ASSETS</b>						
Restricted assets:						
Special redemption fund - reserve fund	1,100,349	-	-	-	1,100,349	-
Water system improvement funds	808,837	-	-	-	808,837	-
Designated cash - system improvement	-	3,359,159	4,380,076	-	7,739,235	-
Unamortized maintenance costs	1,045,960	-	-	-	1,045,960	-
Non-Utility property	2,684	-	-	-	2,684	-
Investment in Cities and Villages Mutual Insurance Company	-	-	-	-	-	964,506
Capital assets:						
Land	81,405	-	-	-	81,405	22,617
Buildings	789,794	-	-	-	789,794	1,429,843
Improvements other than buildings	49,931,348	66,366,673	47,162,888	-	163,460,909	-
Machinery and equipment	1,605,403	1,144,930	-	-	2,750,333	12,231,027
Construction in progress	766,783	1,418,890	1,287,326	-	3,472,999	-
Less: Accumulated depreciation	<u>(14,540,688)</u>	<u>(21,404,978)</u>	<u>(10,769,125)</u>	<u>-</u>	<u>(46,714,791)</u>	<u>(9,357,826)</u>
Total capital assets, net	<u>38,634,045</u>	<u>47,525,515</u>	<u>37,681,089</u>	<u>-</u>	<u>123,840,649</u>	<u>4,325,661</u>
Total noncurrent assets	<u>41,591,875</u>	<u>50,884,674</u>	<u>42,061,165</u>	<u>-</u>	<u>134,537,714</u>	<u>5,290,167</u>
<b>Total assets</b>	<b>46,571,863</b>	<b>53,693,690</b>	<b>44,777,470</b>	<b>753,862</b>	<b>145,796,885</b>	<b>12,834,180</b>
<b>LIABILITIES</b>						
<b>CURRENT LIABILITIES</b>						
Accounts payable	482,688	758,438	-	-	1,241,126	908,871
Accrued payroll	59,922	-	-	-	59,922	-
Due to other funds	904,600	42,825	-	-	947,425	-
Customer deposits	6,507	-	-	-	6,507	-
Current portion of long-term debt	-	1,685,640	2,304,162	-	3,989,802	-
Current portion of refunding bond	22,602	3,726	6,074	-	32,402	-
Accrued interest payable	-	76,629	59,835	-	136,464	-
Other accrued liabilities	87,513	-	-	-	87,513	90,837
Liabilities payable from restricted assets:						
Accounts payable - construction account	541,992	-	113,516	-	655,508	-
Current portion of long-term debt	625,000	-	-	-	625,000	-
Accrued interest payable	232,380	-	-	-	232,380	-
<b>Total current liabilities</b>	<b>2,963,204</b>	<b>2,567,258</b>	<b>2,483,587</b>	<b>-</b>	<b>8,014,049</b>	<b>999,708</b>
<b>NONCURRENT LIABILITIES</b>						
Bonds payable	12,902,081	17,352,102	18,495,851	-	48,750,034	-
Refunding bond	253,957	41,868	68,250	-	364,075	-
Accrued net other postemployment benefits obligation	-	-	-	-	-	21,533,139
<b>Total non-current liabilities</b>	<b>13,156,038</b>	<b>17,393,970</b>	<b>18,564,101</b>	<b>-</b>	<b>49,114,109</b>	<b>21,533,139</b>
<b>Total liabilities</b>	<b>16,119,242</b>	<b>19,961,228</b>	<b>21,047,688</b>	<b>-</b>	<b>57,128,158</b>	<b>22,532,847</b>
<b>NET POSITION</b>						
Net Investment in capital assets	25,992,882	32,018,337	21,297,947	-	79,309,166	4,325,661
Restricted for debt service	621,020	-	-	-	621,020	-
Unrestricted	<u>3,838,719</u>	<u>1,714,125</u>	<u>2,431,835</u>	<u>753,862</u>	<u>8,738,541</u>	<u>(14,024,328)</u>
<b>Total net position</b>	<b>\$ 30,452,621</b>	<b>\$ 33,732,462</b>	<b>\$ 23,729,782</b>	<b>\$ 753,862</b>	<b>88,668,727</b>	<b>\$ (9,698,667)</b>

Some amounts reported for business-type activities in the statement of net position are different because certain internal service fund assets and liabilities are included with business-type activities.

Net position of business-type activities

(1,057,855)  
\$ 87,610,872

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

**CITY OF WAUWATOSA, WISCONSIN  
STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
For the Year Ended December 31, 2014**

	Business-type Activities Enterprise Funds				Governmental Activities	
	Water	Sanitary Sewer	Storm Water Management	Nonmajor Enterprise Fund	Total Enterprise Funds	Internal Service Funds
<b>OPERATING REVENUES</b>						
Charges for services and sales	\$ 6,880,864	\$ 8,001,660	\$ 3,372,699	\$ -	\$ 18,255,223	\$ 15,451,704
Other operating revenues	351,706	-	-	-	351,706	1,247,572
Total operating revenues	<u>7,232,570</u>	<u>8,001,660</u>	<u>3,372,699</u>	<u>-</u>	<u>18,606,929</u>	<u>16,699,276</u>
<b>OPERATING EXPENSES</b>						
Operation and maintenance	5,696,363	4,604,038	1,085,131	-	11,385,532	15,228,118
Depreciation	831,429	913,144	613,118	-	2,357,691	1,028,505
Taxes	93,738	-	-	-	93,738	-
Total operating expenses	<u>6,621,530</u>	<u>5,517,182</u>	<u>1,698,249</u>	<u>-</u>	<u>13,836,961</u>	<u>16,256,623</u>
Operating income (loss)	<u>611,040</u>	<u>2,484,478</u>	<u>1,674,450</u>	<u>-</u>	<u>4,769,968</u>	<u>442,653</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
Dividend income	-	-	-	-	-	63,007
Investment income	6,813	1,510	929	613	9,865	(359,561)
Gain on sale or trade of assets	-	-	-	-	-	60,160
Interest on long-term debt	(457,252)	(525,441)	(425,732)	-	(1,408,425)	-
Total non-operating revenues (expenses)	<u>(450,439)</u>	<u>(523,931)</u>	<u>(424,803)</u>	<u>613</u>	<u>(1,398,560)</u>	<u>(236,394)</u>
Income (loss) before capital contributions and transfers	160,601	1,960,547	1,249,647	613	3,371,408	206,259
<b>CAPITAL CONTRIBUTIONS</b>	313,144	(172,316)	75,391	-	216,219	854,959
<b>TRANSFERS IN</b>	7,491	-	-	-	7,491	-
<b>TRANSFERS OUT</b>	<u>(823,915)</u>	<u>(14,708)</u>	<u>(7,491)</u>	<u>-</u>	<u>(846,114)</u>	<u>(1,122,485)</u>
Change in net assets	(342,679)	1,773,523	1,317,547	613	2,749,004	(61,267)
<b>NET POSITION - BEGINNING OF YEAR - RESTATED</b>	<u>30,795,300</u>	<u>31,958,939</u>	<u>22,412,235</u>	<u>753,249</u>		<u>(9,637,400)</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 30,452,621</u>	<u>\$ 33,732,462</u>	<u>\$ 23,729,782</u>	<u>\$ 753,862</u>		<u>\$ (9,698,667)</u>

Some amounts reported for business-type activities in the statement of activities are different because the net revenue (expense) of certain internal service funds is reported with business-type activities.

Change in net position of business-type activities

7,785  
\$ 2,756,789

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

**CITY OF WAUWATOSA, WISCONSIN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended December 31, 2014**

	Business-type Activities Enterprise Funds				Governmental Activities	
	Water	Sanitary Sewer	Storm Water Management	Nonmajor Enterprise Fund	Total	
					Enterprise Funds	Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Receipts from customers and users	\$ 7,090,503	\$ 7,912,312	\$ 3,239,156	\$ -	\$ 18,241,971	\$ 1,247,572
Payments from other funds	-	-	-	-	-	15,641,875
Payments to suppliers	(5,214,047)	(4,472,430)	(836,610)	-	(10,523,087)	(12,854,673)
Payments to employees	(1,328,216)	(169,137)	(411,825)	-	(1,909,178)	(1,874,044)
Net cash provided by operating activities	<u>548,240</u>	<u>3,270,745</u>	<u>1,990,721</u>	<u>-</u>	<u>5,809,706</u>	<u>2,160,730</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Principal paid on noncapital debt	(21,963)	-	-	-	(21,963)	-
Interest paid on noncapital debt	(12,026)	(201)	-	-	(12,227)	-
Payments from other funds	(53,529)	(35,196)	(24,303)	-	(113,028)	-
Payments to other funds	(858,075)	2,830	-	-	(855,245)	(1,122,485)
Net cash provided by (used in) noncapital financing activities	<u>(945,593)</u>	<u>(32,567)</u>	<u>(24,303)</u>	<u>-</u>	<u>(1,002,463)</u>	<u>(1,122,485)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Proceeds from long-term debt	-	2,750,000	6,190,000	-	8,940,000	-
Premium from issuance of long-term debt	-	55,000	123,800	-	178,800	-
Acquisition and construction of capital assets	(2,056,544)	(7,032,997)	(1,669,087)	-	(10,758,628)	(173,002)
Proceeds from the sale of property, plant and equipment	1,940	-	-	-	1,940	257,635
Grant funds received	-	-	-	-	-	-
Transferred from (to) other funds	7,491	-	(7,491)	-	-	-
Principal paid on capital debt	(425,000)	(1,341,315)	(1,795,292)	-	(3,561,607)	-
Interest paid on capital debt	(401,399)	(533,190)	(422,998)	-	(1,357,587)	-
Net cash provided by (used in) capital and related financing activities	<u>(2,873,512)</u>	<u>(6,102,502)</u>	<u>2,418,932</u>	<u>-</u>	<u>(6,557,082)</u>	<u>84,633</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Interest and dividends received	6,813	1,510	929	613	9,865	68,092
Net cash provided by investing activities	<u>6,813</u>	<u>1,510</u>	<u>929</u>	<u>613</u>	<u>9,865</u>	<u>68,092</u>
Net increase (decrease) in cash and cash equivalents	(3,264,052)	(2,862,814)	4,386,279	613	(1,739,974)	1,190,970
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>7,536,414</u>	<u>6,524,060</u>	<u>2,118,118</u>	<u>753,249</u>	<u>16,931,841</u>	<u>6,129,332</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 4,272,362</u>	<u>\$ 3,661,246</u>	<u>\$ 6,504,397</u>	<u>\$ 753,862</u>	<u>\$ 15,191,867</u>	<u>\$ 7,320,302</u>

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

**CITY OF WAUWATOSA, WISCONSIN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
(Concluded)  
For the Year Ended December 31, 2014**

	Business-type Activities Enterprise Funds				Governmental Activities	
	Water	Sanitary Sewer	Storm Water Management	Nonmajor Enterprise Fund	Total Enterprise Funds	Internal Service Funds
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>						
Operating income (loss)	\$ 611,040	\$ 2,484,478	\$ 1,674,450	\$ -	\$ 4,769,968	\$ 442,653
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation expense	831,429	913,144	613,118	-	2,357,691	1,028,505
Depreciation charged to other accounts	52,544	-	-	-	52,544	-
Tax equivalent charged to sewer utility	-	-	-	-	-	-
Amortization of maintenance costs	122,200	-	-	-	122,200	-
Loss on disposal of capital assets	-	-	-	-	-	-
(Increase) Decrease:						
Accounts receivable	(142,067)	(89,348)	(133,543)	-	(364,958)	190,171
Due from other funds	-	-	-	-	-	-
Inventories	(5,858)	-	-	-	(5,858)	(13,286)
Prepaid items	(689)	-	-	-	(689)	-
Unamortized maintenance	(1,102,931)	-	-	-	(1,102,931)	-
Increase (Decrease):						
Accounts payable	199,334	(37,529)	(163,304)	-	(1,499)	(332,763)
Accrued payroll	(7,533)	-	-	-	(7,533)	-
Customer deposits	-	-	-	-	-	-
Other accrued liabilities	(9,229)	-	-	-	(9,229)	845,450
Due to other funds	-	-	-	-	-	-
Total adjustments	(62,800)	786,267	316,271	-	1,039,738	1,718,077
Net cash provided by operating activities	<u>\$ 548,240</u>	<u>\$ 3,270,745</u>	<u>\$ 1,990,721</u>	<u>\$ -</u>	<u>\$ 5,809,706</u>	<u>\$ 2,160,730</u>
<b>Noncash investing, capital and financing activities</b>						
Capital additions contributed						
City of Wauwatosa	\$ 313,144	\$ (172,316)	\$ 75,391	\$ -	\$ 216,219	\$ 88,689
Sanitary Sewer Developers	-	-	-	-	-	-
	<u>\$ 313,144</u>	<u>\$ (172,316)</u>	<u>\$ 75,391</u>	<u>\$ -</u>	<u>\$ 216,219</u>	<u>\$ 88,689</u>
<b>Reconciliation of cash and cash equivalents to the statement of net assets - proprietary funds</b>						
Unrestricted cash and cash equivalents	\$ 1,509,776	\$ 302,087	\$ 2,124,321	\$ 753,862	\$ 4,690,046	\$ 7,320,302
Restricted cash and cash equivalents						
Special redemption funds						
Bond reserve fund	1,100,349	-	-	-	1,100,349	-
Bond principal and interest fund	853,400	-	-	-	853,400	-
Waterworks system improvement fund	808,837	-	-	-	808,837	-
Designated cash - system improvement	-	3,359,159	4,380,076	-	7,739,235	-
Cash and cash equivalents end of year	<u>\$ 4,272,362</u>	<u>\$ 3,661,246</u>	<u>\$ 6,504,397</u>	<u>\$ 753,862</u>	<u>\$ 15,191,867</u>	<u>\$ 7,320,302</u>

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

**CITY OF WAUWATOSA, WISCONSIN  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
DECEMBER 31, 2014**

	Private Purpose Trust Funds	Agency Funds
	Total	Total
<b>ASSETS</b>		
Cash and investments	\$ 210,285	\$ 59,601,505
Taxes receivable	-	25,510,586
	210,285	85,112,091
<b>LIABILITIES</b>		
Special deposits	-	111,535
Due to other taxing units	-	85,000,556
	-	\$ 85,112,091
<b>NET POSITION - RESTRICTED</b>	<b>\$ 210,285</b>	

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

**CITY OF WAUWATOSA, WISCONSIN  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
For the Year Ended December 31, 2014**

	<u>Private Purpose Trust Funds</u>
<b>ADDITIONS</b>	
Contributions	\$ 58,337
Investment income	<u>65</u>
Total additions	58,402
<b>DEDUCTIONS</b>	
Changes in net assets	<u>3,387</u>
<b>NET POSITION - BEGINNING OF YEAR</b>	<u>55,015</u>
<b>NET POSITION - END OF YEAR</b>	<u>155,270</u>
	<u>\$ 210,285</u>

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

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the City of Wauwatosa, Wisconsin (the City) conform to generally accepted accounting principles as applicable to governmental units.

**A. Reporting Entity**

This report includes all of the funds of the City of Wauwatosa, Wisconsin. The reporting entity for the City consists of a) the primary government, b) organizations for which the primary government is financially, accountable and c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and 1) it is able to impose its will on that organization or 2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: 1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; 2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; 3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities, are, in substance, part of the government's operations and are reported with similar funds of the primary government. The Wauwatosa Redevelopment Authority is reported as a blended component unit. The Authority serves the City and is governed by a seven member board appointed by the Mayor and approved by the Common Council, and provides services almost entirely to the primary government by managing certain TID development projects for the benefit of the City. The Authority does not issue separate financial statements.

**B. Government-wide and Fund Financial Statements**

***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 except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**B. Government-wide and Fund Financial Statements** (continued)

***Government-wide Financial Statements*** (continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The City does not allocate indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

***Fund Financial Statements***

Financial statements of the reporting entity are organized into funds, each of which are 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, liabilities, deferred inflows, net position/fund balance, revenues, and expenditure/expenses.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. An emphasis is placed on major and nonmajor funds within the governmental and enterprise categories. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets and deferred outflows, liabilities and deferred inflows, 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 (that is; total governmental funds or total enterprise funds), and
- b. The same element of the individual governmental fund 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.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**B. Government-wide and Fund Financial Statements** (continued)

***Fund Financial Statements*** (continued)

The City reports the following major governmental funds:

*General Fund* - accounts for the City's primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.

*Special Revenue Fund Tax Incremental District Fund* - accounts for the City's five Tax Incremental Districts.

*Capital Projects Fund General Obligation Debt Issue Fund* - accounts for proceeds from long-term borrowing and other resources to be used for capital improvement projects.

The City reports the following major enterprise funds:

*Water Utility* - accounts for operations of the water system.

*Sanitary Sewer* - accounts for operations of the sewer system.

*Storm Water Management* - accounts for operations of the storm water management system.

The City reports the following nonmajor governmental and enterprise funds:

***Nonmajor Governmental Funds***

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

*Special Assessments*

*Community Development Block Grant*

*Public Library*

*Parks*

Debt Service Fund - used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Funds - used to account for resources to be used for capital improvement projects.

*Redevelopment Authority Lease Revenue Bond Fund*

*Information Systems Equipment*

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**B. Government-wide and Fund Financial Statements** (continued)

***Fund Financial Statements*** (continued)

*Nonmajor Enterprise Funds*

Redevelopment Authority Reserve Fund - used to account for funds set aside for the construction of a parking lot and other redevelopment activities in a specific area of the City.

In addition, the City reports the following fund types:

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis. Funds included are *Fleet Maintenance, Public Works Building, Risk Management, Information Systems* and *Municipal Building Complex*.

Private-purpose trust funds are used to report any trust arrangement not properly reported in a pension trust fund under which principal and income benefit individuals, private organizations, or other governments. Funds included are the *Firemen's Special Endowment, Bachman Flag Account, Land Conservation Account* and *Automated License Plate Reader Association Fund*.

Agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units. Funds included are *Special Deposits* and the *Subsequent Year's Tax Roll Collections*.

**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, deferred outflows, liabilities, and deferred inflows 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.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

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

***Government-wide Financial Statements*** (continued)

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

***Fund Financial Statements***

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, other post employment benefits and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred 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 to the resources and the amounts are available. Amounts owed to the City which are not available are recorded as receivables and deferred inflows. Amounts received prior to the entitlement period are recorded as unearned revenues.

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

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.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

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

***Fund Financial Statements*** (continued)

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

Proprietary and fiduciary 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 proprietary funds are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Nonoperating revenues are reported for grants and contributions that are received and intended for general operational purposes. Grants received that are restricted to capital purchases are reported as capital contributions.

***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, liabilities, deferred inflows 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.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**D. Assets, Liabilities, 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 state statutes. Available investments are limited to:

1. Time deposits in any credit union, bank, savings bank, trust company or savings and loan association authorized to transact business in the state, which mature in three years or less.
2. 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 by the Wisconsin Aerospace Authority.
3. Bonds or securities issued or guaranteed by the federal government.
4. The local government investment pool.
5. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
6. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
7. Repurchase agreements with public depositories, with certain conditions.

Investment of library trust funds is regulated by Chapter 112 of the Wisconsin Statutes, which gives broad authority to use such funds to acquire various kinds of investments including stocks, bonds and debentures.

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 to the General Fund and the TIF Fund based on average fund balance. The difference between the bank 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, 2014, the fair value of the City's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**D. Assets, Liabilities, and Net Position or Equity** (continued)

**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 in the accompanying agency fund statement of net position.

Property tax calendar - 2014 tax roll:

Lien date and levy date	December 2014
Tax bills mailed	December 2014
Payment in full, or	January 31, 2015
First installment due	January 31, 2015
Second installment due	March 31, 2015
Third installment due	May 31, 2015
Personal property taxes in full	January 31, 2015
Tax deed - 2014 delinquent real estate taxes	October 2017

Accounts receivable have been shown net of an allowance for doubtful 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 in the accompanying enterprise fund financial statements because the utilities have the right by law to place delinquent bills on the tax roll.

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 government-wide financial statements as “internal balances”.

In the governmental fund financial statements, advances to other funds are offset equally by nonspendable fund balance to demonstrate that a portion of fund balance is not available for appropriation.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**D. Assets, Liabilities, and Net Position or Equity** (continued)

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

Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not significant. Proprietary fund inventories are generally used for construction and for operation and maintenance work. They are not for resale. They are valued at cost based on weighted average, and charged to construction 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. Restricted net position represents cash and investments restricted for debt service.

***5. Capital Assets***

***Government-wide Statements***

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 \$10,000 for infrastructure assets, and an estimated useful life in excess of two years. 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 funds. No net interest was capitalized during the current year. The cost of renewals and betterments relating to retirement units is added to capital assets. The cost of property replaced, retired or otherwise disposed of, is deducted from capital assets and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**D. Assets, Liabilities, and Net Position or Equity** (continued)

**5. Capital Assets** (continued)

**Government-wide Statements** (continued)

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

Buildings	20-40 Years
Land improvements other than building	20-30 Years
Machinery and equipment	2-23 Years
Utility system (improvements other than buildings)	18-77 Years
Infrastructure	15-40 Years

**Fund Financial Statements**

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

**6. Compensated Absences**

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only vacation benefits considered to be vested are disclosed in these statements. All vested vacation pay is accrued when incurred in the government-wide and proprietary 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, or are payable with expendable available resources. Payments for vacation will be made at rates in effect when the benefits are used. Historically, the balance of the compensated absences have been used in the subsequent year through use by active employees. As such, the ending balance has been classified as due within one year.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**D. Assets, Liabilities, and Net Position or Equity** (continued)

**6. *Compensated Absences*** (continued)

Accumulated vacation liabilities at December 31, 2014 are determined on the basis of current salary rates and include salary related payments. Employees hired after January 1, 2008 that meet certain length of service or age requirements upon retirement, will receive their accumulated sick days paid into a retiree health savings plan at the rate of pay in effect upon retirement. The liability for the accrued sick leave is recorded in the government-wide and proprietary financial statements to the extent that it is probable that the City will compensate the employees for the benefits through cash payments at the time of the employees' retirement rather than be taken as absences. The City has not estimated the probability of cash payments on accumulated sick leave, as the total accumulated sick leave earned by employees hired after January 1, 2008 is immaterial to the financial statements. Based on historical trends all compensated absences accrued at the end of the year are anticipated to be used within the next fiscal year. As such all absences are reported as current liabilities.

