OFFICIAL NOTICE AND AGENDA - *Corrected

of a meeting of a City Board, Commission, Department, Committee, Agency, Corporation, Quasi-Municipal Corporation, or sub-unit thereof.

Meeting of the:	**FINANCE COMMITTEE**
Date/Time:	**Tuesday, March 10, 2020 at 5:30 PM following the Joint ED & Finance Committee**
Location:	**City Hall (407 Grant Street) - Council Chambers**
Members:	Lisa Rasmussen (C), Dave Nutting, Michael Martens, Dennis Smith, Linda Lawrence

AGENDA ITEMS

1 Approval of the minutes of previous meetings (2/25/20)
2 Discussion and possible action regarding submission of an application for Transit Capital Assistance funds under the VW Mitigation Program
3 Discussion and possible action regarding Resolution Authorizing the Issuance and Sale of $5,120,000 Water System and Sewer System Revenue Bond Anticipation Notes, Series 2020A
4 Discussion and possible action regarding Municode's Full Service Supplementation services to host and codify the City of Wausau's code
5 Discussion and possible action on approving the 2020 Community Development Block Grant Allocation, 2020 Action Plan and 2020-2024 Consolidated Plan
6 *Discussion and possible action on approving the budget modification for special event staffing $135,000
7 Discussion and possible action regarding sole source request for purchase of Holophane aluminum poles and receptacles - Lighting Design Solutions Inc.
Adjourn

Lisa Rasmussen, Chairperson

This Notice was posted at City Hall and faxed to the Daily Herald newsroom 3/09/20 at 12:00 PM

IMPORTANT: THREE (3) MEMBERS NEEDED FOR A QUORUM: If you are unable to attend the meeting, please notify Mary by calling (715)261-6621 or via email mary.goede@ci.wausau.wi.us

In accordance with the requirements of Title II of the Americans with Disabilities Act (ADA), the City of Wausau will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs or activities. If you need assistance or reasonable accommodations in participating in this meeting or event due to a disability as defined under the ADA, please call the City's ADA Coordinator at (715) 261-6620 or email clerk@ci.wausau.wi.us at least 48 hours prior to the scheduled meeting or event to request an accommodation.

Other Distribution: Media, (Alderpersons: Peckham, Neal, Gisselman, McElhaney, Herbst, Thao), *Mielke, *Jacobson, *Groat, Department Heads

FINANCE COMMITTEE
Date and Time: Tuesday, February 25, 2020 @ 5:15 pm., Council Chambers
Members Present: Rasmussen, Smith, Martens, Nutting, Lawrence
Others Present: Splinter, Bliven, Barteck, Jacobson, Mielke, Kujawa, Lindman, Rubow, Miller, Hanson, Neal

In accordance with Chapter 19, Wisc. Statutes, notice of this meeting was posted and sent to the Daily Herald in the proper manner. The meeting was called to order by Chairperson Rasmussen.

Approval of the minutes of previous meetings (2/11/20)
Motion by Nutting, second by Martens to approve the minutes of the previous meeting 2/11/20. Motion carried 5-0.

Discussion and possible action regarding annual Sole Source Purchase GHD LLC Environmental Engineering Services Wausau Superfund Site approximately $140,000
Rasmussen stated the city is required to administer monitoring based on EPA regulations of sites designated as Superfunds decades ago. It is renewed each year to use the same firm to provide those services. She noted the city receives recovery from an insurance source on a number of those services.

Motion by Lawrence, second by Nutting to approve the sole source purchase GHD LLC Environmental Engineering Services Wausau Superfund Site. Motion carried 5-0.

Discussion and possible action regarding terminating Tax Increment District Number 5
Rasmussen commented this is great news for Wausau taxpayers. This district was formed in the Business Campus area and was amended a few years ago to reduce the size. It is time to close TID #5 and begin to return those tax dollars to the General Fund.

Martens clarified TID #5 is the original west Business Campus, not the expansion that holds Great Lakes Cheese.

Motion by Martens, second by Lawrence to proceed with closing Tax Increment District Number 5. Motion carried 5-0.

Discussion and possible action regarding extension of contract between PCS Mobile and City of Wausau
Jacobson stated the original contract states the city may extend the contract by up to four additional one-year terms, so it is up to the committee to decide how long to extend.

Rasmussen commented sometimes longevity in a contract between the city and a vendor is beneficial because they don't face the uncertainty year after year and the committee doesn't have to deal with it year after year. Other contracts we may do a year at a time to reserve our right to shop for competitive pricing.

Splinter stated there were a couple of growing pains upon implementation of the license plate recognition software, but now it is rolling pretty well and is successful. He recommended renewing for a longer period than one year at a time.

Smith questioned what the cost of the contract was for one year and/or ongoing years. Jacobson stated the first year is a total of $120,865.15 divided into three payments of approximately $40,000. Year two is $5,188 and year three is $5,188 for software maintenance agreement and mobile assurance support. Price for year four and five is not to exceed 5% of the prior year's pricing.

Motion by Martens, second by Lawrence to extend the agreement for four years. Motion carried 5-0.

Discussion and possible action on adopting Municode's self-publishing or full service supplementation services to host and codify the City of Wausau's code and related budget modification
Rasmussen stated the Attorney's Office has been doing research and cost benefit analysis on finding a more user-friendly way for people to work with the city's code and to search the code.

Nathan Miller, Assistant City Attorney, explained the code is currently in a pdf that must be downloaded and if searching for something, you basically need to know where it is in the code. Updating the code is a somewhat tedious process and can be delayed up to a month or two after an ordinance is passed.

Miller stated the vendor, Municode, would take our current code and put it online in a fully searchable format, ADA compliant, and will translate to 90 different languages from Google translate. There is an initial one-time cost of $1,000 to get it from our current pdf to this searchable database. The cost to add an ordinance is $19 per page and they can choose how often they would like Municode to codify the ordinances. The Attorney's Office is also recommending a legal review of the entire code, which has never been done with Wausau's code. Municode will look within the code for inconsistencies, outdated provisions, check state statutes listed and ensure it is federally compliant. After our review of their findings the fixes will be sent to them and they will recodify the code. The legal review is $7,750, which is recommended to be done every 8 to 10 years. There will be an annual fee of $1,200 which covers the online searchable database and putting ordinances that are recently passed but not yet codified online to show what is coming. He reviewed other benefits that are available with Municode, as well as Munidocs.

Lawrence questioned where the money would come from. This information was not available due to illness of the Finance Director, so the consensus of the committee was to direct staff to prepare a resolution for Municode with the estimated total costs as well as the fund source. This resolution will be brought back to the next Finance meeting.

Discussion and possible action regarding funding of Physical Therapy services for the Wausau Police Department and related sole source purchase and budget modification

Rasmussen stated a couple of years ago a pilot program was funded at the Fire Department to test this type of wellness program, with the idea of potentially reducing worker's comp claims and ensure the health of our workforce. The Police Department is interested in obtaining those services. There are a variety of funding sources, including some PD budget surplus, the casualty insurance fund, and some health insurance savings. The request is for one-time funding for 2020 to get the program rolling and then a line item in the budget going forward.