**7. *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 notes and bonds payable, and accrued compensated absences.

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

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 \$17.49 million, made up of one issue.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**D. Assets, Liabilities, and Net Position or Equity** (continued)

***8. Claims and Judgments***

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. There were no significant claims or judgments at year end.

***9. Net Position and Fund Balance Classifications***

***Government-wide Statements***

Net Position is classified in three components:

- a. The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability or deferred inflow relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or deferred inflows or if the liability will be liquidated with the restricted assets reported.
- c. The unrestricted component of net position is the amount of the assets and deferred outflows, net of the liabilities and deferred inflows that are not included in the determination of net investment in capital assets or the restricted components of net position.

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

***Fund Statements***

In the governmental fund financial statements, governmental funds report nonspendable fund balance for amounts that cannot be spent because they are either:

- a. not in spendable form; or
- b. legally or contractually required to be maintained intact.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**D. Assets, Liabilities, and Net Position or Equity** (continued)

**9. Equity Classifications** (continued)

**Fund Statements** (continued)

Restricted fund balance is reported when constraints placed on the use of resources are either:

- a. externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or
- b. imposed by law through constitutional provisions or enabling legislation.

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to constraints imposed by adopted resolution of the Common Council.

Assigned fund balance is reported for amounts that are constrained by the City management's intent to be used for specific purposes, but is neither restricted nor committed. Assignments are made by the City's Finance Director.

Unassigned fund balance is the residual classification for the General Fund.

When restricted, committed, assigned and unassigned resources are available for use for the same purposes it is the City's policy to use the restricted resources first, then committed, assigned, and unassigned resources as they are needed.

**E. Other Policies - Tax Incremental Districts**

1. In 1994, the City adopted Resolution #94-319 creating "City of Wauwatosa Tax Incremental District No. 2" to encourage development of the city tax base, efficient use of land, buildings and public improvements and private investment. The Tax Incremental District has been created in compliance with Wisconsin Statutes. Project costs are estimated at \$10 million and have been financed from 1995 and 1997 debt issues. Property taxes to be generated in future years, measured by the increment in value of the property in the District over the base year, are to be used to retire the interest and principal of the debt issue.

In 2004, the City adopted Resolution #04-182 which amended the project plan for the City of Wauwatosa Tax Incremental District No. 2. The additional project costs are estimated at \$27.6 million and include the purchase and leasing of approximately 23.5 acres of land, construction of a four story parking structure, site preparation, and a second mortgage loan to the developer. The project costs have been financed by a \$24.5 million 2004 debt issue and other available funds.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**E. Other Policies - Tax Incremental Districts** (continued)

In 2007, the City adopted Resolution #07-96 which amended the project plan for the City of Wauwatosa Tax Incremental District No. 2. The additional project costs are estimated at \$3.5 million to be financed by the developer. The resolution included the issuance of a municipal revenue obligation to repay the developer from TIF proceeds, through the dissolution date. Should the TIF close before the project costs are repaid, the City is not liable for any additional payments.

2. In 2000, the City adopted Resolution #00-160 creating "City of Wauwatosa Tax Incremental District No. 3" to encourage development of the city tax base, efficient use of land, buildings and public improvements and private investment. The Tax Incremental District has been created in compliance with the Wisconsin Statutes. Project costs are estimated at \$2.6 million and will be financed with future debt issues. Property taxes to be generated in future years, measured by the increment in value of the property in the District over the base year, are to be used to retire the interest and principal of the debt issue.

In 2006, the City adopted Resolution #06-179 which amended the project plan for the City of Wauwatosa Tax Incremental District No. 3. The additional project costs are estimated at \$6 million for the purpose of additional public infrastructure improvements and payments to a developer for environmental remediation.

In 2014, the City adopted Resolution #14-62 which amended the project plan for the City of Wauwatosa Tax Incremental District No. 3. The amendment allows for the City of Wauwatosa Tax Increment District No. 3 to share revenues with City of Wauwatosa Tax Increment District No. 8. During the year ended December 31, 2014 the City of Wauwatosa Tax Increment District No. 3 distributed its remaining fund balance to City of Wauwatosa Tax Increment District No. 8, the City of Wauwatosa Tax Increment District No. 3 has now terminated.

3. In 2002, the City adopted Resolution #02-111 creating "City of Wauwatosa Tax Incremental District No. 4" to encourage development of the city tax base, efficient use of land, buildings and public improvements and private investment. The Tax Incremental District has been created in compliance with the Wisconsin Statutes. Project costs are estimated at \$500,000 and have been financed with an advance from the City's General Fund. Property taxes to be generated in future years, measured by the increment in value of the property in the District over the base year, are to be used to repay the General Fund.

On May 21, 2013, the City adopted Resolution #13-94 authorizing the termination of Tax Incremental District No 4.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**E. Other Policies - Tax Incremental Districts** (continued)

4. In 2007, the City adopted the Resolution #07-79 creating "City of Wauwatosa Tax Incremental District No. 5" to encourage development of the city tax base, efficient use of land, buildings and public improvements and private investment. The Tax Incremental District has been created in compliance with the Wisconsin Statutes. Project costs are estimated at \$1,950,000. The costs are to be paid by the developer. Property taxes to be generated in future years, measured by the increment in value of the property in the District over the base year, are to reimburse the developer for the costs incurred in accordance with the project plan.
5. In 2010, the City adopted the Resolution #10-73 creating "City of Wauwatosa Tax Incremental District No. 6" to encourage development of the city tax base, efficient use of land, buildings and public improvements and private investment. The Tax Incremental District has been created in compliance with the Wisconsin Statutes. Project costs are estimated at \$12,000,000. The costs are to be paid by future debt issues and other available funds. Property taxes to be generated in future years, measured by the increment in value of the property in the District over the base year, are to be used to retire the interest and principal of the debt issue.
6. In 2012, the City adopted the Resolution #12-211 creating "City of Wauwatosa Tax Incremental District No. 7" to encourage development of the city tax base, efficient use of land, buildings and public improvements and private investment. The Tax Incremental District has been created in compliance with the Wisconsin Statutes. Project costs are estimated at \$10.8 million. The costs are to be paid by future debt issues and other available funds. Property taxes to be generated in future years, measured by the increment in value of the property in the District over the base year, are to be used to retire the interest and principal of the debt issue.
7. In 2014, the City adopted the Resolution #14-63 creating "City of Wauwatosa Tax Incremental District #8" to encourage development of the city tax base, efficient use of land, buildings and public improvements and private investment. The Tax Incremental District has been created in compliance with the Wisconsin Statutes. Project costs are estimated at \$13.1 million. The costs are to be paid by futures debt issues and other available funds. Property taxes generated in future years, measured by the increment in value of the property in the District over the base year, are to be used to retire the interest and principal of the debt issue.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**F. Other Policies - New Accounting Pronouncements**

In June 2012, the GASB issued an accounting standard which establishes accounting and financial reporting requirements related to pensions for governments whose employees are provided with pensions through pension plans that are covered by the scope of this Statement, as well as for nonemployer governments that have a legal obligation to contribute to those plans. The City will implement the requirements of this standard beginning with the year ending December 31, 2014.

In June 2012, the GASB issued an accounting standard that replaces the requirements of Statement No. 27, Accounting for Pensions by State and Local Governmental Employers, as well as the requirements of Statement No. 50, Pension Disclosures, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The City will implement the requirements of this standard beginning with the year ending December 31, 2015.

In January 2013, the GASB issued an accounting standard that establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The City implemented the requirements of this standard beginning with the year ending December 31, 2014.

In April 2013, the GASB issued Statement No. 70, an accounting standard that established accounting and financial reporting standards for situations where a state or local government, as a guarantor, agrees to indemnify a third-party obligation holder under specified conditions (i.e., nonexchange financial guarantees). The issue of the guaranteed obligation can be a legally separate entity or individual, including a blended or discretely presented component unit. Guidance is provided for situations where a state or local government extends or receives a nonexchange financial guarantee. The City implemented the requirements of this standard beginning with the year ending December 31, 2014.

In November 2013, the GASB issued an accounting standard that amends Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27. The requirements of this standard will eliminate the source of a potential significant understatement of restated beginning net position and expense in the first year of implementation of Statement No. 68 in the accrual basis financial statements and nonemployer contributing entities.

In February 2015, the GASB issued Statement No. 72, an accounting standard that provides guidance for determining a fair value measurement for financial reporting purposes and provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The City will implement the requirements of this standard beginning with the year ending December 31, 2016.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL  
STATEMENTS**

***Explanation of Certain Differences Between the Governmental  
Fund Balance Sheet and the Statement of Net Position***

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position.

Bonds and notes payable	\$ 56,650,433
Bond Premium	722,485
Compensated absences	2,062,425
Accrued interest payable	330,506
Landfill postclosure liability	<u>150,862</u>
Combined Adjustment for Long-Term Liabilities	<u>\$ 59,916,711</u>

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

***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 1. A budget has been adopted for all funds in accordance with Wisconsin Statute Section 65.90. The capital projects fund adopts a five year capital improvement plan every five years.

The budgeted amounts presented include any amendments made. Management may authorize transfers of budgeted amounts within departments. Certain transfers between departments and changes to the overall budget must be approved by a two-thirds council action. Supplemental appropriations during the year were approximately \$962,474. Appropriations lapse at year end unless specifically carried over. Carryovers to the following year were \$582,343. Expenditures are monitored by management at the department level for all funds.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

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

	<b>Carrying Value</b>	<b>Bank Balance</b>
Petty cash	\$ 21,300	\$ 21,300
Deposits		
Demand deposits	62,099,951	62,343,572
Certificates of deposit	5,640,810	5,647,458
Total deposits	67,740,761	67,991,030
Investments		
U.S. Agency Securities	10,039,972	10,039,972
Municipal Securities	11,082,805	11,082,805
Corporate Securities	1,525,023	1,525,023
Investment pools:		
Local Government Investment Pool (LGIP)	45,410,097	45,410,097
Total investments	68,057,897	68,057,897
Total cash and investments	\$ 135,819,958	\$ 136,070,227
Reconciliation to the Statement of Net Position:		
Unrestricted cash and investments	\$ 65,506,347	
Restricted cash and investments	2,762,586	
Designated cash and investments	7,739,235	
Fiduciary Funds:		
Private purpose trust funds	210,285	
Agency funds	59,601,505	
Total cash and investments	\$ 135,819,958	

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS** (continued)

**A. Deposits and Investments** (continued)

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts and \$250,000 for demand deposit accounts.

Any losses caused by failure of public depositories are also covered by the State Deposit Guarantee Fund. The fund provides coverage of \$400,000 in each financial institution above the applicable insurance coverage provided by the FDIC. However, although the fund had reserves available at December 31, 2014, the future availability of resources to cover the losses cannot be projected because provisions of the 1985 Wisconsin Act 25 provided that the amount in the fund will be used to repay public depositors for losses until the appropriation is exhausted, at which time the fund is abolished. This coverage has not been considered in computing custodial credit risk.

Certificates of deposit held in the LGIP are covered by FDIC insurance, which applies to the proportionate public unit share of accounts.

The Securities Investor Protection Corporation (SIPC), created by the Securities Investor Protection Act of 1970, is an independent government-sponsored corporation (not an agency of the U.S. government). Wells Fargo, Bank of Oklahoma, and BMO Harris Bank's SIPC membership provides account protection up to a maximum of \$500,000 per customer, of which \$250,000 may be in cash. Additionally, Wells Fargo, through HSBC Gibbs, has additional securities coverage of \$149.5 million per customer, subject to a \$600 million aggregate limit.

The City also maintains collateral agreements with certain depository banks to cover uninsured balances.

***Custodial Credit Risk***

*Deposits* - Custodial risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned to the City. The City's investment policy does not address custodial credit risk for deposits.

As of December 31, 2014, \$8,701,467 of the City's bank balance of \$67,941,030 was exposed to custodial credit risk as uninsured and uncollateralized.

*Investments* - For an investment, custodial credit risk is the risk that, in the event of the failure of the counter party, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The City investment policy does not address custodial credit risk for investments.

As of December 31, 2014, \$14,527,223 of the City's investment balance of \$68,057,897 was exposed to custodial credit risk as uninsured and uncollateralized.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS** (continued)

**A. Deposits and Investments** (continued)

***Credit Risk***

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's investment policy does not address credit risk for investments.

Wisconsin Statutes limit investments in commercial paper and corporate bonds to securities which bear a rating in the top two rating categories issued by recognized statistical rating organizations. As of December 31, 2014 the City is exposed to credit risk with investments in the following:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Moody's Rating</u>
Local Government Investment Pool	\$ 45,410,097	Unrated
U.S. Agency Securities	10,039,972	AAA
Municipal Securities	1,249,519	AAA
Municipal Securities	6,623,366	AA
Municipal Securities	1,754,757	A
Municipal Securities	1,455,163	Unrated
Corporate Securities	1,525,023	AA
Total fair value of investments subject to credit risk	<u>\$ 68,057,897</u>	

***Interest Rate Risk***

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's investment policy does not address interest rate risk. As of December 31, 2014 the City's investments were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Months)</u>
U.S. Agency Securities	\$ 10,039,972	48.5
Municipal Securities	11,082,805	17.7
Local Government Investment Pool	45,410,097	3.0
Corporate Securities	1,525,023	23.4

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS** (continued)

**A. Deposits and Investments** (continued)

***Concentration of Credit Risk***

As of December 31, 2014, the City's investment portfolio did not hold investments from individual issuers which comprised over 5% of their investment balances.

**B. Receivables**

Receivables as of year end for the government's individual major funds and nonmajor and fiduciary funds detailed according to source are displayed on the face of the fund financial statements. As of December 31, 2014, an allowance for uncollectible accounts has been established for ambulance billings of \$328,202.

**C. Deferred Inflows**

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

	<u>Unavailable</u>	<u>Tax Levy</u>	<u>Total</u>
Property taxes receivable	\$ -	\$ 45,344,487	\$ 45,344,487
Special assessments	522,313	-	522,313
Loan receivable	87,707	-	87,707
Other accounts receivable	307,556	-	307,556
	<u>\$ 917,576</u>	<u>\$ 45,344,487</u>	<u>\$ 46,262,063</u>

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)**

**D. Restricted Assets**

Following is a list of restricted assets at December 31, 2014:

<b>Business-type activities</b>	
Cash and investments	
Special Redemption Funds	
Bond Reserve Fund	\$ 1,100,349
Bond Principal and Interest Fund	<u>853,400</u>
Total Special Redemption Funds	1,953,749
Waterworks System Improvement Fund	<u>808,837</u>
Total business-type activities	<u>\$ 2,762,586</u>

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)**

**E. Capital Assets**

Capital asset activity for the year ended December 31, 2014 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Governmental activities</b>				
Capital assets not being depreciated				
Land	\$ 23,439,778	\$ -	\$ -	\$ 23,439,778
Construction in progress	36,667	430,703	22,440	444,930
Total capital assets not being depreciated	<u>23,476,445</u>	<u>430,703</u>	<u>22,440</u>	<u>23,884,708</u>
Capital assets being depreciated				
Buildings	23,736,118	330,437	-	24,066,555
Improvements	6,148,399	-	-	6,148,399
Machinery and equipment	18,836,171	2,751,006	1,149,576	20,437,601
Infrastructure	<u>72,559,882</u>	<u>3,458,973</u>	<u>1,596,461</u>	<u>74,422,394</u>
Total capital assets being depreciated	<u>121,280,570</u>	<u>6,540,416</u>	<u>2,746,037</u>	<u>125,074,949</u>
Less: accumulated depreciation for				
Buildings	10,741,317	530,777	-	11,272,094
Improvements	1,337,302	331,187	-	1,668,489
Machinery and Equipment	11,808,632	1,473,312	952,102	12,329,842
Infrastructure	<u>33,766,699</u>	<u>2,576,157</u>	<u>1,596,461</u>	<u>34,746,395</u>
Total accumulated depreciation	<u>57,653,950</u>	<u>4,911,433</u>	<u>2,548,563</u>	<u>60,016,820</u>
Capital assets being depreciated, net of depreciation	<u>63,626,620</u>	<u>1,628,983</u>	<u>197,474</u>	<u>65,058,129</u>
Total capital assets, net of depreciation	<u>\$ 87,103,065</u>	<u>\$ 2,059,686</u>	<u>\$ 219,914</u>	<u>\$ 88,942,837</u>

Depreciation expense was charged to functions as follows:

<b>Governmental activities</b>	
General government	\$ 47,853
Protection of persons and property	742,482
Health and sanitation	10,201
Highway and transportation, which includes the depreciation of infrastructure	2,593,992
Education and recreation	488,400
Depreciation expense-allocated with Internal Service Fund	<u>1,028,505</u>
Total governmental activities depreciation expense	<u>\$ 4,911,433</u>

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)**

**E. Capital Assets (continued)**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Business-type activities</b>				
Capital assets not being depreciated				
Land	\$ 81,405	\$ -	\$ -	\$ 81,405
Construction in progress	859,414	3,558,514	944,929	3,472,999
Total capital assets not being depreciated	<u>940,819</u>	<u>3,558,514</u>	<u>944,929</u>	<u>3,554,404</u>
Capital assets being depreciated				
Buildings	789,794	-	-	789,794
Machinery & equipment	2,735,435	14,898	-	2,750,333
Improvements other than buildings	155,355,822	8,674,073	568,986	163,460,909
Total capital assets being depreciated	<u>158,881,051</u>	<u>8,688,971</u>	<u>568,986</u>	<u>167,001,036</u>
Less: accumulated depreciation for				
Buildings	529,641	25,273	-	554,914
Machinery & equipment	2,095,786	103,507	-	2,199,293
Improvements other than buildings	42,246,174	2,281,455	567,045	43,960,584
Total accumulated depreciation	<u>44,871,601</u>	<u>2,410,235</u>	<u>567,045</u>	<u>46,714,791</u>
Capital assets being depreciated, net of depreciation	<u>114,009,450</u>	<u>6,278,736</u>	<u>1,941</u>	<u>120,286,245</u>
Total capital assets, net of depreciation	<u>\$ 114,950,269</u>	<u>\$ 9,837,250</u>	<u>\$ 946,870</u>	<u>\$ 123,840,649</u>

Depreciation expense was charged to functions as follows:

<b>Business-type activities</b>	
Water Utility	
Depreciation	\$ 831,429
Depreciation charged to Water Utility operation and maintenance expenses	15,272
Depreciation charged to Sanitary Sewer expenses	<u>37,272</u>
	883,973
Sanitary Sewer	913,144
Storm Water Management	<u>613,118</u>
Total business-type activities depreciation expense	<u>\$ 2,410,235</u>

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)**

**F. Interfund Receivables/Payables and Transfers**

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
<b>Governmental Funds</b>		
General Fund	Water Utility	\$ 888,866
General Fund	Nonmajor funds	139,038
		<u>1,027,904</u>
<b>Proprietary Funds</b>		
Sanitary Sewer	Water Utility	15,734
Sanitary Sewer	General Fund	371,558
Storm Water Management	General Fund	125,211
Water Utility	General Fund	392,359
Water Utility	Sanitary Sewer	42,825
		<u>947,687</u>
Total interfund receivables		<u>\$ 1,975,591</u>

The principal purpose of these interfund balances result 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.

The Debt Service fund advanced \$2,000,000 to the Special Revenue Fund - Tax Incremental District in 2012. This advance earns interest at 3.0%. The advance was issued to provide interim financing until the District obtains external long term financing. This advance was paid in full during 2014.