Chief Ben Bliven stated the Stevens Point Police and Fire Departments and Marshfield Police Department also contract with Advance Physical Therapy, specifically with Traci Tauferner, the therapist that Wausau FD contracts. He indicated they have had really good results. He noted in late 2013 the Stevens Point PD contracted with them and had been experiencing approximately $100,000 per year in comp injury claims specific to strains and sprains. In 2015, 2016, and 2017 that number was reduced to about $30,000 annually.

Bliven indicated he asked for $20,000 because the quote given prior to the 2020 budget process last summer was $20,000 annually. It is charged out on a use basis and the expectation is that Traci Tauferner would be at the police department twice a week, six hours a week total, and be billed at that rate. He noted the expense for 2020 at this point would not be $20,000 because we are already two months into the budget cycle.

Motion by Lawrence, second by Martens to approve funding Physical Therapy services for the Wausau Police Department and the related sole source and budget modification. Motion carried 5-0.

Discussion and possible action regarding alleged claim on excessive assessment – Walgreen, Co., 504 S 17th Avenue and related budget modification

Rasmussen questioned if the recommendation was for the committee is disallow this claim to start the standard process or based on previous agreements with Walgreen Co., was this recommended for approval.

City Attorney Jacobson explained they were actually required to approve this claim because it arises out of a stipulation the city entered into in the settlement agreement. Walgreen's is simply going through the process that the city required them to follow when the assessment came in higher than $2.9 million for 2019. She stated they have agreed in advance to refund those taxes and they would be violating the settlement agreement if they did not approve.

Motion by Nutting, second by Martens to approve the claim on excessive assessment for Walgreen, Co., 504 S. 17th Avenue and related budget modification. Motion carried 5-0.

Discussion and possible action regarding the purchase of two new Sutphen fire engines.
Deputy Fire Chief Barteck stated they have been seeing extremely high breakdown rates on apparatus from the past vendors/manufacturers, so they began a process of looking at all manufacturers that are out there. After a long exhaustive process they settled on a truck manufactured in the State of Ohio, through a local vendor out of Osceola, Wisconsin, that will do the final customization of the trucks when they arrive in 2021. This is a local resource for long-term maintenance and things that can't be taken care of at DPW.

Barteck explained the reason they want to move to these trucks is because our trucks are on the road heavily, 10 to 12 times a day they leave each station, often assisting on medical calls. The idea was to build a truck from the ground up that suited that purpose best and these are the most heavy-duty, simple trucks we could come up with. He noted these trucks contain zero proprietary parts, which allows for competition for prices on those parts. He indicated he and Mark Hanson personally visited the Ohio manufacturing floor and he believed these were the best trucks built in the world right now.

Mark Hanson, Motor Pool, stated the money is in the budget for these units, however, what he budgeted for the next couple years falls short of what we are asking to purchase now. The plan is to make multiple payments over a two year period. He noted it will take 11 months to get the truck after it is ordered. We can prepay using 2020 funds and he will update the budget for 2021.

Barteck commented 88% of calls in 2019 were EMS related and these trucks contain compartments for EMS gear. They are designed for what they do most making these emergency responses, so they are a lot smaller, simpler, lighter and more powerful. He indicated they should see a longer life longevity and a lot less breakdowns.

Motion by Lawrence, second by Smith to approve the purchase of two new Sutphen fire engines. Motion carried 5-0.

Discussion and possible action on the budget modification for the acquisition of 117 and 119 E. Chellis Street
Rasmussen stated the Finance Committee previously approved the acquisition of these parcels to expand the yard waste site at the November 26, 2019 meeting, however, the budget modification portion for the transfer to fund the acquisition needs to be approved.

Motion by Nutting, second by Smith to approve the budget modification for the acquisition of 117 and 119 E Chellis Street. Motion carried 5-0.

Discussion and possible action on contract assessment services for real and personal property between the City of Wausau and City of Schofield
Rasmussen stated for a number of years the city has been providing assessment services on a contract basis for the City of Schofield and it is time to renew the contract.

Jacobson confirmed it is a renewal of the contract and Closed Session was only agendized in the event they needed to discuss the amounts proposed. She noted the City of Schofield has already approved this version at their Council meeting. *There was consensus of the committee not to convene in Closed Session.*

Motion by Nutting, second by Lawrence to approve the contract as presented. Motion carried 5-0.

Adjournment
Motion by Smith, second by Nutting to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 6:15 pm.

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION OF THE FINANCE COMMITTEE	
Recommends submission of an application for Transit Capital Assistance funds under the VW Mitigation Program and acknowledges that receipt of those funds will result in the reduction of future municipal revenue payments pursuant to §79.035(7), Wis. Stats.	
Committee Action:	Pending
Fiscal Impact:	$253,699 Total / $25,370 Annually for Ten Years
File Number:	**Date Introduced:** March 10, 2020

RESOLUTION

WHEREAS, the Metro Ride fixed-route bus fleet consists of 25 transit buses; and

WHEREAS, 18 transit buses are necessary to provide bus service during the school year; and

WHEREAS, 3 buses in the existing fleet are more than sixteen years old and have accumulated 357,000-564,000 miles; and

WHEREAS, 3 buses have exceeded minimum useful life requirements set by the Federal Transit Administration; and

WHEREAS, 3 buses are eligible for replacement with Transit Capital Assistance funds under the VW Mitigation Program; and

WHEREAS, the Finance Committee recommends the purchase of 3 new buses with Transit Capital Assistance funds under the VW Mitigation Program and has reviewed and acknowledges the projected reduction in municipal revenue payments required to repay 20% of the overall cost over ten years;

NOW THEREFORE, BE IT RESOLVED by the Common Council of the City of Wausau, that the proper City Official(s) be hereby authorized and directed to submit an application for Transit Capital Assistance funds under the VW Mitigation Program for the purchase of seven new buses.

BE IT FURTHER RESOLVED the Common Council of the City of Wausau acknowledges that receipt of Transit Capital Assistance funds under the VW Mitigation Program will result in a reduction of future municipal revenue payments pursuant to §79.035(7), Wis. Stats.

Approved:

____

Robert Mielke, Mayor

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Scottsdale
Tampa
Tucson
Washington, D.C.

March 2, 2020

VIA EMAIL

Ms. Maryanne A. Groat
Finance Director/Treasurer
City of Wausau
407 Grant Street
Wausau, WI 54403

Re: City of Wausau
$5,120,000 Water System and Sewer System Revenue Bond Anticipation Notes, Series 2020A

Dear Maryanne:

Attached is a draft of the **Authorizing Resolution** to be adopted in connection with the above-referenced financing. We have prepared the Resolution with the information provided to us by Ehlers & Associates, Inc. ("Ehlers"). Please review the Resolution carefully.

It is our understanding that the Resolution will be considered by the Common Council at its meeting on March 10, 2020 after the bid opening earlier that day.