The General fund advanced \$5,576,000 to the Special Revenue Fund - Tax Incremental District in 2012. This advance earns interest at 3.0%. The advance was issued to provide interim financing until the District obtains external long term financing. The outstanding balance as of December 31, 2014 was \$5,526,000.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)**

**F. Interfund Receivables/Payables and Transfers (continued)**

The following is a schedule of interfund transfers:

<u>Transferred To</u>	<u>Transferred From</u>	<u>Amount</u>
General Fund	Tax Increment Districts	\$ 38,737
	Water Utility	838,623
	Internal Service Funds	67,000
		<u>944,360</u>
Capital Projects Fund -	Tax Increment Districts	1,586,416
General Obligation Debt Issued	General Fund	450,000
	Nonmajor Governmental	652,913
	Internal Service Funds	963,902
		<u>3,653,231</u>
Nonmajor Governmental Funds	General Fund	1,349,854
	Tax Increment Districts	3,188,430
	Capital Projects Fund -	
	General Obligation Debt Issued	60,188
	Nonmajor Governmental Funds	249,318
	Internal Service Funds	91,583
		<u>4,939,373</u>
		<u>\$ 9,536,964</u>
Reconciliation of transfers in/(out):		
Governmental funds transfers in		\$ 9,536,964
Governmental funds transfers out		(7,575,856)
Internal service funds transfers out		<u>(1,122,485)</u>
Governmental Activities transfers in from Business-type Activities		838,623
Business-type Activities transfers out to Governmental Activities		<u>(838,623)</u>
		<u>\$ -</u>

Generally, transfers are used to (1) move revenue from the funds that collect 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 revenue collected in the General Fund to finance various program accounted for in other funds in accordance with budgetary authorizations (4) transfer assets purchased in one fund that relate to other funds.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)**

**G. Long-Term Obligations**

Long-term obligations activity for the year ended December 31, 2014 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities</b>					
Bonds and notes payable					
General obligation debt					
Promissory notes and bonds	\$ 35,583,870	\$ 12,670,000	\$ 3,481,394	\$ 44,772,476	\$ 4,242,846
Bond Premium	677,939	149,888	105,342	722,485	-
Total general obligation debt	<u>36,261,809</u>	<u>12,819,888</u>	<u>3,586,736</u>	<u>45,494,961</u>	<u>4,242,846</u>
Redevelopment lease revenue bond	12,050,000	-	2,500,000	9,550,000	2,600,000
Municipal revenue obligation	<u>2,984,556</u>	<u>1,500,000</u>	<u>2,156,599</u>	<u>2,327,957</u>	<u>-</u>
Total bonds and notes payable	<u>51,296,365</u>	<u>14,319,888</u>	<u>8,243,335</u>	<u>57,372,918</u>	<u>6,842,846</u>
Other Liabilities					
Accrued unused vacation	2,054,046	2,174,979	2,075,761	2,153,264	2,075,761
Landfill postclosure liability	<u>157,697</u>	<u>43</u>	<u>6,878</u>	<u>150,862</u>	<u>6,878</u>
Total other liabilities	<u>2,211,743</u>	<u>2,175,022</u>	<u>2,082,639</u>	<u>2,304,126</u>	<u>2,082,639</u>
Total governmental activities long-term liabilities	<u>\$ 53,508,108</u>	<u>\$ 16,494,910</u>	<u>\$ 10,325,974</u>	<u>\$ 59,677,044</u>	<u>\$ 8,925,485</u>
<b>Business-type activities</b>					
Bonds and notes payable					
General obligation debt	\$ 34,131,109	\$ 8,940,000	\$ 3,158,564	\$ 39,912,545	\$ 4,022,204
Revenue bonds	13,875,000	-	425,000	13,450,000	625,000
Unamortized bond premium	<u>241,489</u>	<u>178,800</u>	<u>21,521</u>	<u>398,768</u>	<u>-</u>
Total business-type activities long-term liabilities	<u>\$ 48,247,598</u>	<u>\$ 9,118,800</u>	<u>\$ 3,605,085</u>	<u>\$ 53,761,313</u>	<u>\$ 4,647,204</u>

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)**

**G. Long-Term Obligations (continued)**

***Governmental Activities Debt***

***General Obligation Debt***

General obligation debt of the governmental activities is shown below.

	<b>Date of Issue</b>	<b>Final Maturity</b>	<b>Interest Rates</b>	<b>Original Amount</b>	<b>Balance 12/31/14</b>
Promissory notes	04/01/06	12/01/15	3.625 - 4.000	1,803,000	\$ 293,154
	04/15/07	12/01/16	4.000	1,142,382	424,302
	05/01/08	12/01/17	3.000 - 3.500	1,906,000	922,000
	11/29/11	11/01/21	2.000 - 2.500	1,772,190	1,531,172
	12/20/11	06/01/16	2.000	4,600,000	4,600,000
	08/21/12	06/01/22	0.350 - 2.250	6,675,000	5,675,000
	08/20/13	06/01/23	2.000 - 3.000	3,440,000	2,625,000
	12/02/14	12/01/24	1.000 - 3.000	7,430,000	7,430,000
	12/02/14	12/01/24	2.000 - 3.000	5,240,000	5,240,000
					<u>28,740,628</u>
Refunding bonds	08/03/10	03/01/24	3.000 - 4.000	7,933,387	6,088,521
	10/25/10	10/01/30	0.850 - 5.000	10,200,000	8,250,000
	08/20/13	12/01/18	3.000	3,315,000	1,693,327
					<u>16,031,848</u>
Total general obligation debt					<u>\$ 44,772,476</u>

***Redevelopment Lease Revenue Bond***

The Wauwatosa Redevelopment Authority has the following debt outstanding:

<b>Type</b>	<b>Date of Loan</b>	<b>Due Date</b>	<b>Interest Rate</b>	<b>Original Amount</b>	<b>Balance 12/31/14</b>
Redevelopment Lease Revenue Bond	08/15/04	12/01/17	5.40%	\$ 24,500,000	<u>\$ 9,550,000</u>

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS** (continued)

**G. Long-Term Obligations** (continued)

***Governmental Activities Debt*** (continued)

The redevelopment lease revenue bonds are not a general obligation of the Authority or the City and do not constitute indebtedness of the City or the Authority within any constitutional or statutory limitation or provision. The bonds are limited obligations of the Authority payable solely from the revenues and income derived by the Authority pursuant to the terms of the respective lease agreements dated in 1997 and 2004 between the Authority and the City. The 2004 bonds are payable from the revenues and income derived from the Authority on a parity basis with the 1997 bonds and from the amounts available in the reserve account for the 1997 bonds.

The lease agreements generally provide for payments by the City to the Authority in amounts sufficient to pay the principal and interest on the bonds as they come due. It is the City's intent to annually budget the rental payments under the Lease Agreements, and finance such payments with tax increments generated by Tax Incremental District No. 2, subject to annual appropriation by the Common Council. In addition, Milwaukee County has agreed to guarantee payment if tax increments generated by Tax Incremental District No. 2 are insufficient to pay principal and interest due on the 2004 bonds.

The Wauwatosa Redevelopment Authority is part of the primary government for financial reporting purposes. Consequently, the Authority's debt and assets are reported as part of the City's debt and assets. Accordingly, the City has reported the debt issue in its long-term obligations. Debt service activity is reported in the City's Debt Service Fund. Lease arrangements between the City and Authority have been eliminated for reporting purposes.

***Municipal Revenue Obligation***

On August 15, 2007 the City entered into a developer agreement including a municipal revenue obligation payable to the Developer to reimburse actual costs expended by the Developer relating to approved TIF No. 5 project costs as described in the project plan. The Developer completed eligible costs of \$1,800,000 and became eligible for repayment in 2009. The municipal revenue obligation is not a general obligation of the City, and is payable solely from the revenues and income derived by the tax increment of TIF No. 5. The outstanding balance as of December 31, 2014 was \$827,957.

On June 1, 2012 the City entered into a developer agreement including a municipal revenue obligation payable to the Developer to reimburse actual costs expended by the Developer relating to approved TIF No. 3 project costs as described in the project plan. The Developer completed eligible costs of \$1,500,000 and became eligible for repayment in 2013. The municipal revenue obligation is not a general obligation of the City, and is payable solely from the revenues and income derived by the tax increment of TIF No. 3. The balance was paid in full during 2014 in the amount of \$1,291,106.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS** (continued)

**G. Long-Term Obligations** (continued)

***Municipal Revenue Obligation*** (continued)

On November 29, 2012 the City entered into a developer agreement including a municipal revenue obligation payable to the Developer to reimburse actual costs expended by the Developer relating to approved TIF No. 3 project costs as described in the project plan. The Developer completed eligible costs of \$380,000 and became eligible for repayment in 2013. The municipal revenue obligation is not a general obligation of the City, and is payable solely from the revenues and income derived by the tax increment of TIF No. 3. The balance was paid in full during 2014 in the amount of \$333,306.

On June 4, 2014 the City entered into a developer agreement including a municipal revenue obligation payable to the Developer to reimburse actual costs expended by the Developer relating to approved TIF No. 8, project costs as described in the project plan. The Developer completed eligible costs of \$1,500,000 and became eligible for repayment in 2014. The municipal revenue obligation is not a general obligation of the City, and is payable solely from the revenues and income derived by the tax increment of TIF No. 8. The outstanding balance as of December 31, 2014 was \$1,500,000.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)**

**G. Long-Term Obligations (continued)**

***Business-type Activities Debt***

Debt of the business-type activities is shown below.

Type	Date of Loan	Interest Rate	Principal Payable	Interest Payable	Original Amount	Balance 12/31/14
<b>WATER</b>						
Waterworks System Revenue Bonds						
Series 2010	10/25/10	3.000 - 4.000%	1/1/11-29	1/1&7/1	\$ 7,750,000	\$ 6,875,000
Series 2011	11/29/11	2.000 - 3.000	1/1/13-22	1/1&7/1	2,400,000	2,000,000
Series 2013	11/19/13	1.750 - 4.125	1/1/15-34	1/1&7/1	4,575,000	<u>4,575,000</u>
						13,450,000
General Obligation Refunding Bonds	08/03/10	1.750 - 5.000	3/1/11-24	3/1&9/1	360,359	<u>276,559</u>
Total Water Utility						<u>13,726,559</u>
<b>SANITARY SEWER</b>						
Promissory Notes						
Series 2006	04/01/06	3.625 - 4.000	12/1/07-15	6/1&12/1	1,382,000	224,575
Series 2007	04/15/07	4.000	12/1/08-16	6/1&12/1	1,043,018	387,440
Series 2008	05/01/08	3.000 - 3.500	12/1/09-17	6/1&12/1	1,141,000	552,200
Series 2011	11/29/11	2.000 - 2.500	11/1/12-21	5/1&11/1	3,560,487	3,076,268
Series 2012	08/21/12	0.350 - 2.250	6/1/13-22	6/1&12/1	1,825,000	1,575,000
Series 2013	08/20/13	2.000 - 3.000	6/1/14-23	6/1&12/1	2,250,000	2,150,000
Series 2013	08/20/13	3.000	12/1/14-18	6/1&12/1	660,340	525,882
Series 2013	11/19/13	2.500 - 4.250	11/1/14-33	5/1&11/1	7,700,000	7,625,000
Series 2014	12/02/14	1.000 - 3.000	12/1/15-24	6/1&12/1	2,750,000	<u>2,750,000</u>
						18,866,365
General Obligation Refunding Bonds	08/03/10	1.75 - 5.0	3/1/11-24	3/1&9/1	59,409	<u>45,594</u>
Total Sanitary Sewer						<u>18,911,959</u>

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)**

**G. Long-Term Obligations (continued)**

***Business-type Activities Debt* (continued)**

Type	Date of Loan	Interest Rate	Principal Payable	Interest Payable	Original Amount	Balance 12/31/14
<b>STORM WATER MAINTENANCE</b>						
Promissory Notes						
Series 2006	04/01/06	3.625 - 4.00	12/1/07-15	6/1&12/1	815,000	132,228
Series 2007	04/15/07	4.000	12/1/08-16	6/1&12/1	1,314,600	488,280
Series 2008	05/01/08	3.000 - 3.500	12/1/09-17	6/1&12/1	3,153,000	1,525,800
Series 2011	11/29/11	2.000 - 2.500	11/1/12-21	5/1&11/1	7,167,323	6,192,604
Series 2012	08/21/12	0.350 - 2.250	6/1/13-22	6/1&12/1	3,900,000	3,500,000
Series 2013	08/20/13	2.000 - 3.000	6/1/14-23	6/1&12/1	560,000	500,000
Series 2013	08/20/13	3.000	12/1/14-18	6/1&12/1	528,380	420,791
Series 2013	11/19/13	2.500 - 4.250	11/1/14-33	5/1&11/1	1,775,000	1,700,000
Series 2014	12/02/14	1.000 - 3.000	12/1/15-24	6/1&12/1	6,190,000	<u>6,190,000</u>
						20,649,703
General Obligation						
Refunding Bonds	08/03/10	1.750 - 5.000	3/1/11-24	3/1&9/1	96,845	<u>74,324</u>
Total Storm Water Maintenance						<u>20,724,027</u>
Total business-type activities debt						<u>\$53,362,545</u>

The Water Utility has \$13,450,000 in Waterworks System Revenue Bonds outstanding at December 31, 2014. The bonds are not general obligations of the City of Wauwatosa and are payable from income and revenues derived from the operations of the system in accordance with the resolution adopted in conjunction with the issuance of the debt. The resolution creates a statutory mortgage lien upon the system and its revenues in accordance with Section 66 of Wisconsin Statutes. The Utility has established certain funds, as described in the resolution, to account for the allocation of the Utility's gross revenue and has deposited funds in compliance with the bond covenants. The Water system and the earnings of the system remain subject to the lien until payment in full of the principal and interest on the bonds.

There are a number of limitations and restrictions contained in the bond indentures. The City believes it is in compliance with all significant limitations and restrictions.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)**

**G. Long-Term Obligations (continued)**

***Annual Maturities of General Obligation Debt, Redevelopment Lease Revenue Bonds, and Water System Revenue Bonds***

Debt service requirements to maturity (exclusive of the municipal revenue obligation) are as follows:

	<b>Governmental Long-Term Debt</b>		<b>Business-type Long-Term Debt</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2015	\$ 6,842,846	\$ 1,807,149	\$ 4,647,204	\$ 1,524,007
2016	11,867,025	1,513,426	4,357,925	1,406,098
2017	7,133,895	1,168,271	4,366,105	1,294,708
2018	3,702,481	877,509	4,212,519	1,183,801
2019	3,720,339	282,300	4,454,661	1,087,417
2020-2024	17,505,890	2,423,442	18,724,131	3,749,089
2025-2029	2,900,000	581,425	7,950,000	1,808,766
2030-2035	650,000	32,500	4,650,000	505,345
Totals	<u>\$ 54,322,476</u>	<u>\$ 8,686,022</u>	<u>\$ 53,362,545</u>	<u>\$ 12,559,231</u>

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.

***Margin of Indebtedness***

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, 2014, was \$267,531,355. Total general obligation debt outstanding at year end was \$84,685,021.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS** (continued)

**G. Long-Term Obligations** (continued)

***Landfill Postclosure Liability***

State and federal laws and regulations require the City to place a final cover on its landfill site and to perform certain maintenance and monitoring functions at the site after closure. Future landfill maintenance and monitoring costs are estimated to be a total of \$150,862 over the next 20 years. The liability for landfill closure and postclosure care is an estimate subject to changes resulting from inflation, deflation, technology, or changes in applicable laws or regulations.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)**

**H. Net Position / Fund Balances**

Net position reported on the government wide statement of net position at December 31, 2014 includes the following:

***Governmental Activities***

Net investment in capital assets	
Nondepreciated	\$ 23,884,708
Depreciated	65,058,129
Less: related debt excluding unspent bond proceeds	<u>(31,430,591)</u>
Total net investment in capital assets	57,512,246
Restricted for debt service	27,481,090
Unrestricted	<u>(19,136,845)</u>
 Total governmental activities net assets	 <u><u>\$ 65,856,491</u></u>

***Business-type Activities***

Net investment in capital assets	
Land	\$ 81,405
Construction in progress	3,472,999
Other capital assets, net of accumulated depreciation	120,286,245
Less: related long-term debt outstanding (net of unspent proceeds of debt)	<u>(44,531,483)</u>
Total net investment in capital assets	79,309,166
Restricted net position	
Restricted for debt service	621,020
Unrestricted	<u>7,680,686</u>
 Total business-type activities net assets	 <u><u>\$ 87,610,872</u></u>

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)**

**H. Net Position / Fund Balances (continued)**

***Governmental Fund Balances***

Governmental fund balances reported on the fund financial statements at December 31, 2014 include the following:

**Nonspendable**

Major Funds	
General Fund -	
Prepayments and inventories	\$ 2,791
Non-current receivables	<u>5,605,969</u>
	5,608,760
Special Revenue Fund - Tax Incremental District	
Prepayments and inventories	<u>1,800</u>
Total non-spendable fund balance	<u>5,610,560</u>

**Restricted**

Major Funds	
Special Revenue Fund - Tax Incremental District - debt service	18,710,098
Capital Projects Fund - General Obligation Debt Issue Fund	6,888,322
Nonmajor Funds	
Community Development Block Grant	73
Debt Service Fund	<u>2,212,545</u>
Total restricted fund balance	<u>27,811,038</u>

**Assigned**

Major Funds	
General Fund	
Subsequent year's expenditures	582,343
Capital improvements	1,202,572
Parks	<u>499,931</u>
	2,284,846
Nonmajor Funds	
Special Revenue Fund - Parks Fund	784,886
Special Revenue Fund - Library Fund	192,330
Capital Projects Fund - Informations Systems Equipment	<u>163,219</u>
Total assigned fund balance	<u>3,425,281</u>

**Unassigned**

Major Funds - General Fund	<u>12,032,385</u>
Total governmental fund balance	<u><u>\$ 48,879,264</u></u>

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 4 - DETAILED NOTES ON ALL FUNDS** (continued)

**H. Net Position / Fund Balances** (continued)

The City also maintains an amortization fund balance governed by Section 3.04 of the Wauwatosa Municipal Code, which provides that the balance may be used to pay principal and interest on the outstanding debt upon the direction of the City's Common Council. The ordinance further provides that the Board of Public Debt Commissioners may, with the approval of the Common Council, apply all or any part of the fund for any purpose for which municipal bonds may be legally issued. This balance is a portion of the General Fund unassigned fund balance.

**NOTE 5 - OTHER INFORMATION**

**A. Employees' Retirement System**

Eligible City of Wauwatosa employees participate in the Wisconsin Retirement System (System), a cost sharing multiple-employer defined benefit public employee retirement system (PERS). All employees, initially employed by a participating WRS employer prior to July 1, 2011, expected to work at least 600 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 System. 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 the employee's date of hire are eligible to participate in the System.

Covered employees are required to contribute 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. Contribution rates for 2014 are:

	<u>Employee</u>	<u>Employer</u>
General	7.00%	7.00%
Executives & Elected Officials	7.75%	7.75%
Protective with Social Security	7.00%	7.00%
Protective without Social Security	7.00%	13.70%

The payroll for City employees covered by the System for the year ended December 31, 2014 was \$28,350,192; the employer's total payroll was \$29,260,290. The total required contribution for the year ended December 31, 2014 was \$4,770,997. This amount consisted of \$2,785,635 or 9.52% of payroll from the employer and \$1,985,362, or 6.79% of payroll from employees. Total contributions for the years ended December 31, 2013 and 2012 were \$5,267,429 and \$4,747,322, respectively, equal to the required contribution for each year.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 5 - OTHER INFORMATION** (continued)

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

Employees who retire at or after age 65, (62 for elected officials, 54 for protective occupation employees with less than 25 years of service, 53 for protective occupation employees with more than 25 years of service), are entitled to receive a retirement benefit. Employees may retire at age 55, (50 for protective occupation employees), and receive actuarially reduced benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor. The final average earnings are the average of the employee's three highest year's earnings. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefit. For employees beginning participation on or after January 1, 1990 and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998 through June 30, 2011 are immediately vested. For participants employed after July 1, 2011, five years of creditable service is required for eligibility.

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

The City has no pension related debt as of December 31, 2014.

**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; natural disasters and worker's compensation. The City is self-insured for medical coverage for certain employees at December 31, 2014. The City purchases general and automobile liability insurance from the Cities and Villages Mutual Insurance Company. The City purchases commercial insurance for all other risks. There have been no significant reductions in insurance coverage for any risk of loss in the past year and settled claims have not exceeded the commercial coverage in any of the past three fiscal years.

***Self-Insured General and Auto Liability***

In 1987, the City issued \$1,990,827 taxable General Obligation Refunding Bonds to provide financing of the City's participation in the Wisconsin Municipal Insurance Commission (WMIC). The WMIC is an intergovernmental cooperative commission formed to facilitate the formation of the Cities and Villages Mutual Insurance Company (CVMIC). In 1987, the WMIC issued \$28.645 million of revenue bonds to provide for the capitalization of the CVMIC. The CVMIC is a separate and distinct entity independent of the WMIC and is owned by the participating cities and villages of the WMIC. The CVMIC was formed to provide liability insurance to Wisconsin municipalities as of January 1, 1988. The CVMIC has an A.M. Best rating of A-.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 5 - OTHER INFORMATION** (continued)

**B. Risk Management** (continued)

***Self-Insured General and Auto Liability*** (continued)

Management of each organization consists of a board of directors or officers comprised of representatives elected by each of three classes of participants based on population. The City does not exercise any control over the activities of the agencies beyond the election of the officers and board.

In prior years, the CVMIC paid dividends to the City based on a schedule designed to enable the City to partially or totally finance the City's debt service requirements on its related general obligation issue. As of December 31, 2007, the City's debt and the WMIC's debt were paid in full. The WMIC has no assets, liabilities or financial activity for the year ended December 31, 2014. CVMIC continues to pay dividends that are used to pay the City's insurance premiums.

Complete financial statements for the year ended December 31, 2014 for the CVMIC can be obtained from the CVMIC administrative office at 9898 W. Bluemound Road, Wauwatosa, WI 53226-4319.

As of December 31, 2014, the City of Wauwatosa, Wisconsin's has a Mutual Membership Percentage of 3.212%. The share would result in the City receiving \$964,506 upon dissolution of CVMIC.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 5 - OTHER INFORMATION** (continued)

**B. Risk Management** (continued)

***Self-Insured General and Auto Liability*** (continued)

The CVMIC provides the City with \$10,000,000 of liability coverage for losses over its self-insured retention level of \$100,000 per occurrence with a \$400,000 aggregate stop loss. The City's annual cost is the sum of its annual premium, claims incurred and applicable to the self-insured retention and other operating expenses. An annual premium is charged to cover expected claims and administrative costs. The claims component of the premium is determined by independent actuaries and allocated among participating municipalities based on payroll and loss history. The City and other participating cities and villages are subject to cover loss experiences, which exceed predictions through retrospective assessments.

At December 31, 2014, the Risk Management General Liability Fund had net position of \$1,821,645, which includes the City's Investment in CVMIC of \$964,506.

Changes in the claim liability amounts for the years ended December 31, 2014 and 2013 were as follows:

	<u><b>2014</b></u>	<u><b>2013</b></u>
Unpaid claims - Beginning of Year	\$ 141,016	\$ 106,516
Current year claims and changes in estimates	(45,145)	-
Claim payments	<u>39,741</u>	<u>(34,500)</u>
Unpaid claims - End of Year	<u>\$ 56,130</u>	<u>\$ 141,016</u>

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 5 - OTHER INFORMATION** (continued)

**B. Risk Management** (continued)

***Self-Insured Medical Care Coverage Plan***

The City maintains a self-insured medical care coverage plan for its employees which is accounted for in an Internal Service Fund. The plan provides coverage up to a maximum of \$75,000 per contract and approximately \$7,900,000 for the aggregate of contracts. The City purchases commercial insurance for claims in excess of coverage provided by the fund. This fund also accounts for the City's other post employment benefits

All funds of the City participate in the plan. The City does not maintain a reserve for the coverage of catastrophic losses. The claims liability of \$475,202 reported in the Internal Service Fund at December 31, 2014, is based on the requirements of the Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated. Changes in the claims liability amount for the years ended December 31, 2014 and 2013 were as follows:

	<u>Beginning Balance</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Ending Balance</u>
2013	\$ 630,139	\$ 6,947,727	\$ 7,059,311	\$ 518,555
2014	518,555	6,711,530	6,754,883	475,202

The net position (deficit) of the fund is reported as unrestricted and is comprised of the following components:

Employee insurance	\$ 4,084,183
Other post employment obligation	<u>(21,533,139)</u>
Total	<u>\$ (17,448,956)</u>

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 5 - OTHER INFORMATION** (continued)

**C. Other Postemployment Benefits**

The City provides other postemployment benefits (OPEB) to its retirees for health insurance.

***Plan Description***

The City provides a single-employer defined benefit healthcare plan administered by United Health Care. The City provides medical and life insurance benefits for substantially all retirees in accordance with terms set forth in labor contracts.

The plan provides full health insurance coverage until age 65 to City employees hired prior to January 1, 2008 who reach normal retirement age as specified by the labor contracts. The plan provides up to 50% health coverage until age 65 to City employees hired after January 1, 2008 who reach normal retirement age and reach a specified number of years of service. Police and fire retirees hired after January 1, 2008 receive 50% of health coverage upon reaching age 50, and having 15 years of service. General and Department of Public Works employees receive health coverage based on their years of service such that retirees with 15, 20, 25, and 30 years of service receive annual health coverage premium contributions of 15, 30, 40, and 50 percent respectively.

The plan does not issue stand-alone financial statements.

***Funding Policy***

The contribution of plan members and the employer are established and may be amended by the City Common Council. The required contribution is based on pay-as-you-go financing. For 2014, City and plan members receiving benefits paid approximately \$2,550,000 toward medical claims and administrative expenses for retirees. This represents 10.07% of total covered payroll for the year.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 5 - OTHER INFORMATION** (continued)

**C. Other Postemployment Benefits** (continued)

***Annual OPEB Costs and Net OPEB Obligation***

The City's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the 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 costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan (pay-as-you-go basis), and the changes in the District's net OPEB obligation:

Annual Required Contribution (ARC)	\$	4,225,630
Interest on Net OPEB Obligation		620,660
Adjustment to ARC		<u>(1,024,776)</u>
Annual OPEB Cost		3,821,514
Contribution made		<u>(2,977,058)</u>
Increase in net OPEB Obligation		844,456
Net OPEB obligation- beginning of year		<u>20,688,683</u>
 Net OPEB obligation - end of year	 \$	 <u>21,533,139</u>

The City's annual OPEB costs, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014, 2013 and 2012 are as follows:

<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
12/31/2012	\$ 5,354,611	34.12%	\$ 17,193,904
12/31/2013	5,461,251	36.01%	20,688,683
12/31/2014	3,821,514	77.90%	21,533,139

The multi-year trend information is located in the required supplementary information immediately following the notes to the financial statements.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 5 - OTHER INFORMATION** (continued)

**C. Other Postemployment Benefits** (continued)

***Funded Status and Funding Progress***

The most recent actuarial valuation conducted by the City of Wauwatosa was as of December 31, 2014.

The actuarial accrued liability for benefits was \$47,952,213 and the actuarial value of assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of \$47,952,213. The covered payroll (annual payroll of active employees covered by the plan) was \$25,310,901 and the ratio of the UAAL to the covered payroll was 189.45 percent.

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.

***Actuarial Methods and Assumptions***

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend amounts determined regarding the funded status of the plan and the annual required contributions of the Employer, and are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The retiree healthcare valuation was based on the projected unit credit actuarial cost method. Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. In addition, the projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

The OPEB valuation uses an interest discount rate assumption of 3.00 percent based on the City's projected short-term investment rate of return. The healthcare cost trends rate is 5.5 percent initially, and reduced by decrements to the ultimate rate of 4.4 percent after 67 years.

The actuarial accrued liability for the benefits is amortized over an open period of 30 years using the level dollar method.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 5 - OTHER INFORMATION** (continued)

**D. Antenna Lease Agreements**

The City has lease agreements with cellular phone companies to lease water towers as sites for cellular antennas. The initial term of the leases was five years with the right to extend the leases for four additional five-year terms. All agreements have been extended for five additional years.

Rental income from rental of the water towers reported in other water revenues amounted to \$232,355.

Future minimum rentals related to these leases and expected future extensions are as follows:

2015	\$	215,331
2016		224,940
2017		234,982
2018		245,475
2019		256,440
Thereafter		<u>12,848,006</u>
		<u>\$ 14,025,174</u>

All leases have an automatic extension until at least the year 2040, with the longest term reaching through 2049.

**E. Commitments and Contingencies**

The City self-insures its general liability, medical, dental and worker's compensation insurance up to specified limits. City's management and legal counsel do not anticipate any material losses from known occurrences.

The City participates in a number of State and Federally assisted grant programs. These programs are subject to program compliance audits by grantors or their representatives. The audits of these programs for or including the year ended December 31, 2014 have not been conducted. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

On April 24, 2007 the City entered into a Developer agreement which included a Municipal Revenue Obligation to reimburse eligible project costs incurred by the developer. This obligation is payable solely from a portion of the Tax Incremental District No. 2 increment as defined by the developer agreement. Should the TIF close before the project costs are repaid, the City is not liable for any additional payments. Costs are reported as project costs in the year paid. Total costs that could be reimbursed amount to \$6,447,658. 2009 was the first year in which the City made a payment under this agreement. The amount the City paid in 2014 was \$434,760. Cumulative payments made through 2014 are \$2,290,976.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 5 - OTHER INFORMATION** (continued)

**F. Subsequent Events**

On April 1, 2015, the City issued \$6,200,000 of General Obligation Community Development Bonds, Series 2015A. The proceeds are to be used for capital projects including street improvements, water, sanitary sewer and storm water projects.

Management evaluated subsequent events through July 23, 2015, the date the financial statements were available to be issued. Events or transactions occurring after December 31, 2014, but prior to July 23, 2015 that provided additional evidence about conditions that existed at December 31, 2014, have been recognized in the financial statements for the year ending December 31, 2014. Events or transactions that provided evidence about conditions that did not exist at December 31, 2014 but arose before the financial statements were available to be issued have not yet been recognized in the financial statements for the year ended December 31, 2014.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 6 - TAX INCREMENTAL DISTRICTS 2, 3, 5, 6, 7 AND 8**

**A. Plan Summaries**

The City has six Tax Incremental Districts. Tax Incremental District No. 2 was created on January 1, 1995, and its dissolution date is January 1, 2022. There have been three amendments to Tax Incremental District No. 2, occurring on April 15, 1997, April 20, 2004, and in April, 2007. These amendments did not affect the dissolution date of January 1, 2022. Tax Incremental District No. 3 was created on January 1, 2001, and its dissolution date is January 1, 2028. The Tax Incremental District No. 3 plan was amended on August 1, 2006, December 6, 2009, and October 9, 2012. The amendments did not affect the dissolution date. Tax Incremental District No. 5 was created on April 3, 2007 and has a dissolution date of January 1, 2034. Tax Incremental District No. 6 was created on October 4, 2010 and has a dissolution date of October 4, 2037. Tax Incremental District No. 7 was created on January 1, 2013 and has a dissolution date of January 1, 2040. Tax Incremental District No. 8 was created on January 1, 2014 and has a dissolution date of January 1, 2041.

**B. Cash and Investments**

The Tax Incremental Districts invest funds in accordance with the provisions of the Wisconsin Statutes Section 66.0603 and 67.11(2). The Tax Incremental Districts maintain common cash and investment accounts with the City of Wauwatosa. Disclosures related to cash and investments can be found in Note 4 of the financial statements.

**C. Interfund Advances**

The City of Wauwatosa General Fund advanced \$5,576,000 to the City of Wauwatosa Tax Incremental District No. 6 in 2013. This advance incurs interest at a rate of 3.0%. The advance was issued to provide interim financing until the District obtains external long term financing, as such, a repayment schedule has not been established.

The City of Wauwatosa Tax Incremental District No. 2 advanced \$112,128 to the City of Wauwatosa Tax Incremental District No. 7 in 2013. This advance incurs interest at a rate of 3%. The advance was issued to provide interim financing until the District obtains external long term financing, as such, a repayment schedule has not been established. This advance has been eliminated in the combined reporting of all of the tax incremental districts within the Special Revenue Fund Tax Incremental District Fund within the City's financial statements.

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 6 - TAX INCREMENTAL DISTRICTS 2, 3, 4, 5, 6 AND 7 (continued)**

**D. Long-term Debt**

Aggregate maturities of all long-term debt relating to Tax Incremental District No. 2 are shown below. As of December 31, 2014, \$17,830,903 is available in the Special Revenue TIF 2 for debt payments.

<u>Calendar Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 2,600,000	\$ 549,126	\$ 3,149,126
2016	3,600,000	399,626	3,999,626
2017	<u>3,350,000</u>	<u>192,626</u>	<u>3,542,626</u>
	<u>\$ 9,550,000</u>	<u>\$ 1,141,378</u>	<u>\$ 10,691,378</u>

Aggregate maturities of all long-term debt relating to Tax Incremental District No. 6 are as follows:

<u>Calendar Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 186,075	\$ 50,333	\$ 236,408
2016	213,536	46,612	260,148
2017	214,766	42,341	257,107
2018	218,458	38,046	256,504
2019	224,610	33,677	258,287
2020-2024	<u>1,125,452</u>	<u>92,007</u>	<u>1,217,459</u>
	<u>\$ 2,182,897</u>	<u>\$ 303,016</u>	<u>\$ 2,485,913</u>

Aggregate maturities of all long-term debt relating to Tax Incremental District No. 7 are as follows:

<u>Calendar Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 165,000	\$ 123,468	\$ 288,468
2016	425,000	121,638	546,638
2017	425,000	114,888	539,888
2018	425,000	106,388	531,388
2019	475,000	97,888	572,888
2020-2024	<u>3,315,000</u>	<u>331,450</u>	<u>3,646,450</u>
	<u>\$ 5,230,000</u>	<u>\$ 895,718</u>	<u>\$ 6,125,718</u>

**CITY OF WAUWATOSA, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**NOTE 6 - TAX INCREMENTAL DISTRICTS 2, 3, 4, 5, 6 AND 7 (continued)**

**E. Supplemental Information**

The Historical Summary of Project Costs, Project Revenues and Net Cost to be Recovered Through Tax Increments, and the Historical Summary of Sources, Uses, and Status of Funds are provided as supplementary schedules to these financial statements. Those schedules are prepared in accordance with accounting principles as applicable to governmental units and as defined by Wisconsin Statutes Sections 66.1105. The summary statements were prepared from data recorded in the following funds of the City of Wauwatosa.

Tax Incremental Financing Special Revenue Fund  
Redevelopment Authority Lease Revenue Bond Capital Projects Fund  
Debt Service Fund  
Capital Projects Fund

Detailed descriptions of the purpose of these funds can be found in Note 1 of the financial statements. The data was consolidated for the purpose of these schedules. Therefore, the amounts shown in the schedules will not directly correlate with amounts shown in the basic financial statements of the City of Wauwatosa, Wisconsin. In addition to the activity reported in the supplemental information described above, the City also incurred costs related to the potential creation of three additional TIF districts. The total of those costs as of December 31, 2014 was \$22,696 and is reported as part of the Tax Incremental Financing Special Revenue Fund

This information is an integral part of the accompanying financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF WAUWATOSA, WISCONSIN  
SCHEDULE OF FUNDING PROGRESS  
OTHER POSTEMPLOYMENT BENEFITS  
RETIREE HEALTH AND LIFE INSURANCE  
For the Year Ended December 31, 2014**

Year Ending	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Liability (AAL) Unit Credit Actuary Method	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
12/31/2010	10/1/2010	-	52,326,127	52,326,127	0.00%	25,443,611	205.66%
12/31/2012	12/31/2012	-	62,372,743	62,372,743	0.00%	26,256,123	237.56%
12/31/2014	12/31/2014	-	47,952,213	47,952,213	0.00%	25,310,901	189.45%

**OTHER SUPPLEMENTARY INFORMATION**

**CITY OF WAUWATOSA, WISCONSIN**  
**SCHEDULE OF REVENUES - ACTUAL AND BUDGET**  
**GENERAL FUND**  
**For the Year Ended December 31, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>TAXES</b>				
General property taxes	\$ 32,080,911	\$ 32,080,911	\$ 32,113,618	\$ 32,707
Prior year's omitted taxes	-	-	1,612	1,612
Hotel/motel room tax	930,000	900,000	942,956	42,956
Payments in lieu of taxes	420,561	408,403	428,989	20,586
Interest on taxes	100,000	100,000	106,300	6,300
Property tax chargebacks	-	-	67,352	67,352
	<u>33,531,472</u>	<u>33,489,314</u>	<u>33,660,827</u>	<u>171,513</u>
<b>INTERGOVERNMENTAL</b>				
State shared taxes	4,108,814	4,127,374	4,126,353	(1,021)
Federal grants	348,019	366,858	278,308	(88,550)
State grants	261,292	401,519	262,794	(138,725)
	<u>4,718,125</u>	<u>4,895,751</u>	<u>4,667,455</u>	<u>(228,296)</u>
<b>LICENSES AND PERMITS</b>				
Licenses	267,115	265,834	259,471	(6,363)
Permits	1,072,985	1,354,224	1,809,006	454,782
	<u>1,340,100</u>	<u>1,620,058</u>	<u>2,068,477</u>	<u>448,419</u>
<b>FINES, PENALTIES AND FORFEITURES</b>				
Court penalties and costs	660,000	660,000	525,354	(134,646)
Parking violations	540,000	480,000	395,014	(84,986)
Other penalties and fees	69,000	69,000	74,053	5,053
	<u>1,269,000</u>	<u>1,209,000</u>	<u>994,421</u>	<u>(214,579)</u>
<b>PUBLIC IMPROVEMENT REVENUES</b>				
Special assessments	20,900	22,000	34,622	12,622
<b>PUBLIC CHARGES FOR SERVICES</b>				
General government	745,550	685,465	690,070	4,605
Public safety	2,060,738	2,131,505	1,525,729	(605,776)
Health and social services	18,000	19,088	25,052	5,964
Streets and related facilities	49,350	65,500	108,358	42,858
Sanitation	195,400	136,900	147,634	10,734
	<u>3,069,038</u>	<u>3,038,458</u>	<u>2,496,843</u>	<u>(541,615)</u>
<b>INTERGOVERNMENTAL CHARGES FOR SERVICES</b>				
County				
Paramedics	100,000	100,000	61,688	(38,312)
Fire protection service	1,300,000	1,301,887	1,301,887	-
Local departments	234,181	234,181	233,181	(1,000)
	<u>1,634,181</u>	<u>1,636,068</u>	<u>1,596,756</u>	<u>(39,312)</u>
<b>COMMERCIAL REVENUES</b>				
Interest	520,000	520,000	862,778	342,778
Rentals	10,000	10,000	8,669	(1,331)
Other miscellaneous revenue	137,500	194,006	263,845	69,839
	<u>667,500</u>	<u>724,006</u>	<u>1,135,292</u>	<u>411,286</u>
<b>TOTAL REVENUES</b>	<u>\$ 46,250,316</u>	<u>\$ 46,634,655</u>	<u>\$ 46,654,693</u>	<u>\$ 20,038</u>

**CITY OF WAUWATOSA, WISCONSIN**  
**SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET**  
**GENERAL FUND**  
**For the Year Ended December 31, 2014**

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>GENERAL GOVERNMENT</b>				
Common council	\$ 175,684	\$ 173,798	\$ 159,513	\$ 14,285
Board of public works	-	-	-	-
Youth commission	1,560	3,499	4,306	(807)
Historic preservation commission	1,020	1,020	256	764
Municipal court	343,648	344,067	311,664	32,403
Mayor	134,072	147,464	150,718	(3,254)
Administrator	399,967	450,181	377,247	72,934
Clerk	349,736	353,389	386,231	(32,842)
Elections	246,365	243,378	232,071	11,307
Human resources	497,614	729,756	724,126	5,630
Comptroller	520,205	520,955	513,318	7,637
Assessor	658,233	635,594	574,112	61,482
Purchasing	117,507	112,088	112,657	(569)
Treasurer	344,174	349,170	361,403	(12,233)
Attorney	1,089,725	1,039,249	1,080,270	(41,021)
City Planning	597,683	660,311	385,406	274,905
Senior commission	3,060	3,097	3,411	(314)
Return of property taxes	-	368,466	446,775	(78,309)
	<u>5,480,253</u>	<u>6,135,482</u>	<u>5,823,484</u>	<u>311,998</u>
<b>PROTECTION OF PERSONS AND PROPERTY</b>				
Police department	14,706,537	14,714,488	13,908,090	806,398
Police station	283,365	288,015	273,788	14,227
Police reserves	13,100	13,100	13,514	(414)
Crossing guards	241,940	273,868	282,010	(8,142)
Fire department	12,707,766	12,684,784	12,594,043	90,741
Fire equipment reserve	35,000	54,867	8,837	46,030
Safety and building	786,428	790,722	797,979	(7,257)
Sealer of weights and measures	10,800	10,800	10,800	-
Traffic control and regulation	436,335	436,335	355,831	80,504
Property maintenance program	103,952	103,952	116,333	(12,381)
	<u>29,325,223</u>	<u>29,370,931</u>	<u>28,361,225</u>	<u>1,009,706</u>
<b>HEALTH AND SANITATION</b>				
Solid waste management	2,118,749	2,174,743	2,182,192	(7,449)
Health care services	1,432,522	1,460,085	1,445,049	15,036
	<u>3,551,271</u>	<u>3,634,828</u>	<u>3,627,241</u>	<u>7,587</u>

**CITY OF WAUWATOSA, WISCONSIN**  
**SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET**  
**GENERAL FUND (Concluded)**  
**For the Year Ended December 31, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>HIGHWAY AND TRANSPORTATION</b>				
Engineering	\$ 973,960	\$ 875,400	\$ 531,072	\$ 344,328
Public works operations management	436,656	445,086	626,083	(180,997)
Roadway maintenance	2,385,370	2,588,277	2,607,511	(19,234)
Electrical services	1,022,001	1,028,286	1,055,960	(27,674)
Public works facilities outside	18,699	107,389	99,432	7,957
	<u>4,836,686</u>	<u>5,044,438</u>	<u>4,920,058</u>	<u>124,380</u>
<b>EDUCATION AND RECREATION</b>				
Fourth of July celebration	43,789	43,789	46,355	(2,566)
	<u>43,789</u>	<u>43,789</u>	<u>46,355</u>	<u>(2,566)</u>
<b>CONSERVATION AND DEVELOPMENT</b>				
Forestry	1,312,030	1,324,426	1,347,495	(23,069)
Economic development	184,133	228,854	175,714	53,140
	<u>1,496,163</u>	<u>1,553,280</u>	<u>1,523,209</u>	<u>30,071</u>
<b>UNCLASSIFIED</b>				
Visit Milwaukee	319,819	319,819	319,819	-
Write-off of uncollectible receivables	15,000	15,000	14,815	185
Milwaukee Area Domestic Animal Control Commission	53,000	53,000	50,240	2,760
Unclassified payroll	54,544	123,722	(1,613)	125,335
Other	87,373	21,470	-	21,470
	<u>529,736</u>	<u>533,011</u>	<u>383,261</u>	<u>149,750</u>
<b>CAPITAL OUTLAY</b>				
Intergovernmental expenditures	100,000	127,500	281,180	(153,680)
	<u>\$ 45,363,121</u>	<u>\$ 46,443,259</u>	<u>\$ 44,966,013</u>	<u>\$ 1,477,246</u>

**CITY OF WAUWATOSA, WISCONSIN  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2014**

	Special Revenue Funds				Debt Service Fund	Capital Projects		Totals
	Special Assessments	Community Development Block Grant	Parks	Public Library		Information Systems Equipment	Redevelopment Authority Lease Revenue Bond Fund	
<b>ASSETS</b>								
Cash and cash equivalents	\$ -	\$ -	\$ 775,312	\$ 192,330	\$ 2,212,545	\$ 192,397	\$ -	\$ 3,372,584
Taxes receivable	115,706	-	-	-	3,968,080	-	-	4,083,786
Special assessments receivable:								
Due in installments	504,138	-	-	-	-	-	-	504,138
Deferred	18,175	-	-	-	-	-	-	18,175
Other accrued receivables	-	70,643	12,497	-	-	-	-	83,140
<b>TOTAL ASSETS</b>	<b>\$ 638,019</b>	<b>\$ 70,643</b>	<b>\$ 787,809</b>	<b>\$ 192,330</b>	<b>\$ 6,180,625</b>	<b>\$ 192,397</b>	<b>\$ -</b>	<b>\$ 8,061,823</b>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>								
<b>LIABILITIES</b>								
Accounts payable	\$ 26,993	\$ -	\$ 2,923	\$ -	\$ -	\$ 29,178	\$ -	\$ 59,094
Due to other funds	88,713	50,325	-	-	-	-	-	139,038
Unearned revenue	-	20,245	-	-	-	-	-	20,245
Total liabilities	115,706	70,570	2,923	-	-	29,178	-	218,377
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Subsequent year tax levy	-	-	-	-	3,968,080	-	-	3,968,080
Special Assessments	522,313	-	-	-	-	-	-	522,313
Total Deferred Inflows	522,313	-	-	-	3,968,080	-	-	4,490,393
<b>FUND BALANCES</b>								
Restricted	-	73	-	-	2,212,545	-	-	2,212,618
Assigned	-	-	784,886	192,330	-	163,219	-	1,140,435
Total fund balances	-	73	784,886	192,330	2,212,545	163,219	-	3,353,053
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<b>\$ 638,019</b>	<b>\$ 70,643</b>	<b>\$ 787,809</b>	<b>\$ 192,330</b>	<b>\$ 6,180,625</b>	<b>\$ 192,397</b>	<b>\$ -</b>	<b>\$ 8,061,823</b>