If you have not already done so, please include the title of the Resolution on the agenda for the meeting. Please then post the agenda in at least three public places and provide it to the official newspaper of the City (or if the City has no official newspaper, to a news medium likely to give notice in the area) and to any other requesting media at least twenty-four hours prior to the meeting (see Section 19.84(1)(b), Wisconsin Statutes). The attached **Certificate of Compliance with Open Meeting Law** must be completed in connection with the meeting at which the Resolution is adopted.

Unless the Common Council has adopted special rules regarding the adoption of borrowing resolutions, a vote of at least a majority of the members of the Common Council is necessary to adopt the Resolution.

You will note in reviewing the Resolution that some of the exhibits will be provided to the City on the day of sale. It is our understanding that Ehlers will provide this information to you and to us after the bid opening and prior to the meeting on March 10, 2020. We will email a final copy of the Resolution, including all exhibits, on the day of sale (March 10, 2020) prior to the meeting for the Common Council to review and approve. We will also provide hard copies of the complete finalized Resolution at the time we send the closing documents.

Following the adoption of the Resolution, we request that you return one executed copy of the Resolution, as well as one executed copy of the Certificate of Compliance with Open Meeting Law to us for our review. All of these originally signed documents will be included in the closing transcript. A copy of the Resolution should be incorporated into the minutes of the March 10, 2020 meeting.

We are also attaching a **Municipal Information Questionnaire** and a **Private Activity and Other Tax Matters Questionnaire**. Please review, correct, if necessary, complete and return these questionnaires to us before the March 10, 2020 meeting. They contain information which will help us draft the closing documents which will be required in connection with this financing.

Please feel free to contact me at (414) 277-5761 or any member of the Quarles & Brady LLP public finance team if you have any questions or comments.

Very truly yours,

QUARLES & BRADY LLP

Rebecca A. Speckhard

RAS:BJK:JPL:TAB
Enclosures
#940025.00069
cc: Ms. Mary Goede (w/enc. via email)
Ms. Leslie Kremer (w/enc. via email)
Anne Jacobson, Esq. (w/enc. via email)
Mr. Philip Cosson (w/enc. via email)
Mr. Jon Cameron (w/enc. via email)
Ms. Kathy Myers (w/enc. via email)
Ms. Sue Porter (w/enc. via email)
Ms. Bridgette Keating (w/enc. via email)
Mr. Jacob Lichter (w/enc. via email)
Ms. Tracy Berrones (w/enc. via email)

QB\61933026.1

RESOLUTION NO. ____________

RESOLUTION AUTHORIZING THE ISSUANCE
AND SALE OF $5,120,000 WATER SYSTEM AND
SEWER SYSTEM REVENUE BOND ANTICIPATION NOTES, SERIES 2020A

WHEREAS, the City of Wausau, Marathon County, Wisconsin (the "Municipality" or "City") owns and operates a Water System (the "Water System") and a Sewer System (the "Sewer System") which are operated for public purposes as separate public utilities by the Municipality and which are hereby combined for the purposes of this financing (hereinafter, the Municipality's Water System and Sewer System shall be referred to collectively as the "System");

WHEREAS, under the provisions of Section 66.0621, Wisconsin Statutes (the "Act"), any municipality in the State of Wisconsin may, by action of its governing body, provide for purchasing, acquiring, constructing, extending, adding to, improving, controlling, conducting, operating or managing a public utility such as the System from the proceeds of bonds or for refunding obligations issued for the above purposes, which bonds are to be payable only from all monies received from any source by such utility (the "Revenues");

WHEREAS, pursuant to a resolution adopted on November 14, 2017 (the "2017C Water Resolution"), the Municipality has heretofore issued its Water System Revenue Bonds, Series 2017C, dated December 5, 2017 (the "2017 Water Bonds"), which 2017 Water Bonds are payable from the Revenues of the Water System;

WHEREAS, pursuant to a resolution adopted on November 14, 2017 (the "2017D Sewer Resolution"), the Municipality has heretofore issued its Sewer System Revenue Bonds, Series 2017D, dated December 5, 2017 (the "2017 Sewer Bonds"), which 2017 Sewer Bonds are payable from the Revenues of the Sewer System;

WHEREAS, pursuant to a resolution adopted on September 10, 2019 (the "2019C Sewer Resolution"), the Municipality has heretofore issued its Sewer System Revenue Bonds, Series 2019C, dated October 1, 2019 (the "2019 Sewer Bonds"), which 2019 Sewer Bonds are payable from the Revenues of the Sewer System;

WHEREAS, pursuant to a resolution adopted on September 10, 2019 (the "2019D Water Resolution"), the Municipality has heretofore issued its Water System Revenue Bonds, Series 2019D, dated October 1, 2019 (the "2019 Water Bonds"), which 2019 Water Bonds are payable from the Revenues of the Water System;

WHEREAS, the 2017 Water Bonds, the 2017 Sewer Bonds, the 2019 Sewer Bonds and the 2019 Water Bonds shall collectively be referred to as the "Prior Bonds";

WHEREAS, the 2017C Water Resolution, the 2017D Sewer Resolution, the 2019C Sewer Resolution and the 2019D Water Resolution shall collectively be referred to as the "Prior Resolutions";

WHEREAS, the Municipality has also heretofore issued and has outstanding its Water System and Sewer System Revenue Bond Anticipation Notes, Series 2018B, dated December 4, 2018 (the "Refunded Obligations");

WHEREAS, the Municipality has determined that it is necessary and desirable to extend the interim financing for the projects financed by the Refunded Obligations by refunding the Refunded Obligations (the "Refunding");

WHEREAS, for the purpose of paying the cost of the Refunding, including paying interest and legal, financing and other professional fees, the Municipality intends by subsequent resolutions (collectively, the "Bond Resolution") of the governing body of the Municipality (the "Common Council") to authorize the issuance and sale of water system revenue bonds and sewer system revenue bonds pursuant to the provisions of the Act (collectively, the "Bonds"), payable solely from the respective revenues of the Water System and Sewer System deposited in special redemption funds referred to herein;

WHEREAS, it is anticipated that each of the Bond issues will be issued to the State of Wisconsin through its Safe Drinking Water and Clean Water Fund loan programs;

WHEREAS, the Bonds have not yet been issued or sold;

WHEREAS, municipalities are authorized by the provisions of Section 66.0621(4)(L), Wisconsin Statutes, to issue bond anticipation notes in anticipation of receiving the proceeds from the issuance and sale of revenue bonds;

WHEREAS, it is the finding of the Common Council that it is necessary, desirable and in the best interest of the Municipality to authorize the issuance and sale of Water System and Sewer System Revenue Bond Anticipation Notes, Series 2020A pursuant to Section 66.0621(4)(L), Wisconsin Statutes (the "Notes") in anticipation of the issuance and sale of the Bonds, to pay the cost of the Refunding;

WHEREAS, other than the Prior Bonds and the Refunded Obligations, no bonds or obligations payable from the Revenues of the System are now outstanding;

WHEREAS, the Municipality has directed Ehlers & Associates, Inc. ("Ehlers") to take the steps necessary to sell the Notes to pay the cost of the Refunding;

WHEREAS, Ehlers, in consultation with the officials of the Municipality, prepared a Notice of Sale (a copy of which is attached hereto as Exhibit A and incorporated herein by this reference) setting forth the details of and the bid requirements for the Notes and indicating that the Notes would be offered for public sale on March 10, 2020;

WHEREAS, the City Clerk (in consultation with Ehlers) caused a form of notice of the sale to be published and/or announced and caused the Notice of Sale to be distributed to potential bidders offering the Notes for public sale on March 10, 2020;

WHEREAS, the Municipality has duly received bids for the Notes as described on the Bid Tabulation attached hereto as Exhibit B and incorporated herein by this reference (the "Bid Tabulation"); and

WHEREAS, it has been determined that the bid proposal (the "Proposal") submitted by the financial institution listed first on the Bid Tabulation fully complies with the bid requirements set forth in the Notice of Sale and is deemed to be the most advantageous to the Municipality. Ehlers has recommended that the Municipality accept the Proposal. A copy of said Proposal submitted by such institution (the "Purchaser") is attached hereto as Exhibit C and incorporated herein by this reference.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the Municipality that:

Section 1. Ratification of the Notice of Sale and Offering Materials. The Common Council of the Municipality hereby ratifies and approves the details of the Notes set forth in Exhibit A attached hereto as and for the details of the Notes. The Notice of Sale and any other offering materials prepared and circulated by Ehlers are hereby ratified and approved in all respects. All actions taken by officers of the Municipality and Ehlers in connection with the preparation and distribution of the Notice of Sale, and any other offering materials are hereby ratified and approved in all respects.

Section 2A. Water System Revenue Bonds and Sewer System Revenue Bonds. The Municipality hereby declares its intention and covenants to authorize the issuance of the Bonds pursuant to the provisions of the Act in an amount sufficient to retire the Notes and pay the cost of interest and legal, financing and other professional fees in connection therewith. The Bonds will be authorized by the Bond Resolution.

Section 2B. Authorization and Sale of the Notes. In anticipation of the sale of the Bonds, for the purpose of paying the cost of the Refunding including paying interest and legal, financing and other professional fees in connection therewith, there shall be borrowed pursuant to Section 66.0621(4)(L), Wisconsin Statutes, the principal sum of FIVE MILLION ONE HUNDRED TWENTY THOUSAND DOLLARS ($5,120,000) from the Purchaser in accordance with the terms and conditions of the Proposal. The Proposal is hereby accepted and the Mayor and City Clerk or other appropriate officers of the Municipality are authorized and directed to execute an acceptance of the Proposal on behalf of the Municipality. To evidence the obligation of the Municipality, the Mayor and City Clerk are hereby authorized, empowered and directed to make, execute, issue and sell to the Purchaser for, on behalf of and in the name of the Municipality, the Notes aggregating the principal amount of FIVE MILLION ONE HUNDRED TWENTY THOUSAND DOLLARS ($5,120,000) for the sum set forth on the Proposal, plus accrued interest to the date of delivery. The good faith deposit of the Purchaser shall be retained by the City Treasurer and applied in accordance with the Notice of Sale, and any good faith deposits submitted by unsuccessful bidders shall be promptly returned.

Section 3. Terms of the Notes. The Notes shall be designated "Water System and Sewer System Revenue Bond Anticipation Notes, Series 2020A"; shall be dated March 26, 2020; shall be in the denomination of $5,000 or any integral multiple thereof; shall be initially numbered R-

1; shall bear interest at the rate of ____% per annum; and shall mature on April 1, 2022 as set forth on the schedule attached hereto as Exhibit D and incorporated herein by this reference (the "Schedule"). Interest is payable semi-annually on April 1 and October 1 of each year commencing on October 1, 2020. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board.

Section 4. Redemption Provisions. The Notes shall be subject to redemption prior to maturity, at the option of the Municipality, on any date. The Notes shall be redeemable [as a whole or in part, by lot,] at the principal amount thereof, plus accrued interest to the date of redemption.

Section 5. Form of the Notes. The Notes shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit E and incorporated herein by this reference.

Section 6. Security. The Notes shall in no event be a general obligation of the Municipality nor a charge against its general credit or taxing power. Pursuant to Section 66.0621(4)(L)1. of the Act, the Revenues of the System are hereby pledged to the payment of the principal of and interest on the Notes, subject to the application of the Revenues in accordance with the terms of this Resolution. No lien is created upon the System or any other property of the Municipality as a result of the issuance of the Notes. The Notes shall be payable only from (a) any proceeds of the Notes set aside for payment of interest on the Notes as it becomes due; (b) proceeds to be derived from the issuance and sale of the Bonds, which proceeds are hereby declared to constitute a special trust fund, hereby created and established, to be held by the City Clerk and expended solely for the payment of the principal of and interest on the Notes; and, (c) a pledge of the Revenues which have been deposited into the respective Special Redemption Funds provided for in the Prior Resolutions (collectively, the "Special Redemption Fund"); provided, however, that the pledge of revenues of the Water System shall be on a basis junior and subordinate to the 2017 Water Bonds, 2019 Water Bonds and any bonds issued in the future on a parity with the 2017 Water Bonds and 2019 Water Bonds (the "Water Parity Bonds") and that the pledge of revenues of the Sewer System Revenues shall be on a basis junior and subordinate to the 2017 Sewer Bonds, 2019 Sewer Bonds and any bonds issued on a parity with the 2017 Sewer Bonds and 2019 Sewer Bonds (the "Sewer Parity Bonds" and with the Water Parity Bonds, the "Parity Bonds").

As authorized and permitted by Section 66.0621(4)(L)6, Wisconsin Statutes, in the event such monies are not sufficient to pay the principal of and interest on the Notes when due, if necessary, the Municipality will pay such deficiency out of its annual general tax levy or other available funds of the Municipality; provided, however, that any such payment shall be subject to annual budgetary appropriations therefor and any applicable levy limits; and provided further, that neither this Resolution nor any such payment shall be construed as constituting an obligation of the Municipality to make any such appropriation or any further payments.

Section 7. Funds and Accounts. In accordance with the Act, for the purpose of the application and proper allocation of the Revenues of the System, and to secure the payment of the principal of and interest on first, the Prior Bonds and any Parity Bonds, and, second, the Notes, certain funds of the System established by the Prior Resolutions shall be continued and used solely for the purposes set forth in the Prior Resolutions. The Municipality shall apply the Revenues to the respective funds and accounts as described in the Prior Resolutions.