**CITY OF WAUWATOSA, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended December 31, 2014**

	Special Revenue Funds				Debt Service Fund	Capital Projects		Totals
	Special Assessments	Community Development Block Grant	Parks	Public Library		Information Systems Equipment	Redevelopment Authority Lease Revenue Bond Fund	
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ 2,342,019	\$ 3,493,931	\$ -	\$ -	\$ 5,835,950
Intergovernmental revenues	-	933,635	-	-	-	-	-	933,635
Public improvement revenues	652,913	-	-	-	-	-	-	652,913
Public charges for services	-	-	348,440	417,871	-	-	-	766,311
Commercial revenues	-	-	21,007	4,588	157,697	-	-	183,292
Total revenues	<u>652,913</u>	<u>933,635</u>	<u>369,447</u>	<u>2,764,478</u>	<u>3,651,628</u>	<u>-</u>	<u>-</u>	<u>8,372,101</u>
<b>EXPENDITURES</b>								
Current:								
Education and recreation	-	-	938,062	2,762,407	-	-	-	3,700,469
Conservation and development	-	933,562	-	-	-	-	-	933,562
Operation and maintenance	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	3,481,398	-	2,500,000	5,981,398
Interest	-	-	-	-	1,118,287	-	679,152	1,797,439
Capital Outlay	-	-	32,669	-	-	32,338	-	65,007
Total expenditures	<u>-</u>	<u>933,562</u>	<u>970,731</u>	<u>2,762,407</u>	<u>4,599,685</u>	<u>32,338</u>	<u>3,179,152</u>	<u>12,477,875</u>
Excess of revenues over (under) expenditures	<u>652,913</u>	<u>73</u>	<u>(601,284)</u>	<u>2,071</u>	<u>(948,057)</u>	<u>(32,338)</u>	<u>(3,179,152)</u>	<u>(4,105,774)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Premium on debt	-	-	-	-	107,800	-	-	107,800
Debt issuance	-	-	-	-	-	-	-	-
Transfers in	-	-	932,008	-	736,657	91,583	3,179,125	4,939,373
Transfers out	(652,913)	-	(249,318)	-	-	-	-	(902,231)
Net change in fund balances	-	73	81,406	2,071	(103,600)	59,245	(27)	39,168
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>703,480</u>	<u>190,259</u>	<u>2,316,145</u>	<u>103,974</u>	<u>27</u>	<u>3,313,885</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ -</u>	<u>\$ 73</u>	<u>\$ 784,886</u>	<u>\$ 192,330</u>	<u>\$ 2,212,545</u>	<u>\$ 163,219</u>	<u>\$ -</u>	<u>\$ 3,353,053</u>

**CITY OF WAUWATOSA, WISCONSIN**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUND SPECIAL ASSESSMENTS FUND**  
**For the Year Ended December 31, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Public improvement revenues	\$ 600,000	\$ 600,000	\$ 652,913	\$ 52,913
Total revenues	600,000	600,000	652,913	52,913
 <b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(600,000)	(600,000)	(652,913)	(52,913)
Net change in fund balance	\$ -	\$ -	-	\$ -
 <b>FUND BALANCE - BEGINNING OF YEAR</b>			-	
<b>FUND BALANCE - END OF YEAR</b>			\$ -	

**CITY OF WAUWATOSA, WISCONSIN**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUND COMMUNITY DEVELOPMENT BLOCK GRANT FUND**  
**For the Year Ended December 31, 2014**

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES</b>				
Intergovernmental revenues	\$ 905,241	\$ 905,241	\$ 933,635	\$ 28,394
Total revenues	<u>905,241</u>	<u>905,241</u>	<u>933,635</u>	<u>28,394</u>
<b>EXPENDITURES</b>				
Conservation and development	905,241	905,241	933,562	(28,321)
Total expenditures	<u>905,241</u>	<u>905,241</u>	<u>933,562</u>	<u>(28,321)</u>
 Net change in fund balance	 <u>\$ -</u>	 <u>\$ -</u>	 73	 <u>\$ 73</u>
 <b>FUND BALANCE - BEGINNING OF YEAR</b>			 <u>-</u>	
 <b>FUND BALANCE - END OF YEAR</b>			 <u>\$ 73</u>	

**CITY OF WAUWATOSA, WISCONSIN  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL  
SPECIAL REVENUE FUND PARKS FUND  
For the Year Ended December 31, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Public charges for services	\$ 265,000	\$ 265,000	\$ 348,440	\$ 83,440
Commercial revenues	72,950	72,950	21,007	(51,943)
Total revenues	337,950	337,950	369,447	31,497
<b>EXPENDITURES</b>				
Education and recreation	1,034,240	1,034,240	938,062	96,178
Capital outlay	-	-	32,669	(32,669)
Total expenditures	1,034,240	1,034,240	970,731	63,509
Excess of revenues over (under) expenditures	(696,290)	(696,290)	(601,284)	95,006
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	932,008	932,008	932,008	-
Transfers out	(235,718)	(235,718)	(249,318)	(13,600)
Net change in fund balance	\$ -	\$ -	81,406	\$ 81,406
<b>FUND BALANCE - BEGINNING OF YEAR</b>			703,480	
<b>FUND BALANCE - END OF YEAR</b>			\$ 784,886	

**CITY OF WAUWATOSA, WISCONSIN**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUND PUBLIC LIBRARY FUND**  
**For the Year Ended December 31, 2014**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>REVENUES</b>				
Taxes	\$ 2,374,726	\$ 2,374,726	\$ 2,342,019	\$ (32,707)
Public charges for services	132,720	132,720	417,871	285,151
Commercial revenues	270,965	270,965	4,588	(266,377)
Total revenues	2,778,411	2,778,411	2,764,478	(13,933)
<b>EXPENDITURES</b>				
Education and recreation	2,778,411	2,778,411	2,762,407	16,004
Total expenditures	2,778,411	2,778,411	2,762,407	16,004
Net change in fund balance	\$ -	\$ -	2,071	\$ 2,071
<b>FUND BALANCE - BEGINNING OF YEAR</b>			190,259	
<b>FUND BALANCE - END OF YEAR</b>			\$ 192,330	

**CITY OF WAUWATOSA, WISCONSIN**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**DEBT SERVICE FUND**  
**For the Year Ended December 31, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 3,493,931	\$ 3,493,931	\$ 3,493,931	\$ -
Commercial revenues	110,473	83,730	157,697	73,967
Total revenues	3,604,404	3,577,661	3,651,628	73,967
<b>EXPENDITURES</b>				
Debt service				
Principal	3,494,209	3,481,384	3,481,398	(14)
Interest and other fiscal charges	1,127,406	1,120,228	1,118,287	1,941
Total expenditures	4,621,615	4,601,612	4,599,685	1,927
Excess of revenues over expenditures	(1,017,211)	(1,023,951)	(948,057)	75,894
<b>OTHER FINANCING SOURCES (USES)</b>				
Premium on long-term debt	-	-	107,800	107,800
Transfers in	925,211	940,874	736,657	(204,217)
Net change in fund balance	\$ (92,000)	\$ (83,077)	(103,600)	\$ (20,523)
<b>FUND BALANCE - BEGINNING OF YEAR</b>			2,316,145	
<b>FUND BALANCE - END OF YEAR</b>			\$ 2,212,545	

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

**CITY OF WAUWATOSA, WISCONSIN  
TAX INCREMENTAL DISTRICT NO. 2  
HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES  
AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS  
From Date of Creation Through December 31, 2014**

	<b>2014</b>	<b>From Date of Creation</b>
<b>PROJECT COSTS</b>		
Capital Expenditures	\$ 53,991	\$ 17,695,002
Administration	-	725,555
Interest and Fiscal Charges	679,125	17,669,399
Debt Issuance Costs	-	681,414
Developers Grants/Incentive	434,760	17,291,031
Total Costs	1,167,876	54,062,401
<b>PROJECT REVENUES</b>		
Tax Increments	5,037,418	47,328,886
Investment Income	17,868	3,507,446
Exempt Computer Aid	1,259,396	8,827,264
Sale of Land	-	2,637,347
Miscellaneous Revenue	-	42,361
Total Revenues	6,314,682	62,343,304
<b>NET COST RECOVERABLE THROUGH TIF INCREMENTS - DECEMBER 31, 2014</b>	<b>\$ 5,146,806</b>	<b>\$ 8,280,903</b>

This schedule was prepared from data recorded in the following funds of the City:

- Tax Incremental District Special Revenue Fund
- Redevelopment Authority Lease Revenue Bond Capital Projects Fund
- Debt Service Fund
- General Obligation Debt Issue Capital Projects Fund

The data was consolidated for purposes of this schedule and therefore, amounts shown will not directly correlate with the amounts shown in the financial statements.

**CITY OF WAUWATOSA, WISCONSIN  
TAX INCREMENTAL DISTRICT NO. 2  
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS  
From Date of Creation Through December 31, 2014**

	<b>2014</b>	<b>From Date of Creation</b>
<b>SOURCES OF FUNDS</b>		
Tax Increments	\$ 5,037,418	\$ 47,328,886
Investment Income	17,868	3,507,446
Long-Term Debt Issued	-	44,835,000
Exempt Computer Aid	1,259,396	8,827,264
Sale of Land	-	2,637,347
Miscellaneous Revenues	-	42,361
Total Sources	6,314,682	107,178,304
<b>USES OF FUNDS</b>		
Capital Expenditures	53,991	17,695,002
Administration	-	725,555
Interest on Long-Term Debt	679,125	17,669,399
Principal on Long-Term Debt	2,500,000	35,285,000
Developers Grants/Incentive	434,760	17,291,031
Debt Issuance Costs	-	681,414
Total Uses	3,667,876	89,347,401
<b>Net change in fund balance</b>	2,646,806	17,830,903
<b>BEGINNING FUND BALANCE</b>	15,184,097	-
<b>ENDING FUND BALANCE</b>	\$ 17,830,903	\$ 17,830,903
<b>RECONCILIATION OF RECOVERABLE COSTS</b>		
Fund balance		\$ 17,830,903
Principal balance of outstanding long-term debt		(9,550,000)
<b>NET COST RECOVERABLE THROUGH TIF INCREMENTS - DECEMBER 31, 2014</b>		<b>\$ 8,280,903</b>

This schedule was prepared from data recorded in the following funds of the City:  
Tax Incremental District Special Revenue Fund  
Redevelopment Authority Lease Revenue Bond Capital Projects Fund  
Debt Service Fund  
General Obligation Debt Issue Capital Projects Fund

The data was consolidated for purposes of this schedule and therefore, amounts shown will not directly correlate with the amounts shown in the financial statements.

**CITY OF WAUWATOSA, WISCONSIN  
TAX INCREMENTAL DISTRICT NO. 3  
HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES  
AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS  
From Date of Creation Through December 31, 2014**

	<b>2014</b>	<b>From Date of Creation</b>
<b>PROJECT COSTS</b>		
Capital Expenditures	\$ 24,754	\$ 7,243,858
Developer Incentive	(188,047)	1,691,953
Distribution to TID 8	2,725,777	2,725,777
Total Costs	2,562,484	11,661,588
<b>PROJECT REVENUES</b>		
Tax Increments	2,029,387	10,984,586
Investment Income	2,296	134,928
Exempt Computer Aid	7,167	129,115
Grants	-	397,959
Developer Fees	-	15,000
Total Revenues	2,038,850	11,661,588
<b>NET COST RECOVERED THROUGH TIF INCREMENTS - DECEMBER 31, 2014</b>	<b>\$ (523,634)</b>	<b>\$ -</b>

This schedule was prepared from data recorded in the following funds of the City:

- Tax Incremental District Special Revenue Fund
- Redevelopment Authority Lease Revenue Bond Capital Projects Fund
- General Obligation Debt Issue Capital Projects Fund
- General Fund

The data was consolidated for purposes of this schedule and therefore, amounts shown will not directly correlate with the amounts shown in the financial statements.

**CITY OF WAUWATOSA, WISCONSIN  
TAX INCREMENTAL DISTRICT NO. 3  
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS  
From Date of Creation Through December 31, 2014**

	<b>2014</b>	<b>From Date of Creation</b>
<b>SOURCES OF FUNDS</b>		
Tax Increments	\$ 2,029,387	\$ 10,984,586
Investment Income	2,296	134,928
Exempt Computer Aid	7,167	129,115
Grants	-	397,959
Long Term Debt Issued	-	1,880,000
Developer Fees	-	15,000
Total Sources	2,038,850	13,541,588
<b>USES OF FUNDS</b>		
Capital Expenditures	24,754	7,243,858
Developer Incentive	(188,047)	1,691,953
Debt Service Principal	1,812,460	1,880,000
Distribution to TID 8	2,725,777	2,725,777
Total Uses	4,374,944	13,541,588
<b>Net change in fund balance</b>	(2,336,094)	-
<b>BEGINNING FUND BALANCE</b>	2,336,094	-
<b>ENDING FUND BALANCE</b>	\$ -	\$ -
<b>RECONCILIATION OF RECOVERABLE COSTS</b>		
Fund balance		\$ -
Principal balance of outstanding municipal revenue obligation		-
<b>NET COST RECOVERABLE THROUGH TIF INCREMENTS - DECEMBER 31, 2014</b>		\$ -

This schedule was prepared from data recorded in the following funds of the City:

- Tax Incremental District Special Revenue Fund
- Debt Service Fund
- General Obligation Debt Issue Capital Projects Fund
- General Fund

The data was consolidated for purposes of this schedule and therefore, amounts shown will not directly correlate with the amounts shown in the financial statements.

**CITY OF WAUWATOSA, WISCONSIN  
 TAX INCREMENTAL DISTRICT NO. 5  
 HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES  
 AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS  
 From Date of Creation Through December 31, 2014**

	<b>2014</b>	<b>From Date of Creation</b>
<b>PROJECT COSTS</b>		
Capital Expenditures	\$ 1,091	\$ 11,841
Developer Incentive	-	1,800,000
Total Costs	1,091	1,811,841
<b>PROJECT REVENUES</b>		
Tax Increments	344,139	976,440
Investment Income	163	615
Exempt Computer Aid	23,216	56,992
Developer Fees	-	5,000
Total Revenues	367,518	1,039,047
<b>NET COST RECOVERABLE THROUGH TIF INCREMENTS - DECEMBER 31, 2014</b>	<b>\$ 366,427</b>	<b>\$ (772,794)</b>

This schedule was prepared from data recorded in the following funds of the City:  
 Tax Incremental District Special Revenue Fund  
 Debt Service Fund  
 General Obligation Debt Issue Capital Projects Fund

The data was consolidated for purposes of this schedule and therefore, amounts shown will not directly correlate with the amounts shown in the financial statements.

**CITY OF WAUWATOSA, WISCONSIN  
TAX INCREMENTAL DISTRICT NO. 5  
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS  
From Date of Creation Through December 31, 2014**

	<u>2014</u>	<u>From Date of Creation</u>
<b>SOURCES OF FUNDS</b>		
Tax Increments	\$ 344,139	\$ 976,440
Exempt Computer Aid	23,216	56,992
Investment Income	163	615
Long-Term Debt Issued	-	1,800,000
Developer Fees	-	5,000
Total Sources	<u>367,518</u>	<u>2,839,047</u>
<b>USES OF FUNDS</b>		
Capital Expenditures	1,091	11,841
Developer Incentive	-	1,800,000
Debt service principal	<u>344,139</u>	<u>972,043</u>
Total Uses	<u>345,230</u>	<u>2,783,884</u>
<b>Net change in fund balance</b>	22,288	55,163
<b>BEGINNING FUND BALANCE</b>	<u>32,875</u>	<u>-</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 55,163</u>	<u>\$ 55,163</u>
<b>RECONCILIATION OF RECOVERABLE COSTS</b>		
Fund balance		\$ 55,163
Principal balance of outstanding municipal revenue obligation		<u>(827,957)</u>
<b>NET COST RECOVERABLE THROUGH TIF INCREMENTS - DECEMBER 31, 2014</b>		<u>\$ (772,794)</u>

This schedule was prepared from data recorded in the following funds of the City:

- Tax Incremental District Special Revenue Fund
- Debt Service Fund
- General Obligation Debt Issue Capital Projects Fund

The data was consolidated for purposes of this schedule and therefore, amounts shown will not directly correlate with the amounts shown in the financial statements.

**CITY OF WAUWATOSA, WISCONSIN  
TAX INCREMENTAL DISTRICT NO. 6  
HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES  
AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS  
From Date of Creation Through December 31, 2014**

	<b>2014</b>	<b>From Date of Creation</b>
<b>PROJECT COSTS</b>		
Capital Expenditures	\$ 3,185,169	\$ 13,268,326
Interest and Fiscal Charges	220,683	428,542
Total Costs	3,405,852	13,696,868
<b>PROJECT REVENUES</b>		
Tax Increments	325,092	646,066
Investment Income	357	3,168
Grants	1,984,007	4,253,289
Premium on long-term debt	504	504
Developer Fees	-	15,000
Total Revenues	2,309,960	4,918,027
<b>NET COST RECOVERABLE THROUGH TIF INCREMENTS - DECEMBER 31, 2014</b>	<b>\$ (1,095,892)</b>	<b>\$ (8,778,841)</b>

This schedule was prepared from data recorded in the following funds of the City:

- Tax Incremental District Special Revenue Fund
- Debt Service Fund
- General Obligation Debt Issue Capital Projects Fund
- General Fund

The data was consolidated for purposes of this schedule and therefore, amounts shown will not directly correlate with the amounts shown in the financial statements.

**CITY OF WAUWATOSA, WISCONSIN  
TAX INCREMENTAL DISTRICT NO. 6  
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS  
From Date of Creation Through December 31, 2014**

	<b>2014</b>	<b>From Date of Creation</b>
<b>SOURCES OF FUNDS</b>		
Tax Increments	\$ 325,092	\$ 646,066
Investment Income	357	3,168
Grants	1,984,007	4,253,289
Premium on long-term debt	504	504
Long-term debt issued	2,050,000	2,203,815
Developer fees	-	15,000
Total sources	4,359,960	7,121,842
<b>USES OF FUNDS</b>		
Capital Expenditures	3,185,169	13,268,326
Principal on Long-Term Debt	6,153	20,918
Interest on Long-Term Debt	3,152	9,684
Interest on Advances	217,531	418,858
Total Uses	3,412,005	13,717,786
<b>Net change in fund balance</b>	947,955	(6,595,944)
<b>BEGINNING FUND BALANCE</b>	(7,543,899)	-
<b>ENDING FUND BALANCE</b>	\$ (6,595,944)	\$ (6,595,944)
<b>RECONCILIATION OF RECOVERABLE COSTS</b>		
Fund balance		\$ (6,595,944)
Principal balance of outstanding long-term debt		(2,182,897)
<b>NET COST RECOVERABLE THROUGH TIF INCREMENTS - DECEMBER 31, 2014</b>		<b>\$ (8,778,841)</b>

This schedule was prepared from data recorded in the following funds of the City:

- Tax Incremental District Special Revenue Fund
- Debt Service Fund
- General Obligation Debt Issue Capital Projects Fund
- General Fund

The data was consolidated for purposes of this schedule and therefore, amounts shown will not directly correlate with the amounts shown in the financial statements.

**CITY OF WAUWATOSA, WISCONSIN  
TAX INCREMENTAL DISTRICT NO. 7  
HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES  
AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS  
From Date of Creation Through December 31, 2014**

	<b>2014</b>	<b>From Date of Creation</b>
<b>PROJECT COSTS</b>		
Capital Expenditures	\$ 156,208	\$ 268,335
Total Costs	156,208	268,335
 <b>PROJECT REVENUES</b>		
Investment income	384	384
Developer fees	15,000	15,000
Premium on long-term debt	41,584	41,584
Total Revenues	56,968	56,968
 <b>NET COST RECOVERABLE THROUGH TIF INCREMENTS - DECEMBER 31, 2014</b>		
	\$ (99,240)	\$ (211,367)

This schedule was prepared from data recorded in the following funds of the City:

- Tax Incremental District Special Revenue Fund
- Debt Service Fund
- General Obligation Debt Issue Capital Projects Fund
- General Fund

The data was consolidated for purposes of this schedule and therefore, amounts shown will not directly correlate with the amounts shown in the financial statements.

**CITY OF WAUWATOSA, WISCONSIN  
TAX INCREMENTAL DISTRICT NO. 7  
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS  
From Date of Creation Through December 31, 2014**

	<b>2014</b>	<b>From Date of Creation</b>
<b>SOURCES OF FUNDS</b>		
Investment income	\$ 384	\$ 384
Developer fees	15,000	15,000
Premium on long-term debt	41,584	41,584
Long-term debt issued	5,230,000	5,230,000
Total sources	5,286,968	5,286,968
<b>USES OF FUNDS</b>		
Capital Expenditures	156,208	268,335
Total Uses	156,208	268,335
<b>Net change in fund balance</b>	5,130,760	5,018,633
<b>BEGINNING FUND BALANCE</b>	(112,127)	-
<b>ENDING FUND BALANCE</b>	\$ 5,018,633	\$ 5,018,633
<b>RECONCILIATION OF RECOVERABLE COSTS</b>		
Fund balance		\$ 5,018,633
Principal balance of outstanding long-term debt		(5,230,000)
<b>NET COST RECOVERABLE THROUGH TIF INCREMENTS - DECEMBER 31, 2014</b>		\$ (211,367)

This schedule was prepared from data recorded in the following funds of the City:  
Tax Incremental District Special Revenue Fund  
Debt Service Fund  
General Obligation Debt Issue Capital Projects Fund  
General Fund

The data was consolidated for purposes of this schedule and therefore, amounts shown will not directly correlate with the amounts shown in the financial statements.