Section 8. Service to the Municipality. The reasonable cost and value of services rendered to the Municipality by the System by furnishing services for public purposes, shall be charged against the Municipality and shall be paid by it in monthly installments as the service accrues, out of the current revenues of the Municipality collected or in the process of collection, exclusive of the Revenues derived from the System, and out of the tax levy of the Municipality made by it to raise money to meet its necessary current expenses. However, such payment out of the tax levy shall be subject to (a) any necessary approval of the Public Service Commission, or successors to its function (b) annual appropriations therefor and (c) any applicable levy limitations; but neither this Resolution nor such payment shall be construed as constituting an obligation of the Municipality to make any such appropriation over and above the reasonable cost and value of services rendered to the Municipality and its inhabitants or make any subsequent payment over and above such reasonable cost and value. Such compensation for such service rendered to the Municipality shall, in the manner hereinabove provided, be paid into the funds created in the Prior Resolutions.

Section 9. Covenants of the Municipality. The Municipality hereby covenants with the owners of the Notes that:

(a) It shall issue and sell the Bonds as soon as practicable in an amount sufficient to retire the Notes;

(b) It shall segregate the proceeds derived from the sale of the Bonds into a special trust fund herein created and established and shall permit such special trust fund to be used for no purpose other than the payment of the principal of and interest on the Notes until paid. After the payment of principal of and interest on the Notes in full, said special trust fund may be used for such other purposes as the Common Council may direct in accordance with law;

(c) It shall faithfully and punctually perform all duties with reference to the System required by the Constitution and Statutes of the State of Wisconsin, including lawfully establishing reasonable and sufficient rates for services rendered by the System and collecting, depositing, applying and segregating the Revenues of the System to the respective funds and accounts described in the Prior Resolutions;

(d) It will not sell, lease, or in any manner dispose of the System, including any part thereof or any additions or extensions that may be made part thereto, except that the Municipality shall have the right to sell, lease or otherwise dispose of any property of the System found by the Common Council to be neither necessary nor useful in the operation of the System, provided the proceeds received from such sale, lease or disposal shall be paid into the Special Redemption Fund or applied to the acquisition or construction of capital facilities for use in the normal operation of the System, and such payment shall not reduce the amounts otherwise required to be paid into the Special Redemption Fund;

(e) It will pay or cause to be paid all lawful taxes, assessments, governmental charges, and claims for labor, materials or supplies which if unpaid could become a lien upon the System or the Revenues or could impair the security of the Notes or the Bonds;

(f) It will maintain the System in reasonably good condition, will operate the System, and will establish, charge and collect such lawfully established rates and charges for the service rendered by the System, so that the amount of the revenues of the System herein agreed to be set aside to provide for payment of the Prior Bonds, any Parity Bonds and the Notes (exclusive of principal of the Notes to be paid from proceeds of the Bonds) and the interest thereon as the same becomes due and payable will be sufficient for that purpose. It will make all good faith efforts so that the Net Revenues (as defined in the Prior Resolutions) from the System will be one and one-quarter (1.25) times the amount required for payment of principal (exclusive of principal of the Notes to be paid from proceeds of the Bonds) and interest on the Prior Bonds, the Bonds, any Parity Bonds and the Notes for each corresponding year;

(g) It will prepare a budget not less than sixty (60) days prior to the end of each fiscal year and, in the event such budget (taking into account income, unencumbered surplus and expense) indicates that earnings for each year will not exceed debt service for each corresponding year by the proportion stated above, will take any and all steps permitted by law to increase rates so that the aforementioned proportion of earnings to debt service shall be accomplished as promptly as possible;

(h) The Notes are issued for the purposes for which the Municipality is authorized to issue revenue bonds and for which the Bonds shall be issued;

(i) It will keep proper books and accounts relative to the System, separate from all other records of the Municipality and will cause such books and accounts to be audited annually not later than six months after the close of the fiscal year by a recognized independent firm of certified public accountants. Copies of such audits shall be promptly provided in accordance with the Undertaking described below. Each such audit, in addition to whatever matters may be thought proper by the accountants, shall include the following in accordance with generally accepted accounting practices: (1) a statement in detail of the income and expenditures of the System for the fiscal year; (2) a balance sheet as of the end of such fiscal year; (3) the accountants' comment regarding the manner in which the Municipality has carried out the requirements of this Resolution and the accountants' recommendations for any changes or improvements in the operation of the System; (4) the number and types of connections to the System at the end of the year; (5) a list of the insurance policies in force at the end of the fiscal year setting out as to each policy the amount of the policy, the risks covered, the name of the insurer, and the expiration date of the policy and (6) the volume of water used as the basis for computing the service change. The owners of any of the Notes shall have at all reasonable times the right to inspect the System and the records, accounts and data of the Municipality relating thereto; and

(j) It will carry for the benefit of the owners of the Notes and the Bonds insurance of the kinds and in the amounts normally carried by private companies engaged in the operation of similar systems. All money received for losses under any of such insurance policies, except public liability, shall be used in repairing the damage or in replacing the property destroyed, but in the event that the Municipality shall find it inadvisable to repair such damage or replace such property, and that the operation of the System shall not have been impaired thereby, such money may be deposited in the funds created in the Prior Resolutions, but shall not reduce the amount otherwise required to be paid into said funds created in the Prior Resolutions.

Section 10. Application of Proceeds. All accrued interest received from the sale of the Notes shall be deposited in the Special Redemption Fund. The proceeds of the Notes sufficient to provide for the payment of the Refunded Obligations shall be deposited in a special fund designated the "Refunding Fund" and shall be used solely for the purpose of paying the Refunded Obligations on their April 1, 2020 maturity date. Any balance remaining in said Refunding Fund after paying said costs shall be transferred to the Special Redemption Fund for use in payment of principal of and interest on the Notes.

Section 11. No Arbitrage. All investments made pursuant to this Resolution shall be permitted investments for municipalities under the provisions of the Wisconsin Statutes, but no such investment shall be made in such a manner as would cause the Notes to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") or the Regulations and an officer of the Municipality, charged with the responsibility for issuing the Notes, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Notes to the Purchaser which will permit the conclusion that the Notes are not "arbitrage bonds," within the meaning of the Code or Regulations.

Section 12. Compliance with Federal Tax Laws. (a) The Municipality represents and covenants that the projects financed by the Notes and by the Refunded Obligations and the ownership, management and use of the projects will not cause the Notes or the Refunded Obligations to be "private activity bonds" within the meaning of Section 141 of the Code. The Municipality further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Notes including, if applicable, the rebate requirements of Section 148(f) of the Code. The Municipality further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Notes) if taking, permitting or omitting to take such action would cause any of the Notes to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Notes to be included in the gross income of the recipients thereof for federal income tax purposes. The City Clerk or other officer of the Municipality charged with the responsibility of issuing the Notes shall provide an appropriate certificate of the Municipality certifying that the Municipality can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The Municipality also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Notes provided that in meeting such requirements the Municipality will do so only to the extent consistent with the proceedings authorizing the Notes and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

Section 13. Payment of Refunded Obligations. The Refunded Obligations will be paid on their maturity date of April 1, 2020 at a price of par plus accrued interest.

Section 14. Parity Bonds. Parity Bonds payable out of the Revenues of the Water System or Sewer System may be issued in such manner as to enjoy priority over the Notes; provided such Parity Bonds meet the conditions established in the Prior Resolutions.

Section 15. Execution of the Notes; Closing; Professional Services. The Notes shall be issued in printed form, executed on behalf of the Municipality by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof and delivered to the Purchaser upon payment to the Municipality of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Notes may be imprinted on the Notes in lieu of the manual signature of the officer but, unless the Municipality has contracted with a fiscal agent to authenticate the Notes, at least one of the signatures appearing on each Note shall be a manual signature. In the event that either of the officers whose signatures appear on the Notes shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Notes and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The Municipality hereby authorizes the officers and agents of the Municipality to enter into, on its behalf, agreements and contracts in conjunction with the Notes, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Notes is hereby ratified and approved in all respects.

Section 16. Payment of the Notes; Fiscal Agent. The principal of and interest on the Notes shall be paid by Bond Trust Services Corporation, Roseville, Minnesota, which is hereby appointed as the City's registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes (the "Fiscal Agent"). The City hereby authorizes the Mayor and City Clerk or other appropriate officers of the City to enter a Fiscal Agency Agreement between the City and the Fiscal Agent. Such contract may provide, among other things, for the performance by the Fiscal Agent of the functions listed in Wis. Stats. Sec. 67.10(2)(a) to (j), where applicable, with respect to the Notes.

Section 17. Persons Treated as Owners; Transfer of Notes. The Municipality shall cause books for the registration and for the transfer of the Notes to be kept by the Fiscal Agent. The person in whose name any Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Note shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Any Note may be transferred by the registered owner thereof by surrender of the Note at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Note or Notes of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Note surrendered for transfer.

The Municipality shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Note or Notes necessary to effect any such transfer.

Section 18. Record Date. The fifteenth day of each calendar month next preceding each interest payment date shall be the record date for the Notes (the "Record Date"). Payment of interest on the Notes on any interest payment date shall be made to the registered owners of the Notes as they appear on the registration book of the Municipality at the close of business on the Record Date.

Section 19. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Notes eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations, which the City Clerk or other authorized representative of the City is authorized and directed to execute and deliver to DTC on behalf of the City to the extent an effective Blanket Issuer Letter of Representations is not presently on file in the City Clerk's office.

Section 20. Payment of Issuance Expenses. The Municipality authorizes the Purchaser to forward the amount of the proceeds of the Notes allocable to the payment of issuance expenses to Old National Bank at Closing for further distribution as directed by Ehlers.

Section 21. Official Statement. The Common Council hereby approves the Preliminary Official Statement with respect to the Notes and deems the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the Municipality in connection with the preparation of such Preliminary Official Statement and any addenda to it or Final Official Statement are hereby ratified and approved. In connection with the Closing, the appropriate Municipality official shall certify the Preliminary Official Statement and any addenda or Final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or Final Official Statement to be distributed to the Purchaser.

Section 22. Undertaking to Provide Continuing Disclosure. The Municipality hereby covenants and agrees, for the benefit of the owners of the Notes, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Notes or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the Municipality to comply with the provisions of the Undertaking shall not be an event of default with respect to the Notes).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the Municipality charged with the responsibility for issuing the Notes, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the Municipality's Undertaking.

Section 23. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Notes in the Record Book.

Section 24. Conflicting Resolutions, Severability; Effective Date. All prior resolutions (other than the Prior Resolutions), rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In case of any conflict between this Resolution and the Prior Resolutions, the Prior Resolutions shall control as long as any of the Prior Bonds are outstanding. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Adopted, approved and recorded March 10, 2020.

____
Robert B. Mielke
Mayor

Attest:

____
Leslie Kremer
City Clerk

(SEAL)

EXHIBIT A

Notice of Sale

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT B

<u>Bid Tabulation</u>

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT C

Winning Bid

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT D

Debt Service Schedule

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT E

(Form of Note)

UNITED STATES OF AMERICA

REGISTERED	STATE OF WISCONSIN	DOLLARS
	MARATHON COUNTY	
NO. R-1	CITY OF WAUSAU	$5,120,000

WATER SYSTEM AND SEWER SYSTEM REVENUE
BOND ANTICIPATION NOTE, SERIES 2020A

MATURITY DATE:	ORIGINAL DATE OF ISSUE:	INTEREST RATE:	CUSIP:
April 1, 2022	March 26, 2020	______%	________

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: FIVE MILLION ONE HUNDRED TWENTY THOUSAND DOLLARS ($5,120,000)

FOR VALUE RECEIVED, the City of Wausau, Marathon County, Wisconsin (the "Municipality"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable semi-annually on April 1 and October 1 of each year commencing on October 1, 2020 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Note are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment day shall be paid by wire transfer to the Depository in whose name this Note is registered on the Bond Register maintained by Bond Trust Services Corporation, Roseville, Minneosta (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding the semi-annual interest payment date (the "Record Date"). This Note is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

This Note is one of an issue of Notes aggregating the principal amount of $5,120,000, all of which are of like tenor, except as to denomination, issued by the Municipality pursuant to the provisions of Section 66.0621(4)(L), Wisconsin Statutes, for the purpose of paying the cost of refunding certain obligations of the Municipality issued to finance Water System and Sewer System improvements (the "Refunding"), all as authorized by a resolution of the Common Council duly adopted by said governing body at a meeting held on March 10, 2020 (the

"Resolution"). The Resolution is recorded in the official minutes of the Common Council for said date.

In the Resolution, the Common Council declared its intention and covenanted to issue Water System Revenue Bonds and Sewer System Revenue Bonds (collectively, the "Bonds") for the purpose of paying the cost of the Refunding. The Notes are issued to anticipate the sale of the Bonds.

The Notes are payable only from:

1) any proceeds of the Notes set aside for payment of interest on the Notes as they become due;

2) the proceeds to be derived from the issuance and sale of the Bonds, which proceeds have been declared by the Municipality to constitute a special trust fund to be expended solely for the payment of the principal of and interest on the Notes; and

3) a pledge of the income and revenues of the Municipality's Water System and Sewer System and deposited in the Special Redemption Funds (as defined in the Resolution), provided, however, that the pledge of revenues of the Water System is on a basis junior and subordinate to the Water System Revenue Bonds, Series 2017C, dated December 5, 2017 and Water System Revenue Bonds, Series 2019D, dated October 1, 2019 and any bonds to be issued on a parity with such bonds and that the pledge of revenues of the Sewer System is on a basis junior and subordinate to the Sewer System Revenue Bonds, Series 2017D, dated December 5, 2017 and Sewer System Revenue Bonds, Series 2019C, dated October 1, 2019 and any bonds to be issued on a parity with such bonds.

THE NOTES DO NOT CONSTITUTE AN INDEBTEDNESS OF THE MUNICIPALITY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OR PROVISION. NO LIEN IS CREATED UPON THE SYSTEM OR ANY OTHER PROPERTY OF THE MUNICIPALITY AS A RESULT OF THE ISSUANCE OF THE NOTES.

The Notes are subject to redemption prior to maturity, at the option of the Municipality, on any date. Said Notes are redeemable [as a whole or in part, and if in part, by lot (as selected by the Depository),] at the principal amount thereof, plus accrued interest to the date of redemption.