**CITY OF WAUWATOSA, WISCONSIN  
TAX INCREMENTAL DISTRICT NO. 8  
HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES  
AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS  
From Date of Creation Through December 31, 2014**

	<b>2014</b>	<b>From Date of Creation</b>
<b>PROJECT COSTS</b>		
Capital Expenditures	\$ 300,090	\$ 300,090
Developer incentive	1,500,000	1,500,000
Total Costs	1,800,090	1,800,090
 <b>PROJECT REVENUES</b>		
Investment income	185	185
Distribution from TID 3	2,725,777	2,725,777
Total Revenues	2,725,962	2,725,962
 <b>NET COST RECOVERABLE THROUGH TIF INCREMENTS - DECEMBER 31, 2014</b>		
	\$ 925,872	\$ 925,872

This schedule was prepared from data recorded in the following funds of the City:

- Tax Incremental District Special Revenue Fund
- Debt Service Fund
- General Obligation Debt Issue Capital Projects Fund
- General Fund

The data was consolidated for purposes of this schedule and therefore, amounts shown will not directly correlate with the amounts shown in the financial statements.

**CITY OF WAUWATOSA, WISCONSIN  
TAX INCREMENTAL DISTRICT NO. 8  
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS  
From Date of Creation Through December 31, 2014**

	<b>2014</b>	<b>From Date of Creation</b>
<b>SOURCES OF FUNDS</b>		
Investment income	\$ 185	\$ 185
Distribution from TID 3	2,725,777	2,725,777
Long-Term Debt Issued	1,500,000	1,500,000
Total sources	4,225,962	4,225,962
<b>USES OF FUNDS</b>		
Capital Expenditures	300,090	300,090
Developer incentive	1,500,000	1,500,000
Total Uses	1,800,090	1,800,090
 <b>Net change in fund balance</b>	 2,425,872	 2,425,872
 <b>BEGINNING FUND BALANCE</b>	 -	 -
 <b>ENDING FUND BALANCE</b>	 \$ 2,425,872	 \$ 2,425,872
 <b>RECONCILIATION OF RECOVERABLE COSTS</b>		
Fund balance		\$ 2,425,872
Principal balance of outstanding municipal revenue obligation		(1,500,000)
 <b>NET COST RECOVERABLE THROUGH TIF INCREMENTS - DECEMBER 31, 2014</b>		 \$ 925,872

This schedule was prepared from data recorded in the following funds of the City:

- Tax Incremental District Special Revenue Fund
- Debt Service Fund
- General Obligation Debt Issue Capital Projects Fund
- General Fund

The data was consolidated for purposes of this schedule and therefore, amounts shown will not directly correlate with the amounts shown in the financial statements.

**CITY OF WAUWATOSA, WISCONSIN  
COMBINING STATEMENT OF NET POSITION  
PROPRIETARY FUND - INTERNAL SERVICE FUNDS  
DECEMBER 31, 2014**

	Fleet Maintenance	Public Works Building	Risk Management		Information Systems	Municipal Building Complex	Total Internal Service Funds
			General Liability	Employee Insurance			
<b>ASSETS</b>							
<b>CURRENT ASSETS</b>							
Cash and cash equivalents	\$ 468,126	\$ 166,659	\$ 913,176	\$ 4,868,908	\$ 537,437	\$ 365,996	\$ 7,320,302
Receivables, net	30,472	3,730	-	65,498	-	-	99,700
Inventories	124,011	-	-	-	-	-	124,011
Total current assets	<u>622,609</u>	<u>170,389</u>	<u>913,176</u>	<u>4,934,406</u>	<u>537,437</u>	<u>365,996</u>	<u>7,544,013</u>
<b>NONCURRENT ASSETS</b>							
Investment in Cities and Villages Mutual Insurance Company	-	-	964,506	-	-	-	964,506
Capital assets:							
Land	-	22,617	-	-	-	-	22,617
Buildings	-	1,429,843	-	-	-	-	1,429,843
Machinery and equipment	11,454,782	20,371	-	-	755,874	-	12,231,027
Construction in Progress	-	-	-	-	-	-	-
Less: Accumulated depreciation	<u>(7,752,869)</u>	<u>(1,255,413)</u>	<u>-</u>	<u>-</u>	<u>(349,544)</u>	<u>-</u>	<u>(9,357,826)</u>
Total capital assets, net	<u>3,701,913</u>	<u>217,418</u>	<u>-</u>	<u>-</u>	<u>406,330</u>	<u>-</u>	<u>4,325,661</u>
Total assets	<u>4,324,522</u>	<u>387,807</u>	<u>1,877,682</u>	<u>4,934,406</u>	<u>943,767</u>	<u>365,996</u>	<u>12,834,180</u>
<b>LIABILITIES</b>							
<b>CURRENT LIABILITIES</b>							
Accounts payable	1,471	-	56,130	850,223	975	72	908,871
Accrued liabilities	42,904	15,219	-	-	20,790	11,924	90,837
Total current liabilities	<u>44,375</u>	<u>15,219</u>	<u>56,130</u>	<u>850,223</u>	<u>21,765</u>	<u>11,996</u>	<u>999,708</u>
<b>NONCURRENT LIABILITIES</b>							
Accrued net other postemployment benefits obligation	-	-	-	21,533,139	-	-	21,533,139
Total liabilities	<u>44,375</u>	<u>15,219</u>	<u>56,130</u>	<u>22,383,362</u>	<u>21,765</u>	<u>11,996</u>	<u>22,532,847</u>
<b>NET POSITION</b>							
Net investment in capital assets	3,701,913	217,418	-	-	406,330	-	4,325,661
Unrestricted	578,234	155,170	1,821,552	(17,448,956)	515,672	354,000	(14,024,328)
Total net position	<u>\$ 4,280,147</u>	<u>\$ 372,588</u>	<u>\$ 1,821,552</u>	<u>\$ (17,448,956)</u>	<u>\$ 922,002</u>	<u>\$ 354,000</u>	<u>\$ (9,698,667)</u>

**CITY OF WAUWATOSA, WISCONSIN  
COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUND - INTERNAL SERVICE FUNDS  
For the Year Ended December 31, 2014**

	Fleet Maintenance	Public Works Building	Risk Management General Liability	Employee Insurance	Information Systems	Municipal Building Complex	Total Internal Service Funds
<b>OPERATING REVENUES</b>							
Charges for services and sales	\$ 3,283,951	\$ 647,360	\$ 654,648	\$ 8,756,695	\$ 1,235,116	\$ 873,934	\$ 15,451,704
Other operating revenues	-	726	-	1,246,120	726	-	1,247,572
Total operating revenues	<u>3,283,951</u>	<u>648,086</u>	<u>654,648</u>	<u>10,002,815</u>	<u>1,235,842</u>	<u>873,934</u>	<u>16,699,276</u>
<b>OPERATING EXPENSES</b>							
Operation and maintenance	2,615,692	613,890	95,830	10,253,978	963,698	685,030	15,228,118
Depreciation	887,918	35,547	-	-	105,040	-	1,028,505
Total operating expenses	<u>3,503,610</u>	<u>649,437</u>	<u>95,830</u>	<u>10,253,978</u>	<u>1,068,738</u>	<u>685,030</u>	<u>16,256,623</u>
Operating income (loss)	<u>(219,659)</u>	<u>(1,351)</u>	<u>558,818</u>	<u>(251,163)</u>	<u>167,104</u>	<u>188,904</u>	<u>442,653</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>							
Dividend income	-	-	63,007	-	-	-	63,007
Investment income	-	-	(363,849)	4,288	-	-	(359,561)
Gain on sale or trade of assets	60,160	-	-	-	-	-	60,160
Total Non-operating revenues (expenses)	<u>60,160</u>	<u>-</u>	<u>(300,842)</u>	<u>4,288</u>	<u>-</u>	<u>-</u>	<u>(236,394)</u>
<b>Income (loss) before transfers</b>	(159,499)	(1,351)	257,976	(246,875)	167,104	188,904	206,259
<b>CAPITAL CONTRIBUTIONS</b>	766,270	44,039	-	-	44,650	-	854,959
<b>TRANSFERS IN</b>	-	-	-	-	-	-	-
<b>TRANSFERS OUT</b>	<u>(963,902)</u>	<u>-</u>	<u>(67,000)</u>	<u>-</u>	<u>(91,583)</u>	<u>-</u>	<u>(1,122,485)</u>
Change in net assets	(357,131)	42,688	190,976	(246,875)	120,171	188,904	(61,267)
<b>NET POSITION - BEGINNING OF YEAR</b>	<u>4,637,278</u>	<u>329,900</u>	<u>1,630,576</u>	<u>(17,202,081)</u>	<u>801,831</u>	<u>165,096</u>	<u>(9,637,400)</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 4,280,147</u>	<u>\$ 372,588</u>	<u>\$ 1,821,552</u>	<u>\$ (17,448,956)</u>	<u>\$ 922,002</u>	<u>\$ 354,000</u>	<u>\$ (9,698,667)</u>

**CITY OF WAUWATOSA, WISCONSIN  
COMBINING STATEMENT OF CASH FLOWS  
PROPRIETARY FUND - INTERNAL SERVICE FUNDS  
For the Year Ended December 31, 2014**

	Fleet Maintenance	Public Works Building	Risk Management		Information Systems	Municipal Building Complex	Total Internal Service Funds
			General Liability	Employee Insurance			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Receipts from customers and users	\$ -	\$ 726	\$ -	\$ 1,246,120	\$ 726	\$ -	\$ 1,247,572
Receipts from other funds	3,355,609	647,361	654,648	8,875,207	1,235,116	873,934	15,641,875
Payments to suppliers	(1,879,223)	(277,523)	(172,525)	(9,483,747)	(512,732)	(528,923)	(12,854,673)
Payments to employees	(739,904)	(345,435)	(8,191)	(165,689)	(459,434)	(155,391)	(1,874,044)
Payments to other funds	-	-	-	-	-	-	-
Net cash provided by (used in) operating activities	<u>736,482</u>	<u>25,129</u>	<u>473,932</u>	<u>471,891</u>	<u>263,676</u>	<u>189,620</u>	<u>2,160,730</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>							
Transfers from other funds	-	-	-	-	-	-	-
Transfers to other funds	(963,902)	-	(67,000)	-	(91,583)	-	(1,122,485)
Net cash provided by (used in) noncapital financing activities	<u>(963,902)</u>	<u>-</u>	<u>(67,000)</u>	<u>-</u>	<u>(91,583)</u>	<u>-</u>	<u>(1,122,485)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>							
Proceeds from sale of property, plant, and equipment	90,330	-	-	-	167,305	-	257,635
Acquisition and construction of capital assets	(5,698)	-	-	-	(167,304)	-	(173,002)
Disposal of capital assets	-	-	-	-	-	-	-
Net cash provided by capital and related financing activities	<u>84,632</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>84,633</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Interest and dividends received	-	-	63,804	4,288	-	-	68,092
Net increase (decrease) in cash and cash equivalents	(142,788)	25,129	470,736	476,179	172,094	189,620	1,190,970
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>610,914</u>	<u>141,530</u>	<u>442,440</u>	<u>4,392,729</u>	<u>365,343</u>	<u>176,376</u>	<u>6,129,332</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 468,126</u>	<u>\$ 166,659</u>	<u>\$ 913,176</u>	<u>\$ 4,868,908</u>	<u>\$ 537,437</u>	<u>\$ 365,996</u>	<u>\$ 7,320,302</u>
Reconciliation of operating income to net cash provided by (used in) operating activities:							
Operating income (loss)	\$ (219,659)	\$ (1,351)	\$ 558,818	\$ (251,163)	\$ 167,104	\$ 188,904	\$ 442,653
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:							
Depreciation expense	887,918	35,547	-	-	105,040	-	1,028,505
(Increase) decrease:							
Accounts receivable - other	71,658	1	-	118,512	-	-	190,171
Inventories	(13,286)	-	-	-	-	-	(13,286)
Accounts payable	1,471	(9,220)	(84,886)	(239,914)	145	(359)	(332,763)
Accrued liabilities	8,380	152	-	844,456	(8,613)	1,075	845,450
Total adjustments	<u>956,141</u>	<u>26,480</u>	<u>(84,886)</u>	<u>723,054</u>	<u>96,572</u>	<u>716</u>	<u>1,718,077</u>
Net cash provided by (used in) operating activities	<u>\$ 736,482</u>	<u>\$ 25,129</u>	<u>\$ 473,932</u>	<u>\$ 471,891</u>	<u>\$ 263,676</u>	<u>\$ 189,620</u>	<u>\$ 2,160,730</u>
Non-cash capital and related financing activities:							
Capital assets contributed by City of Wauwatosa	\$ -	\$ 44,039	\$ -	\$ -	\$ 44,650	\$ -	\$ 88,689

**CITY OF WAUWATOSA, WISCONSIN  
COMBINING SCHEDULE OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
DECEMBER 31, 2014**

	Private Purpose Trust Funds					Agency Funds		
	Firemen's Special Endowment Fund	Bachman Flag Account	Land Conservation Account	Automated License Plate Reader	Total	Special Deposits	Subsequent Year's Tax Roll Collections	Total
<b>ASSETS</b>								
Cash and investments	\$ 11,351	\$ 10,382	\$ 187,796	\$ 756	\$ 210,285	\$ 111,535	\$ 59,489,970	\$ 59,601,505
Interest receivable	-	-	-	-	-	-	-	-
Taxes receivable	-	-	-	-	-	-	25,510,586	25,510,586
<b>Total assets</b>	<u>11,351</u>	<u>10,382</u>	<u>187,796</u>	<u>756</u>	<u>210,285</u>	<u>\$ 111,535</u>	<u>\$ 85,000,556</u>	<u>\$ 85,112,091</u>
<b>LIABILITIES</b>								
Special deposits	-	-	-	-	-	\$ 111,535	-	\$ 111,535
Due to other taxing units	-	-	-	-	-	-	85,000,556	85,000,556
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 111,535</u>	<u>\$ 85,000,556</u>	<u>\$ 85,112,091</u>
<b>NET POSITION - RESTRICTED</b>	<u>\$ 11,351</u>	<u>\$ 10,382</u>	<u>\$ 187,796</u>	<u>\$ 756</u>	<u>\$ 210,285</u>			

**CITY OF WAUWATOSA, WISCONSIN  
 COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 For the Year Ended December 31, 2014**

	Private Purpose Trust Funds				Total
	Firemen's Special Endowment Fund	Bachman Flag Account	Land Conservation Account	Automated License Plate Reader	
<b>ADDITIONS</b>					
Contributions	\$ -	\$ 2,250	\$ 53,914	\$ 2,173	\$ 58,337
Investment income	65	-	-	-	65
Total additions	<u>65</u>	<u>2,250</u>	<u>53,914</u>	<u>2,173</u>	<u>58,402</u>
<b>DEDUCTIONS</b>	<u>-</u>	<u>1,970</u>	<u>-</u>	<u>1,417</u>	<u>3,387</u>
Changes in net assets	65	280	53,914	756	55,015
<b>NET POSITION - BEGINNING OF YEAR</b>	<u>11,286</u>	<u>10,102</u>	<u>133,882</u>	<u>-</u>	<u>155,270</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 11,351</u>	<u>\$ 10,382</u>	<u>\$ 187,796</u>	<u>\$ 756</u>	<u>\$ 210,285</u>

**CITY OF WAUWATOSA, WISCONSIN**  
**SCHEDULE OF CHANGES IN AGENCY FUNDS**  
**For the Year Ended December 31, 2014**

	<u>12/31/2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>12/31/2014</u>
<b>PROPERTY TAX AGENCY FUND</b>				
<b>ASSETS</b>				
Cash and investments	\$ 59,471,390	\$ 59,601,505	\$ 59,471,390	\$ 59,601,505
Taxes receivable	26,552,630	25,510,586	26,552,630	25,510,586
Total assets	<u>86,024,020</u>	<u>85,112,091</u>	<u>86,024,020</u>	<u>85,112,091</u>
<b>LIABILITIES</b>				
Special deposits	47,255	111,535	47,255	111,535
Due to other taxing jurisdictions	<u>85,976,765</u>	<u>85,000,556</u>	<u>85,976,765</u>	<u>85,000,556</u>
Total liabilities	<u>\$ 86,024,020</u>	<u>\$ 85,112,091</u>	<u>\$ 86,024,020</u>	<u>\$ 85,112,091</u>

**STATISTICAL SECTION**

## STATISTICAL SECTION

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This part of City of Wauwatosa, Wisconsin's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

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### **FINANCIAL TRENDS – TABLES 1-4**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

### **REVENUE CAPACITY – TABLES 5-8**

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

### **DEBT CAPACITY – TABLES 9-13**

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

### **DEMOGRAPHIC AND ECONOMIC INFORMATION – TABLES 14-15**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

### **OPERATING INFORMATION – TABLES 16-18**

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

**City of Wauwatosa**  
**Net Position By Component**

For the fiscal years ended December 31, 2005 through 2014

	Fiscal Year			2011
	2014	2013	2012 (2)	
<b>Governmental activities:</b>				
Invested in capital assets, net of related debt	\$ 57,512,246	64,419,399	58,712,117	56,698,267
Restricted	27,481,090	17,395,491	24,825,826	27,398,789
Unrestricted	<u>(19,136,845)</u>	<u>(23,244,368)</u>	<u>(18,849,361)</u>	<u>(20,138,732)</u>
Total governmental activities net position	<u>65,856,491</u>	<u>58,570,522</u>	<u>64,688,582</u>	<u>63,958,324</u>
<b>Business-type activities:</b>				
Invested in capital assets, net of related debt	\$ 79,309,166	71,559,243	72,641,361	68,606,064
Restricted	621,020	440,543	425,000	415,318
Unrestricted	<u>7,680,686</u>	<u>12,854,297</u>	<u>4,938,581</u>	<u>7,514,749</u>
Total business-type activities net position	<u>87,610,872</u>	<u>84,854,083</u>	<u>78,004,942</u>	<u>76,536,131</u>
<b>Primary government:</b>				
Invested in capital assets, net of related debt (2)	\$ 136,821,412	135,978,642	129,296,985	123,247,838
Restricted	28,102,110	17,836,034	25,250,826	27,814,107
Unrestricted (2)	<u>(11,456,159)</u>	<u>(10,390,071)</u>	<u>(11,854,287)</u>	<u>(10,567,490)</u>
Total primary government net position	<u>153,467,363</u>	<u>143,424,605</u>	<u>142,693,524</u>	<u>140,494,455</u>

- Notes (1)** The governmental activities net assets invested in capital assets, net of related debt noted above exclude \$2,056,493 of long-term debt that was used to purchase capital assets of the business-type activities. The total government-wide net assets invested in capital assets, net of related debt include this amount as capital related
- (2)** Net Position restated in 2012 due to GASB 65 reclassifications

Table 1

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
55,833,774	54,994,906	52,707,214	49,291,155	49,751,825	51,513,029
22,180,773	18,796,636	14,790,723	13,687,516	10,914,533	14,797,505
<u>(11,643,367)</u>	<u>(10,865,485)</u>	<u>(7,168,151)</u>	<u>(5,214,359)</u>	<u>(7,594,973)</u>	<u>(14,328,674)</u>
<u>66,371,180</u>	<u>62,926,057</u>	<u>60,329,786</u>	<u>57,764,312</u>	<u>53,071,385</u>	<u>51,981,860</u>
67,042,774	61,123,517	59,015,709	56,744,295	54,965,753	51,280,324
499,147	1,061,941	1,849,354	1,809,234	1,886,005	1,428,417
<u>5,521,858</u>	<u>9,059,578</u>	<u>8,186,638</u>	<u>6,029,981</u>	<u>5,054,359</u>	<u>4,641,088</u>
<u>73,063,779</u>	<u>71,245,036</u>	<u>69,051,701</u>	<u>64,583,510</u>	<u>61,906,117</u>	<u>57,349,829</u>
120,820,055	114,061,930	109,666,430	106,035,450	104,717,578	102,793,353
22,679,920	19,858,577	16,640,077	15,496,750	12,800,538	16,225,922
<u>(4,065,016)</u>	<u>250,586</u>	<u>3,074,980</u>	<u>815,622</u>	<u>(2,540,614)</u>	<u>(9,687,586)</u>
<u>139,434,959</u>	<u>134,171,093</u>	<u>129,381,487</u>	<u>122,347,822</u>	<u>114,977,502</u>	<u>109,331,689</u>

**City of Wauwatosa**  
**Changes In Net Position**

**For the fiscal years ended December 31, 2005 through 2014**

(accrual basis of accounting)