In the event the Notes are redeemed prior to maturity, as long as the Notes are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Notes are to be called for redemption, the Notes to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation and date of the Notes called for redemption, CUSIP numbers, and the date of redemption. Any notice mailed as provided herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Notes shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Notes shall no longer be deemed to be outstanding.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Note have been done, have existed and have been performed in due form and time. The Municipality has covenanted to issue and sell the Bonds, the sale of which this Note anticipates, as soon as practicable and to set aside the proceeds of the Bonds into a special trust fund for the payment of the principal of and interest on this Note.

This Note is transferable only upon the books of the Municipality kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Notes, and the Municipality appoints another depository, upon surrender of the Note to the Fiscal Agent, and thereupon a new fully registered Note in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the Municipality for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Notes (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Notes, or (iii) with respect to any particular Note, after such Note has been called for redemption. The Fiscal Agent and Municipality may treat and consider the Depository in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Notes are issuable solely as negotiable, fully-registered Notes without coupons in the denomination of $5,000 or any integral multiple thereof.

This Note shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Fiscal Agent.

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

IN WITNESS WHEREOF, the City of Wausau, Marathon County, Wisconsin, by its governing body, has caused this Note to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF WAUSAU,
MARATHON COUNTY, WISCONSIN

By: ______________________________
Robert B. Mielke
Mayor

(SEAL)

By: ______________________________
Leslie Kremer
City Clerk

Date of Authentication: _______________, ______

CERTIFICATE OF AUTHENTICATION

This Note is one of the Notes of the issue authorized by the within-mentioned resolution of the City of Wausau, Wisconsin.

BOND TRUST SERVICES
CORPORATION,
ROSEVILLE, MINNESOTA

By______________________________
Authorized Signatory

PRELIMINARY OFFICIAL STATEMENT DATED MARCH 3, 2020

In the opinion of Quarles & Brady LLP, Bond Counsel, assuming continued compliance with the requirements of the Internal Revenue Code of 1986, as amended, under existing law interest on the Notes is excludable from gross income and is not an item of tax preference for federal income tax purposes. See "TAX EXEMPTION" herein for a more detailed discussion of some of the federal income tax consequences of owning the Notes. The interest on the Notes is not exempt from present Wisconsin income or franchise taxes.

The City will NOT designate the Notes as "qualified tax-exempt obligations" pursuant to Section 265 of the Internal Revenue Code of 1986, as amended, which permits financial institutions to deduct interest expenses allocable to the Notes to the extent permitted under prior law.

New Issue **Rating Application Made: Moody's Investors Service, Inc.**

CITY OF WAUSAU, WISCONSIN
(Marathon County)

$5,120,000* WATER SYSTEM & SEWER SYSTEM REVENUE BOND ANTICIPATION NOTES, SERIES 2020A

BID OPENING: March 10, 2020, 10:30 A.M., C.T. **CONSIDERATION**: March 10, 2020, 6:30 P.M., C.T.

PURPOSE/AUTHORITY/SECURITY: The $5,120,000* Water System & Sewer System Revenue Bond Anticipation Notes, Series 2020A (the "Notes") of the City of Wausau, Wisconsin (the "City") are being issued pursuant to Section 66.0621(4)(L), Wisconsin Statutes, to refund the Water System and Sewer System Revenue Bond Anticipation Notes, Series 2018B, dated December 4, 2018. The Notes are a special obligation of the City, issued in anticipation of the sale of Water System Revenue Bonds and Sewer System Revenue Bonds (collectively, the "Bonds") of the City, which Bonds, the City has covenanted in the Resolution, will be issued as soon as practicable. The Notes do not constitute a general obligation of the City, and no lien is created upon the respective Water System and Sewer System (collectively, the "System") as result of the issuance of the Notes. The Notes are payable only from (a) any proceeds from the issuance and sale of the Notes which are set aside to pay interest on the Notes; (b) proceeds to be derived from the issuance and sale of the Bonds, which proceeds are pledged for the payment of the principal of and interest on the Notes; and (c) a pledge of the income and revenues of the System on a basis junior and subordinate to the pledge granted to the owners of the Prior Bonds (as defined herein). See "THE NOTES -SECURITY " herein. Delivery is subject to receipt of an approving legal opinion of Quarles & Brady LLP, Milwaukee, Wisconsin.

DATE OF NOTES: March 26, 2020

MATURITY: April 1 as follows:

Year	Amount*
2022	$5,120,000

MATURITY ADJUSTMENTS: * The City reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of $5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per $1,000.

INTEREST: October 1, 2020 and semiannually thereafter.

OPTIONAL REDEMPTION: The Notes are subject to call for prior optional redemption on any date, in whole or in part, at a price of par plus accrued interest.

MINIMUM BID: $5,094,400.

MAXIMUM BID: $5,427,200.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of $102,400 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT: Bond Trust Services Corporation.

BOND COUNSEL: Quarles & Brady LLP.

MUNICIPAL ADVISOR: Ehlers and Associates, Inc.

BOOK-ENTRY-ONLY: See "Book-Entry-Only System" herein (unless otherwise specified by the purchaser).

REPRESENTATIONS

No dealer, broker, salesperson or other person has been authorized by the City to give any information or to make any representation other than those contained in this Preliminary Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the City. ***This Preliminary Official Statement does not constitute an offer to sell or a solicitation of an offer to buy any of the Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.***

This Preliminary Official Statement is not to be construed as a contract with the Syndicate Manager or Syndicate Members. Statements contained herein which involve estimates or matters of opinion are intended solely as such and are not to be construed as representations of fact. Ehlers and Associates, Inc. prepared this Preliminary Official Statement and any addenda thereto relying on information of the City and other sources for which there is reasonable basis for believing the information is accurate and complete. Bond Counsel has not participated in the preparation of this Preliminary Official Statement and is not expressing any opinion as to the completeness or accuracy of the information contained therein. Compensation of Ehlers and Associates, Inc., payable entirely by the City, is contingent upon the delivery of the Notes.

COMPLIANCE WITH S.E.C. RULE 15c2-12

Certain municipal obligations (issued in an aggregate amount over $1,000,000) are subject to Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the "Rule").

Preliminary Official Statement: This Preliminary Official Statement was prepared for the City for dissemination to potential investors. Its primary purpose is to disclose information regarding the Notes to prospective underwriters in the interest of receiving competitive proposals in accordance with the sale notice contained herein. Unless an addendum is posted prior to the sale, this Preliminary Official Statement shall be deemed nearly final for purposes of the Rule subject to completion, revision and amendment in a Final Official Statement as defined below.

Review Period: This Preliminary Official Statement has been distributed to prospective bidders for review. Comments or requests for the correction of omissions or inaccuracies must be submitted to Ehlers and Associates, Inc. at least two business days prior to the sale. Requests for additional information or corrections in the Preliminary Official Statement received on or before this date will not be considered a qualification of a proposal received from an underwriter. If there are any changes, corrections or additions to the Preliminary Official Statement, interested bidders will be informed by an addendum prior to the sale.