	<b>Fiscal Year</b>		
	<b>2014</b>	<b>2013</b>	<b>2012</b>
<b>Expenses:</b>			
Governmental activities:			
General government	\$ 6,859,099	5,232,823	4,944,296
Protection of persons and property	29,206,942	32,035,870	31,971,250
Health and sanitaiton	3,631,064	3,919,856	4,894,825
Highway and transportation	7,504,667	8,679,402	7,436,831
Education and recreation	4,237,835	4,816,367	4,211,093
Conservation and development	6,641,624	8,915,617	3,100,189
Unclassified	-	392,257	390,931
Interest and Fiscal Charges	1,979,079	1,891,502	2,071,819
Total gov't activities expenses	<u>60,060,310</u>	<u>65,883,694</u>	<u>59,021,234</u>
Business-type activities:			
Water utility	\$ 7,075,139	6,262,927	6,100,282
Redevelopment Authority	-	-	-
Sanitary Sewer	6,040,772	5,412,934	6,431,091
Storm Water Management	2,121,690	2,111,893	1,856,232
	<u>15,237,601</u>	<u>13,787,754</u>	<u>14,387,605</u>
Total primary government expenses	<u>\$ 75,297,911</u>	<u>79,671,448</u>	<u>73,408,839</u>
<b>Program Revenues:</b>			
Governmental activities:			
Charges for services:			
General government	\$ 1,220,034	1,216,109	1,058,006
Protection of persons and property	4,150,664	4,261,916	3,714,073
	191,998	191,010	196,401
Highway and transportation	249,716	256,095	183,568
Education and recreation	520,639	500,162	567,066
Conservation and development	47,144	40,593	
Operating grants and contributions	3,503,698	4,122,070	
Capital grants and contributions	4,528,057	4,552,526	
Total governmental activities	<u>14,411,950</u>	<u>15,140,481</u>	<u>5,719,114</u>

Table 2

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
13,209,633	4,683,203	4,786,054	4,820,311	5,605,673	5,570,891	5,505,753
32,870,560	32,247,555	31,173,278	30,340,469	27,324,781	26,592,214	25,697,423
4,223,730	4,237,761	4,104,118	4,708,113	5,360,682	4,229,590	4,090,174
7,977,042	8,468,588	7,700,286	7,602,439	6,912,646	6,195,579	6,779,173
4,145,124	4,012,813	3,898,894	3,831,659	3,256,975	3,372,497	2,761,105
3,179,740	2,285,173	3,857,241	1,913,106	2,266,060	1,766,401	2,041,078
360,293	420,455	648,106	435,769	427,633	333,252	257,281
2,312,246	2,509,908	2,537,079	2,455,668	2,647,209	2,537,077	2,162,548
<u>68,278,368</u>	<u>58,865,456</u>	<u>58,705,056</u>	<u>56,107,534</u>	<u>53,801,659</u>	<u>50,597,501</u>	<u>49,294,535</u>
5,887,434	5,828,672	5,625,115	5,546,938	5,542,699	5,502,456	5,499,367
-	3,317	-	12,344	4,186	-	-
5,870,586	6,029,407	5,934,834	5,021,754	3,714,836	3,642,357	3,552,129
1,655,386	1,810,140	1,728,061	1,727,242	1,707,081	1,421,758	1,511,189
<u>13,413,406</u>	<u>13,671,536</u>	<u>13,288,010</u>	<u>12,308,278</u>	<u>10,968,802</u>	<u>10,566,571</u>	<u>10,562,685</u>
<u>81,691,774</u>	<u>72,536,992</u>	<u>71,993,066</u>	<u>68,415,812</u>	<u>64,770,461</u>	<u>61,164,072</u>	<u>59,857,220</u>
1,010,335	982,315	914,713	1,052,309	824,262	796,996	861,868
4,105,038	3,714,901	3,837,375	3,497,907	3,607,072	2,544,463	2,328,301
198,065	216,741	201,988	185,781	214,303	215,482	220,768
169,087	154,650	118,582	180,722	130,636	157,930	78,166
512,083	472,861	417,328	405,655	633,397	616,646	720,305
24,916	25,751	33,605	14,382	35,592	13,408	27,447
5,564,088	4,338,426	3,284,733	3,928,199	3,126,145	2,661,542	2,596,112
2,669,078	2,687,568	3,827,135	4,359,808	4,684,465	6,181,170	5,972,950
<u>14,252,690</u>	<u>12,593,213</u>	<u>12,635,459</u>	<u>13,624,763</u>	<u>13,255,872</u>	<u>13,187,637</u>	<u>12,805,917</u>

**City of Wauwatosa**

**Changes In Net Assets**

**For the fiscal years ended December 31, 2005 through 2014**

(accrual basis of accounting)

	<b>Fiscal Year</b>			
	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
Business-type activities:				
Charges for services:				
Water utility	\$ 7,232,570	7,078,366	6,688,096	6,646,997
Redevelopment Authority	-	-	-	-
Sanitary Sewer	8,001,660	7,146,181	6,564,362	6,407,642
Storm Water Management	3,372,699	2,879,393	2,366,304	2,364,806
Operating Grants and Contributions	-	-	-	-
Capital grants and contributions	216,219	225,813	581,927	511,431
Total business-type activities	<u>18,823,148</u>	<u>17,329,753</u>	<u>16,200,689</u>	<u>15,930,876</u>
Total primary government	<u>\$ 33,235,098</u>	<u>32,470,234</u>	<u>21,919,803</u>	<u>30,183,566</u>
<b>Net (Expense)/Revenue</b>				
Governmental activities	\$ (45,648,360)	(50,743,213)	(53,302,120)	(54,025,678)
Business-type activities	<u>3,585,547</u>	<u>3,541,999</u>	<u>1,813,084</u>	<u>2,517,470</u>
Total primary Government net (expense)/revenue	<u>\$ (42,062,813)</u>	<u>(47,201,214)</u>	<u>(51,489,036)</u>	<u>(51,508,208)</u>
<b>General Revenues and Other Changes in Net Assets:</b>				
Governmental activities				
Taxes:				
Property taxes, levied for general purposes	\$ 34,522,989	34,255,378	34,395,125	34,155,124
Property taxes, levied for debt service	3,493,931	2,776,684	2,160,000	2,400,000
Property taxes, levied for TIF	7,736,036	6,678,903	5,725,282	5,958,764
Other taxes	1,875,735	1,474,509	1,494,813	5,693,842
Intergovernmental revenues not restricted to specific programs	3,392,712	2,617,256	2,631,507	3,049,643
	1,047,731	104,428	1,073,904	1,266,017
Miscellaneous	-	-	-	-
Gain on sale of capital assets	26,572	-	74,449	-
Transfers	838,623	(3,282,005)	-	(910,568)
Total governmental activities	<u>52,934,329</u>	<u>44,625,153</u>	<u>-</u>	<u>51,612,822</u>

(continued)

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
6,268,519	6,334,242	6,387,918	6,513,857	5,965,097	5,918,341
-	3,328	-	40,320	429	-
6,373,824	5,663,700	5,653,414	4,658,173	3,797,977	3,679,132
2,384,661	2,410,239	1,810,003	2,000,205	1,857,315	1,791,723
-	-	-	-	-	-
49,669	378,068	2,022,978	64,315	888,583	242,985
<u>15,076,673</u>	<u>14,789,577</u>	<u>15,874,313</u>	<u>13,276,870</u>	<u>12,509,401</u>	<u>11,632,181</u>
<u>27,669,886</u>	<u>27,425,036</u>	<u>29,499,076</u>	<u>26,532,742</u>	<u>25,697,038</u>	<u>24,438,098</u>
(46,272,243)	(46,069,597)	(42,482,771)	(40,545,787)	(37,409,864)	(36,488,618)
<u>1,405,137</u>	<u>1,501,567</u>	<u>3,566,035</u>	<u>2,308,068</u>	<u>1,942,830</u>	<u>1,069,496</u>
<u>(44,867,106)</u>	<u>(44,568,030)</u>	<u>(38,916,736)</u>	<u>(38,237,719)</u>	<u>(35,467,034)</u>	<u>(35,419,122)</u>
33,577,938	33,607,934	32,731,385	31,941,799	30,316,018	29,595,960
2,250,000	1,920,000	1,775,000	2,125,000	2,760,000	2,000,000
6,287,764	5,766,889	4,510,048	3,978,988	2,598,962	2,258,102
1,457,467	1,254,858	1,399,482	1,187,410	1,204,030	1,194,560
4,314,271	4,831,001	2,620,623	2,422,741	2,572,354	2,668,742
1,786,277	1,887,512	2,829,099	3,651,881	2,203,888	2,306,386
-	-	-	-	-	8,079
410,965	42,771	84,934	22,637	10,695	45,269
<u>(367,316)</u>	<u>(645,097)</u>	<u>(731,608)</u>	<u>(91,742)</u>	<u>(2,445,974)</u>	<u>(314,992)</u>
<u>49,717,366</u>	<u>48,665,868</u>	<u>45,218,963</u>	<u>45,238,714</u>	<u>39,219,973</u>	<u>39,762,106</u>

## City of Wauwatosa

### Changes In Net Assets

For the fiscal years ended December 31, 2005 through 2014

(accrual basis of accounting)

	Fiscal Year		
	2014	2013	2012
<b>General Revenues and Other Changes in Net Assets:</b>			
Business-type activities			
Investment Income	\$ 9,865	25,137	41,857
Miscellaneous	-	-	-
Transfers	(838,623)	3,282,005	(326,467)
Total business-type activities	<u>(828,758)</u>	<u>3,307,142</u>	<u>(284,610)</u>
Total primary government	\$ <u>52,105,571</u>	<u>47,932,295</u>	<u>(284,610)</u>
<b>Change in Net Position</b>			
Governmental activities	\$ 7,285,969	(6,118,060)	(53,302,120)
Business-type activities	<u>2,756,789</u>	<u>6,849,141</u>	<u>1,528,474</u>
Total primary government	\$ <u>10,042,758</u>	<u>731,081</u>	<u>(51,773,646)</u>

(concluded)

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
44,314	46,290	46,671	170,548	277,583	241,338	166,314
-	-	-	-	-	-	1,838
<u>910,568</u>	<u>367,316</u>	<u>645,097</u>	<u>731,608</u>	<u>91,742</u>	<u>2,445,974</u>	<u>314,992</u>
<u>954,882</u>	<u>413,606</u>	<u>691,768</u>	<u>902,156</u>	<u>369,325</u>	<u>2,687,312</u>	<u>483,144</u>
<u><u>52,567,704</u></u>	<u><u>50,130,972</u></u>	<u><u>49,357,636</u></u>	<u><u>46,121,119</u></u>	<u><u>45,608,039</u></u>	<u><u>41,907,285</u></u>	<u><u>40,245,250</u></u>
(2,412,856)	3,445,123	2,596,271	2,736,192	4,692,927	1,810,109	3,273,488
<u>3,472,352</u>	<u>1,818,743</u>	<u>2,193,335</u>	<u>4,468,191</u>	<u>2,677,393</u>	<u>4,630,142</u>	<u>1,552,640</u>
<u><u>1,059,496</u></u>	<u><u>5,263,866</u></u>	<u><u>4,789,606</u></u>	<u><u>7,204,383</u></u>	<u><u>7,370,320</u></u>	<u><u>6,440,251</u></u>	<u><u>4,826,128</u></u>

**City of Wauwatosa**

**Fund Balances, Governmental Funds**

**For the fiscal years ended December 31, 2005 through 2014**

(modified accrual basis of accounting)

	Fiscal Year		
	2014	2013	2012
General Fund:			
Reserved	\$ -	-	-
Unreserved	-	-	-
Nonspendable	5,608,760	5,621,848	334,387
Restricted	-	-	-
Committed	-	242,849	500,000
Assigned	2,284,846	2,302,959	2,351,424
Unassigned	12,032,385	10,898,577	15,839,656
Total general fund	<u>19,925,991</u>	<u>19,066,233</u>	<u>19,025,467</u>
All Other Governmental Funds:			
Reserved	\$ -	-	-
Unreserved	-	-	-
Nonspendable	1,800	59,629	2,059,629
Restricted	27,811,038	17,596,944	24,885,738
Committed	-	-	-
Assigned	1,140,435	997,713	1,470,697
Unassigned	-	-	-
Total all other governmental funds	<u>28,953,273</u>	<u>18,654,286</u>	<u>28,416,064</u>
Total all governmental funds	<u>\$ 48,879,264</u>	<u>37,720,519</u>	<u>47,441,531</u> \$

**Notes (1)** GASB accounting standard changed so that after 2010, Fund Balance was no longer reported as Reserved or Unreserved.

Table 3

2011 (1)	2010	2009	2008	2007	2006	2005
-	1,814,809	1,546,856	1,581,084	8,679,723	6,316,034	6,013,375
-	16,624,027	16,589,302	16,390,848	8,150,675	10,558,579	9,826,937
348,886	-	-	-	-	-	-
-	-	-	-	-	-	-
982,506	-	-	-	-	-	-
1,400,393	-	-	-	-	-	-
16,928,646	-	-	-	-	-	-
<u>19,660,431</u>	<u>18,438,836</u>	<u>18,136,158</u>	<u>17,971,932</u>	<u>16,830,398</u>	<u>16,874,613</u>	<u>15,840,312</u>
-	975,000	975,000	975,000	975,000	11,028,975	14,020,000
-	26,089,860	29,976,196	22,239,754	20,376,722	6,340,927	1,966,649
13,139	-	-	-	-	-	-
30,401,900	-	-	-	-	-	-
-	-	-	-	-	-	-
1,255,163	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>31,670,202</u>	<u>27,064,860</u>	<u>30,951,196</u>	<u>23,214,754</u>	<u>21,351,722</u>	<u>17,369,902</u>	<u>15,986,649</u>
<u>51,330,633</u>	<u>45,503,696</u>	<u>49,087,354</u>	<u>41,186,686</u>	<u>38,182,120</u>	<u>34,244,515</u>	<u>31,826,961</u>

## City of Wauwatosa

### Change in Fund Balances, Governmental Funds

For the fiscal years ended December 31, 2005 through 2014

	Fiscal Year		
	2014	2013	2012
<b>Revenues:</b>			
Taxes	\$ 47,232,813	45,185,474	43,775,220
Intergovernmental revenues	8,879,865	9,137,594	6,764,477
Licenses & permits	2,068,477	1,719,500	1,371,438
Penalties and forfeitures	994,421	1,080,323	1,024,231
Public improvement revenues	687,535	405,240	466,471
Public charges for services	3,263,154	3,790,087	3,483,608
Intergovernmental charges for services	1,596,756	1,568,660	1,475,747
Commercial revenues	1,362,185	527,909	1,487,329
Total revenues	<u>66,085,206</u>	<u>63,414,787</u>	<u>59,848,521</u>
<b>Expenditures:</b>			
Current			
General government	\$ 5,823,484	4,785,158	4,607,161
Protection of persons and property	28,361,225	29,143,209	29,282,911
Health and sanitation	3,627,241	3,741,837	3,950,891
Highway and transportation	4,920,058	5,383,042	4,809,421
Education and recreation	3,746,824	4,166,067	3,689,289
Conservation and development	6,322,366	7,556,660	2,993,522
Unclassified	383,261	392,257	390,931
Debt service			
Principal	8,137,991	8,054,402 (1)	11,518,306
Interest	2,014,970	2,230,080	2,086,725
Debt issuance expense	-	-	-
Capital Outlay	<u>7,896,609</u>	<u>17,318,171</u>	<u>9,357,602</u>
Total gov't activities expenses	<u>71,234,029</u>	<u>82,770,883</u>	<u>72,686,759</u>

(1) Changed from prior version

Table 4

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
48,207,730	43,675,616	42,656,274	40,524,683	39,377,016	36,977,673	35,145,532
8,382,093	8,593,458	8,346,790	8,567,342	7,160,003	8,073,476	8,796,207
1,482,632	1,135,721	1,104,681	1,140,206	1,351,915	1,293,073	1,118,567
1,015,512	1,120,205	1,093,594	977,022	925,052	867,028	804,916
526,828	684,410	1,088,206	769,365	724,677	1,254,273	775,118
3,688,378	3,473,280	3,055,245	2,962,299	2,888,172	1,846,806	1,852,078
1,610,098	1,595,644	1,763,668	1,562,790	1,699,302	1,903,274	1,849,764
1,680,596	1,914,743	2,132,804	3,191,646	4,711,875	2,467,606	2,051,659
<u>66,593,867</u>	<u>62,193,077</u>	<u>61,241,262</u>	<u>59,695,353</u>	<u>58,838,012</u>	<u>54,683,209</u>	<u>52,393,841</u>
13,103,386	4,401,405	4,542,169	4,555,979	5,590,029	5,315,360	5,233,690
30,104,871	28,766,507	28,876,223	28,419,544	27,297,865	26,135,266	24,600,112
4,103,163	4,058,902	3,989,204	4,598,362	5,398,979	4,224,835	4,013,858
5,449,165	5,402,913	5,167,097	5,219,087	4,770,220	4,239,093	4,221,159
3,629,583	3,584,513	3,591,437	3,555,635	3,143,836	2,668,224	2,567,827
3,389,417	2,980,363	3,981,671	2,936,635	2,272,273	2,888,021	2,533,613
360,293	420,455	648,106	435,769	427,633	333,252	270,593
5,359,445	4,634,380	3,939,768	3,476,076	10,861,201	3,007,483	2,735,157
2,379,499	2,870,692	2,452,794	2,445,805	2,643,916	2,770,643	2,598,509
-	-	-	-	-	-	9,977
<u>4,089,973</u>	<u>9,472,649</u>	<u>11,281,959</u>	<u>6,437,889</u>	<u>3,146,717</u>	<u>3,671,167</u>	<u>3,564,563</u>
<u>71,968,795</u>	<u>66,592,779</u>	<u>68,470,428</u>	<u>62,080,781</u>	<u>65,552,669</u>	<u>55,253,344</u>	<u>52,349,058</u>

**City of Wauwatosa**

**Change in Fund Balances, Governmental Funds**

**For the fiscal years ended December 31, 2005 through 2014**

	<b>Fiscal Year</b>		
	<b>2014</b>	<b>2013</b>	<b>2012</b>
Excess of Revenues over (under) Expenditures	\$ (5,148,823)	(19,356,096)	(12,838,238)
<b>Other financing sources (uses)</b>			
Long-term debt issued	\$ 14,170,000	7,446,280	6,675,000
Premium on long-term debt	149,888	308,530	248,000
Current refunding of long term debt	-	(2,707,520)	-
Proceeds from sale of capital assets	26,572	-	74,449
Transfers in	9,536,964	20,182,405	15,023,200
Transfers out	(7,575,856)	(18,302,131)	(13,071,513)
Total other financing sources (uses)	<u>16,307,568</u>	<u>6,927,564</u>	<u>8,949,136</u>
<b><u>Net change in fund balance</u></b>	<b><u>\$ 11,158,745</u></b>	<b><u>(12,428,532)</u></b>	<b><u>(3,889,102)</u></b>
<b>Capitalized expenditures</b>	<b>\$ 6,775,678</b>	<b>9,753,817</b>	<b>5,854,961</b>
<b><u>Debt service as a percentage of non-capital expenditures</u></b>	<b>15.75%</b>	<b>14.09%</b>	<b>20.36%</b>

(concluded)

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
(5,374,928)	(4,399,702)	(7,229,166)	(2,385,428)	(6,714,657)	(570,135)	44,783
6,372,190	18,133,387	14,700,000	4,306,000	7,342,382	1,803,000	10,232,739
234,038						
-	(19,175,689)	-	-	-	-	(9,470,423)
-	425,482	42,771	79,787	2,637,347	-	-
12,483,444	11,890,805	7,912,142	7,827,888	15,401,771	8,675,727	5,862,664
<u>(7,887,807)</u>	<u>(10,457,941)</u>	<u>(7,525,079)</u>	<u>(7,315,472)</u>	<u>(14,729,238)</u>	<u>(8,343,228)</u>	<u>(5,292,118)</u>
<u>11,201,865</u>	<u>816,044</u>	<u>15,129,834</u>	<u>4,898,203</u>	<u>10,652,262</u>	<u>2,135,499</u>	<u>1,332,862</u>
<u>5,826,937</u>	<u>(3,583,658)</u>	<u>7,900,668</u>	<u>2,512,775</u>	<u>3,937,605</u>	<u>1,565,364</u>	<u>1,377,645</u>
2,339,212	7,549,893	10,976,034	6,073,284	2,498,031	1,384,436	2,844,672
11.11%	12.71%	11.12%	10.57%	21.42%	10.73%	10.77%

**City of Wauwatosa**

**Table 5**

**Assessed Value and Actual Value of Taxable Property (1)**

**For the fiscal years ended December 31, 2005 through 2014**

<b>Tax Year (2)</b>		<b>Residential</b>	<b>Commercial</b>	<b>Manufacturing</b>	<b>Personal Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Total Taxable Equalized Value</b>	<b>Ratio of Assessed To Equalized Value</b>
2014	\$	3,231,530,000	1,700,414,000	132,990,100	203,486,800	5,268,420,900	7.79	5,350,627,100	98.62%
2013	\$	3,225,257,800	1,660,469,500	142,537,700	219,465,500	5,247,730,500	7.69	4,932,992,500	106.40%
2012		3,557,809,100	1,532,562,600	150,624,700	236,029,380	5,477,025,780	7.13	4,963,918,700	110.27%
2011		3,575,341,500	1,521,180,400	143,264,800	229,286,590	5,469,073,290	7.00	5,243,279,500	104.23%
2010		3,583,232,400	1,570,482,500	147,382,000	239,912,490	5,541,009,390	6.92	5,462,436,300	101.57%
2009		3,594,851,900	1,660,614,300	85,771,400	218,861,610	5,560,099,210	6.79	5,610,122,800	99.02%
2008		3,598,965,200	1,659,249,900	92,603,100	226,997,540	5,577,815,740	6.69	5,645,219,200	97.91%
2007		3,594,385,500	1,610,133,900	89,371,500	213,868,460	5,507,759,360	6.52	5,772,851,800	96.42%
2006		3,579,597,700	1,612,629,300	99,780,800	202,953,520	5,494,961,320	6.43	5,504,957,000	99.82%
2005		2,561,055,000	1,192,610,000	79,060,200	159,691,750	3,992,416,950	8.49	5,138,676,800	78.53%

- Notes**
- (1) Includes TIF District
  - (2) 2012 represents the assessed value as of January 1st, 2012 used to calculate the tax bills sent out in December, 2012 and due in 2013 which provides for the 2013 budget levy.

**City of Wauwatosa**

**Table 6**

**Direct and Overlapping Property Tax Rates**

**For the fiscal years ended December 31, 2005 through 2014**

( Per \$1,000 of Assessed Valuation )

Fiscal Year	City Direct Rates					Overlapping Rates				
	Base Rate	Debt Service	Library	Parks (1)	Total	Sewer District	County	School District	Technical College District	State of Wisconsin
2014	\$ 6.32	0.79	0.47	0.21	7.79	1.74	5.18	7.22	1.29	0.17
2013	\$ 6.31	0.71	0.48	0.19	7.69	1.60	4.82	7.47	2.00	0.16
2012	5.97	0.53	0.45	0.18	7.13	1.47	4.57	7.46	1.92	0.15
2011	6.00	0.41	0.42	0.17	7.00	1.45	4.52	6.91	1.87	0.16
2010	5.89	0.45	0.42	0.16	6.92	1.42	4.39	7.05	1.89	0.17
2009	5.78	0.43	0.41	0.17	6.79	1.33	4.19	6.74	1.93	0.17
2008	5.94	0.34	0.41	-	6.69	1.31	4.01	6.28	1.86	0.17
2007	5.80	0.33	0.39	-	6.52	1.34	4.08	6.05	1.86	0.18
2006	5.74	0.40	0.29	-	6.43	1.30	3.93	5.67	1.77	0.18
2005	7.41	0.71	0.37	-	8.49	1.83	5.47	7.63	2.42	0.24

**Notes** (1) Parks tax rate was included in the base rate prior to 2009

**City of Wauwatosa**  
**Principal Property Tax Payers**  
**Current Year and Nine Years Ago**

Table 7

Taxpayer	2014			2005		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Mayfair Property Inc. (Mayfair Mall)	401,007,700	1	7.61%	220,695,480	1	5.53%
Bell Marquette I LLC (formerly, GE Healthcare)	57,116,600	2	1.08%			
H-D Capitol Drive LLC	43,412,000	3	0.82%	68,292,500	3	1.71%
Covenant Healthcare System Inc	38,601,600	4	0.73%	99,780,630	2	2.50%
Burleigh Mayfair LLC (Mayfair Collection Retail Stores)	34,690,100	5	0.66%			
J.C. Penney Properties Inc. (formerly J.C. Penney Company)	29,198,200	6	0.55%	19,463,280	5	0.49%
Bonstores Realty One LLC	28,402,900	7	0.54%			
Innovation Partners LLC	26,186,800	8	0.50%			
Briggs & Stratton Corp.	26,101,000	9	0.50%	22,264,700	4	0.56%
North Mayfair 8	23,950,200	10	0.45%			
Harley Davidson Inc.						
Riggs & Company				17,575,000	6	0.44%
Roundy's Foods (Jondex)				16,816,490	7	0.42%
Hillside Realty Co.				16,299,000	8	0.41%
Decade Properties Inc.				15,125,000	9	0.38%
Prime Care Health Plan				14,992,920	10	0.38%
Total	\$ 708,667,100		13.45%	511,305,000		12.81%

**City of Wauwatosa**

**Table 8**

**Property Tax Levies and Collections  
Current Year and Nine Years Ago**

Tax Levy Year	Total Tax Levy	Collected Within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collection to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy (1)
2014	\$ 39,050,136	17,838,102	45.68%	-	17,838,102	45.68%
2013	37,949,568	16,887,558	44.50%	21,000,583	37,888,141	99.84%
2012	37,030,421	17,519,851	47.31%	19,482,383	37,002,234	99.92%
2011	36,555,123	17,050,906	46.64%	19,491,622	36,542,528	99.97%
2010	36,555,123	15,773,225	43.15%	20,768,751	36,541,976	99.96%
2009	35,827,935	17,390,008	48.54%	18,416,546	35,806,554	99.94%
2008	35,527,935	14,048,332	39.54%	21,448,760	35,497,092	99.91%
2007	34,506,385	13,349,557	38.69%	21,137,517	34,487,073	99.94%
2006	34,066,299	15,820,787	46.44%	18,230,490	34,051,276	99.96%
2005	33,076,013	16,454,557	49.75%	16,611,596	33,066,153	99.97%

**Notes (1)** In addition to property taxes for the municipality, the City collects and remits taxes for the state and county governments, as well as for the local school and technical college districts. Taxes are levied in December of each year based upon the assessed value as of January 1st of that year. These funds are budgeted as part of the subsequent year's budget. Real estate taxes can be paid in three installments due January 31st, March 31st, and May 31st. Personal property taxes are due by January 31st. Tax settlements to the other taxing authorities are made following each settlement date. All unpaid real estate taxes as of July 31st are turned over to the County Treasurer for collection. All personal property taxes are retained for collection by the City. The final settlement for real estate taxes is made by the county to each of the other taxing authorities for the balance of their tax levies; therefore, the only uncollected balance included above is for personal property.

**City of Wauwatosa**

Table 9

**Ratios of Net General Bonded Debt Outstanding**  
**For the fiscal years ended December 31, 2005 through 2014**

<b>Fiscal Year</b>		<b>Total General Bonded Debt (1)</b>	<b>Ratio of Net General Bonded Debt to Equalized Value</b>	<b>Net General Bonded Debt Per Capita</b>
2014	\$	84,685,021	1.58%	1,813.19
2013		69,714,979	1.41%	1,492.67
2012		60,204,990	1.21%	1,299.76
2011		52,957,924	1.01%	1,141.83
2010		40,935,977	0.75%	882.32
2009		46,385,746 (2)	0.83%	1,012.79
2008		35,926,463	0.64%	783.05
2007		31,406,550	0.54%	683.79
2006		31,995,557	0.58%	693.75
2005		32,180,293	0.63%	694.86

**Notes (1)** Includes General Obligation Sewer and Storm Debt

**(2)** Includes Bond Anticipation Notes

City of Wauwatosa

Table 10

Ratios of Outstanding Debt by Type

For the fiscal years ended December 31, 2005 through 2014

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita
	General Obligation Debt	Redevelopment Lease Revenue Bond Debt (4)	Municipal Revenue Obligations	Water Debt	Sanitary Sewer Debt	Storm Water Maintenance Debt			
2014	\$ 44,772,476	9,550,000	2,327,957	13,726,559	18,911,959	20,724,027	110,012,978	N/A (2)	2,352.41
2013	35,583,870	12,050,000	2,984,556	14,173,522	17,503,268	16,329,319	98,624,535	N/A (2)	2,111.65
2012	35,362,686	14,425,000	1,438,862	10,045,058	8,838,662	15,683,584	85,793,852	2.69%	1,852.20
2011	31,552,382	22,900,000	1,617,472	12,891,168	8,001,108	13,063,266	90,025,396	2.94%	1,941.04
2010	28,274,115	25,075,000	1,707,994	11,960,359	5,334,385	6,967,118	79,318,971	2.66%	1,709.61
2009	31,803,149 (3)	27,150,000	1,780,642	4,494,613	6,261,898	7,951,086	79,441,388	2.81%	1,734.53
2008	21,448,559	28,525,000	-	5,340,591	6,148,124	7,944,189	69,406,463	2.37%	1,512.78
2007	19,443,638	29,700,000	-	6,135,719	6,026,920	5,535,273	66,841,550	2.29%	1,455.29
2006	20,877,559	32,000,000	-	6,895,146	5,850,313	4,852,539	70,475,557	2.48%	1,528.09
2005	21,954,072	32,325,000	-	7,631,460	5,226,509	4,573,252	71,710,293	2.68%	1,548.42

- Notes
- (1) Calculated from per capita income times the estimated population for each relative date
  - (2) 2013 estimated per capita income not yet available from Wisconsin Department of Revenue
  - (3) Includes Bond Anticipation Notes
  - (4) Includes State Trust Fund debt where applicable

**City of Wauwatosa**

**Table 11**

**Legal Debt Margin Information**

**For the fiscal years ended December 31, 2005 through 2014**

**Legalized Debt Margin Calculation for Fiscal Year 2014**

Equalized valuation	\$ 5,350,627,100
Legal debt limit (5% of equalized valuation)	267,531,355
Less: Long-term debt	<u>84,685,021</u>
Legal debt margin	<u><u>\$ 182,846,334</u></u>

	<b>Fiscal Year</b>									
	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
Debt limit	\$ 267,531,355	\$ 246,649,625	248,195,935	262,163,975	273,121,815	280,506,140	282,260,960	288,642,590	275,247,850	256,933,690
Total net debt applicable to limit	84,685,021	69,714,979	60,204,990	52,957,924	40,935,977	46,385,746	35,926,463	31,406,550	31,995,557	32,180,293
Legal Debt Margin	<u>182,846,334</u>	<u>176,934,646</u>	<u>187,990,945</u>	<u>209,206,051</u>	<u>232,185,838</u>	<u>234,120,394</u>	<u>246,334,497</u>	<u>257,236,040</u>	<u>243,252,293</u>	<u>224,753,397</u>
Total net debt applicable to limit as a percentage of debt limit	<u>31.65%</u>	<u>28.26%</u>	<u>24.26%</u>	<u>20.20%</u>	<u>14.99%</u>	<u>16.54%</u>	<u>12.73%</u>	<u>10.88%</u>	<u>11.62%</u>	<u>12.52%</u>

**City of Wauwatosa**

**Table 12**

**Direct and Overlapping Governmental Activities Debt  
As of December 31, 2014**

<u>Governmental Unit</u>	<u>Governmental Debt Outstanding</u>	<u>Percentage Applicable to City</u>	<u>Amount Applicable to City</u>
City of Wauwatosa	\$ 56,650,433 <sup>1</sup>	100.00%	\$ 56,650,433
Milwaukee County	622,804,246	9.15%	56,986,589
Wauwatosa School District	-	100.00%	-
Milwaukee Metro Sewerage District	834,595,439	9.32%	77,784,295
Milwaukee Area Technical College District	78,225,000	7.38%	5,773,005
Total Overlapping	<u>1,535,624,685</u>		<u>140,543,888</u>
 Total Direct and Overlapping Debt	 <u>\$ 1,592,275,118</u>		 <u>\$ 197,194,321</u>

Overlapping debt is allocated based on the City of Wauwatosa's equalized property value, excluding Tax Incremental Districts, as a percentage of the total County's equalized property value.

1) Includes all governmental debt including General Obligation, Lease Revenue and Municipal Revenue Obligations

**City of Wauwatosa**

**Table 13**

**Revenue Bond Coverage - Water Utility**

**For the fiscal years ended December 31, 2005 through 2014**

Fiscal Year	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2014	\$ 7,239,382	5,790,101	1,449,281	425,000	468,826	893,826	1.6214
2013	7,084,066	5,033,490	2,050,576	425,000	339,620	764,620	2.6818
2012	6,700,078	5,068,291	1,631,787	400,000	332,215	732,215	2.2286
2011	6,661,612	4,800,326	1,861,286	500,000	421,928	921,928	2.0189
2010	6,282,463	4,876,111	1,406,352	275,000	256,836	531,836	2.6443
2009	6,356,650	4,752,925	1,603,725	830,000	227,230	1,057,230	1.5169
2008	6,490,664	4,641,842	1,848,822	780,000	262,649	1,042,649	1.7732
2007	6,704,849	4,686,027	2,018,822	745,000	295,466	1,040,466	1.9403
2006	6,142,207	4,596,907	1,545,300	725,000	326,974	1,051,974	1.4690
2005	6,063,308	4,562,918	1,500,390	675,000	352,380	1,027,380	1.4604

City of Wauwatosa

Table 14

Demographic and Economic Statistics

For the fiscal years ended December 31, 2005 through 2014

Fiscal Year	Population	Total Personal Income (in millions)	Per Capita Personal Income (2)			Unemployment Rates		
			City of Wauwatosa	Milwaukee County	State of Wisconsin	City of Wauwatosa	Milwaukee County	State of Wisconsin
2014	46,766	(3) N/A	(1) N/A	(1) N/A	(1) N/A	(1) 4.2%	7.0%	5.5%
2013	46,705	3,326	(2) 71,212	45,622	52,456	5.5%	8.3%	6.7%
2012	46,320	3,189	68,857	44,458	49,900	5.6%	8.5%	6.8%
2011	46,380	3,062	66,022	42,830	49,279	5.9%	9.0%	7.5%
2010	46,396	2,977	64,160	41,932	48,377	6.6%	9.6%	8.3%
2009	45,800	2,822	61,619	41,704	47,024	6.7%	9.6%	8.7%
2008	45,880	2,923	63,718	43,557	49,092	3.8%	5.7%	4.9%
2007	45,930	2,913	63,414	43,390	49,056	3.7%	5.7%	4.8%
2006	46,120	2,838	61,544	42,296	48,107	3.7%	5.6%	4.7%
2005	46,312	2,678	57,826	40,224	45,357	3.8%	5.9%	4.7%

- Notes**
- (1) 2014 estimated per capita income not yet available from Wisconsin Department of Revenue
  - (2) Per Capita Personal Income Data from Wisconsin Department of Revenue, State Taxes & Aids by Municipality and County.  
Per Capital Personal Income is the WAGI per tax return
  - (3) Population estimate for 2014 from Wisconsin Department of Administration: Wisconsin Population and Housing Estimates

**City of Wauwatosa  
Principal Employers  
Current Year and Nine Years Ago**

**Table 15**

<b>Employer</b>	<b>2014</b>			<b>2005</b>		
	<b>Number of Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>	<b>Number of Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>
Milwaukee Regional Medical Center	20,500	1		10,600	1	
Bell Marquette I LLC, (formerly, GE Medical Systems, Inc.)	1,400	2				
Briggs & Stratton Corp.	1,100	3		2,700	2	
Harley Davidson Inc	850	4		1,464	3	
Wauwatosa Unified School District	811	5		887	4	
St. Camillus Health System	540	6				
J.C. Penney Company	530	7		615	5	
Lutheran Home of the Aging, Inc	500	8		492	7	
UnitedHealth Care (formerly, Prime Care Health Plan)	465	9		581	6	
City of Wauwatosa	430	10		461	8	
Grede Foundries Liberty Div.				264	9	
Bostik Findley				168	10	
<b>Total</b>	<b>27,126</b>		<b>NA</b>	<b>18,232</b>		<b>NA</b>

(1) Total Employment is not available at the City level from the United States Census Bureau.

# City of Wauwatosa

## City Government Employees by Function/Program (1)

For the fiscal years ended December 31, 2005 through 2014

(full time equivalents)

Function/Program	Fiscal Year		
	2014 (2)	2013	2012
General Government			
Courts/City Clerk/Elections	8.77	8.32	8.15
Mayor/Administration	5.32	5.32	5.21
Human Resources	4.50	4.50	4.50
Information Systems	6.00	5.60	5.60
Finance	9.88	9.56	9.83
Assessor	5.57	5.57	5.57
Attorney	3.00	3.00	3.00
Public Safety			
Police Department	119.54	119.39	121.51
Fire Department	105.00	106.00	106.00
Public Works			
Operations	40.44	42.44	39.94
Engineering	18.92	16.92	16.92
Traffic Electrical Maint.	6.40	6.37	6.37
Parks/Forestry	19.14	19.14	19.14
Fleet Maintenance	9.44	9.44	9.44
Municipal Complex	3.00 (4)	3.00	3.00
Economic Development	12.60 (3)	12.50	13.08
Planning			
Building			
Economic Development			
Health	12.86	13.75	12.93
Library	26.55	26.55	26.55
Water	20.38	20.38	20.88
TOTAL	<u>437.31</u>	<u>437.75</u>	<u>437.62</u>

- Notes**
- (1) Elected Officials other than Mayor are not included.
  - (2) Is the budgeted Full-Time Equivalency Employment amounts for the year 2014.
  - (3) Planning, Building, and Economic Development were consolidated in 2012
  - (4) Municipal Complex previously included in Building.

Table 16

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
8.30	8.30	8.80	8.80	8.80	8.80	8.80
5.21	5.21	4.76	4.41	4.28	3.53	4.28
4.50	4.50	4.50	4.50	4.50	3.50	3.50
5.60	5.60	5.60	5.60	5.60	5.60	5.60
10.80	10.80	11.10	11.40	11.40	11.40	11.40
5.57	5.64	5.50	5.50	5.50	5.50	6.00
3.00	3.00	3.00	3.00	3.00	3.00	3.00
121.54	123.43	123.16	122.16	120.16	117.80	116.80
109.00	109.00	112.00	115.00	115.00	115.00	115.00
41.77	41.77	41.77	41.77	43.77	43.99	43.80
16.70	17.70	19.65	17.65	17.65	17.80	18.40
6.98	6.98	6.98	7.01	7.76	6.77	6.66
19.30	19.40	20.40	20.40	20.40	18.92	18.92
9.98	9.98	9.98	9.98	9.78	9.68	9.81
3.05	3.05	3.15	3.15	3.15	3.20	3.20
12.13	12.13	12.13	12.01	12.01	11.91	11.81
2.05	1.55	1.00	N/A	N/A	N/A	N/A
13.53	13.23	13.23	15.70	15.70	15.70	14.50
26.42	26.42	26.14	26.54	26.54	26.71	26.71
20.80	20.80	20.80	20.80	20.80	20.80	21.80
<u>446.23</u>	<u>448.49</u>	<u>453.65</u>	<u>455.38</u>	<u>455.80</u>	<u>449.61</u>	<u>449.99</u>

## City of Wauwatosa

### Operating Indicators by Function/Program

For the fiscal years ended December 31, 2005 through 2014

Function/Program	Fiscal Year		
	2014	2013	2012
Public Safety:			
Police:			
Calls for service	35,945	31,807	33,788
Arrests	2,371	2,164	2,431
Index Crimes	1,686	1,776	2,090
Fire:			
EMS responses	4,481	4,470	4,359
Fire inspections (1)	3,846	5,148	N/A
Public Works:			
Paving (feet)	15,344	19,610	6,785
Solid waste	28,113	29,762	27,601
Recycling - single stream	4,625	5,669	5,453
Sewers cleaned (feet)	307,944	302,524	511,020
Asphalt patched (tons)	861	830	673
Crack filler used (gallons)	N/A	4,180	N/A
Trees Pruned	2,338	1,882	1,578
Library			
Circulation	799,300	837,105	869,049
User Visits	385,627	406,315	430,388
Water Utility			
Number of customers	15,515	15,513	15,507
Gallons sold (thousands)	1,325,223	1,390,683	1,564,276
Hydrants flushed	492	1,230	1,171
Health:			
Births	627	599	621
Health Referrals	1,459	1,059	1,169

(1) Methodology for counting fire inspections changed in 2012 to include on-site inspections as well

Table 17

2011	2010	2009	2008	2007	2006	2005
29,456	30,515	31,401	31,775	32,600	30,920	31,783
2,540	2,707	2,665	2,382	2,770	2,757	2,552
2,014	2,014	1,982	1,965	2,228	2,131	2,362
4,127	3,476	3,475	3,573	3,558	3,459	3,325
1,315	1,246	1,414	1,600	1,553	1,524	1,488
8,780	6,414	5,692	15,708	12,920	7,025	17,392
25,833	27,530	28,056	30,418	30,171	30,672	31,205
5,451	5,486	5,312	5,637	2,747	3,506	4,125
486,814	367,572	306,407	385,841	336,900	319,500	418,000
656	728	1,245	1,076	945	1,723	929
N/A	5,637	5,562	4,074	6,083	5,728	5,197
1,046	1,396	1,225	1,035	1,974	3,707	5,143
890,926	896,659	894,678	845,703	778,534	794,161	758,094
449,964	449,617	458,369	413,233	332,358	344,822	340,039
15,502	15,505	15,507	15,510	15,519	15,515	15,510
1,541,665	1,459,089	1,533,466	1,546,078	1,645,244	1,673,507	1,818,417
1,256	1,278	1,265	904	905	1,179	1,049
573	602	647	595	567	558	575
1,028	1,122	1,397	1,077	1,086	1,084	N/A

## City of Wauwatosa

### Capital Asset Statistics by Function/Program

For the fiscal years ended December 31, 2005 through 2014

Function/Program	Fiscal Year		
	2014	2013	2012
Public Safety			
Fire stations	3	3	3
Fire apparatus	6	6	6
Ambulances	4	4	4
Public Works			
Streets (miles) (1)	159.46	159.59	158.61
Street signs	11800	11800	11800
Street lights	6050	6050	6050
Traffic signals (intersections) (2)	40	39	39
Parks and Recreation			
Number of parks	2	2	2
Acreage of parks	57.69	57.69	57.69
Water Utility			
Miles of water main	202.69	202.51	200.67
Number of hydrants	2166.00	2163	2122
Storage capacity (millions of gallons)	10.20	10.2	10.2

**Notes** (1) Miles do not include: US 45, US 18, 5th 100, 5th 181, 5th 190, or County Parkways and Roadways in Medical Complex

(2) In the period up to 2011, two signalized intersections have been added, and one has been removed. The change shown from 2006 is net, as actual dates of intersection additions and removals are not known.

Table 18

2011	2010	2009	2008	2007	2006	2005
3	3	3	3	3	3	3
7	7	7	7	7	7	7
6	6	6	6	6	6	6
158.56	158.56	158.56	158.78	158.85	159.28	159.28
11800	11800	11800	11800	11800	11800	11800
6050	6050	6050	6050	6050	6050	6050
39	39	39	39	39	38 #	38
2	2	2	2	2	2	2
57.69	57.69	57.69	57.69	57.69	57.69	57.69
200.11	198.88	198.38	198.15	198.14	198.03	196.54
2119	2098	2093	2087	2087	2084	2068
10.2	10.2	10.2	10.2	10.2	10.2	10.2