Final Official Statement: Copies of the Final Official Statement will be delivered to the underwriter (Syndicate Manager) within seven business days following the proposal acceptance.

Continuing Disclosure: Subject to certain exemptions, issues in an aggregate amount over $1,000,000 may be required to comply with provisions of the Rule which require that underwriters obtain from the issuers of municipal securities (or other obligated party) an agreement for the benefit of the owners of the securities to provide continuing disclosure with respect to those securities. This Preliminary Official Statement describes the conditions under which the City is required to comply with the Rule.

CLOSING CERTIFICATES

Upon delivery of the Notes, the underwriter (Syndicate Manager) will be furnished with the following items: (1) a certificate of the appropriate officials to the effect that at the time of the sale of the Notes and all times subsequent thereto up to and including the time of the delivery of the Notes, this Preliminary Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (2) a receipt signed by the appropriate officer evidencing payment for the Notes; (3) a certificate evidencing the due execution of the Notes, including statements that (a) no litigation of any nature is pending, or to the knowledge of signers, threatened, restraining or enjoining the issuance and delivery of the Notes, (b) neither the corporate existence or boundaries of the City nor the title of the signers to their respective offices is being contested, and (c) no authority or proceedings for the issuance of the Notes have been repealed, revoked or rescinded; and (4) a certificate setting forth facts and expectations of the City which indicates that the City does not expect to use the proceeds of the Notes in a manner that would cause them to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or within the meaning of applicable Treasury Regulations.

TABLE OF CONTENTS

CITY OF WAUSAU
COMMON COUNCIL

		Term Expires
Robert Mielke	Mayor	April 2020
Gary Gisselman	Alderperson	April 2020
Dawn Herbst	Alderperson	April 2020
Karen Kellbach	Alderperson	April 2020
Michael Martens	Alderperson	April 2020
Becky McElhaney	Alderperson	April 2020
Tom Neal	Alderperson	April 2020
David Nutting	Alderperson	April 2020
Patrick Peckham	Alderperson	April 2020
Lisa Rasmussen	Alderperson	April 2020
Dennis Smith	Alderperson	April 2020
Mary Thao	Alderperson	April 2020

ADMINISTRATION

Maryanne Groat, Finance Director / Treasurer

Mary Goede, Deputy City Clerk

Leslie Kremer, City Clerk

PROFESSIONAL SERVICES

Anne Jacobson, City Attorney, Wausau, Wisconsin

Quarles & Brady LLP, Bond Counsel, Milwaukee, Wisconsin

Ehlers and Associates, Inc., Municipal Advisors, Waukesha, Wisconsin
(*Other offices located in Roseville, Minnesota and Denver, Colorado*)

INTRODUCTORY STATEMENT

This Preliminary Official Statement contains certain information regarding the City of Wausau, Wisconsin (the "City") and the issuance of its $5,120,000* Water System & Sewer System Revenue Bond Anticipation Notes, Series 2020A (the "Notes"). Any descriptions or summaries of the Notes, statutes, or documents included herein are not intended to be complete and are qualified in their entirety by reference to such statutes and documents and the form of the Notes to be included in the resolution authorizing the issuance and sale of the Notes ("Award Resolution") to be adopted by the Common Council on March 10, 2020.

Inquiries may be directed to Ehlers and Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Waukesha, Wisconsin, (262) 785-1520, the City's municipal advisor. A copy of this Preliminary Official Statement may be downloaded from Ehlers' web site at www.ehlers-inc.com by connecting to the Bond Sales link and following the directions at the top of the site.

THE NOTES

GENERAL

The Notes will be dated originally as of March 26, 2020, will be issued in fully registered form in the denomination of $5,000 each, or any integral multiple thereof, and will mature on April 1, 2022.The Notes will bear interest at a single rate specified in the bid of the purchaser and will be payable on April 1 and October 1 of each year, commencing October 1, 2020, to the registered owners of the Notes appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. The rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board ("MSRB").

Unless otherwise specified by the purchaser, the Notes will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). (See "Book-Entry-Only System" herein.) As long as the Notes are held under the book-entry system, beneficial ownership interests in the Notes may be acquired in book-entry form only, and all payments of principal of, premium, if any, and interest on the Notes shall be made through the facilities of DTC and its participants. If the book-entry system is terminated, principal of, premium, if any, and interest on the Notes shall be payable as provided in the Award Resolution.

The City has selected Bond Trust Services Corporation, Roseville, Minnesota, to act as paying agent (the "Paying Agent"). Bond Trust Services Corporation and Ehlers are affiliate companies. The City will pay the charges for Paying Agent services. The City reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the City, the Notes shall be subject to optional redemption prior to maturity on any date, in whole or in part, at a price of par plus accrued interest.

*Preliminary, subject to change

Redemption may be in whole or in part of the Notes subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Notes to be redeemed shall be at the discretion of the City. If only part of the Notes having a common maturity date are called for redemption, then the City or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of such call shall be given by sending a notice by registered or certified mail, facsimile or electronic transmission, overnight delivery service or in any other manner required by DTC, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Note to be redeemed at the address shown on the registration books.

AUTHORITY; PURPOSE

The Notes are being issued by the City pursuant to Section 66.0621(4)(L), Wisconsin Statutes, to provide funds to refund the Water System and Sewer System Revenue Bond Anticipation Notes, Series 2018B, dated December 4, 2018 (the "Series 2018B Notes ") as follows:

Issue Being Refunded	Date of Refunded Issue	Maturity Date	Call Price	Principal to be Refunded	CUSIP Base 943377
Series 2018B Notes	12/4/18	4/1/20	Par	$5,055,000	AA9
Total Series 2018B Notes Being Refunded				$5,055,000	

Proceeds of the Notes will be used to pay the maturity described above and to pay all or most of the costs of issuance.

ESTIMATED SOURCES AND USES*

Sources		
Par Amount of Notes	$5,120,000	
Transfers from Operational Funds	75,825	
Total Sources		**$5,195,825**
Uses		
Total Underwriter's Discount	$25,600	
Costs of Issuance	38,100	
Deposit to Current Refunding Fund	5,130,825	
Rounding Amount	1,300	
Total Uses		**$5,195,825**

*Preliminary, subject to change

SECURITY

The Notes are valid and binding special obligations of the City, issued in anticipation of the sale of Water System Revenue Bonds and Sewer System Revenue Bonds (collectively, the “Bonds") of the City, which Bonds, the City has covenanted in a resolution, will be issued as soon as practicable. The Notes do not constitute a general obligation of the City, and no lien is created upon the respective Water System or Sewer System (collectively, the “System”) as result of the issuance of the Notes. The Notes are payable only from (a) any proceeds from the issuance and sale of the Notes which are set aside to pay interest on the Notes; (b) proceeds to be derived from the issuance and sale of the Bonds, which proceeds are pledged for the payment of the principal of and interest on the Notes; and (c) a pledge of the income and revenues of the System on a basis junior and subordinate to the pledge granted to the owners of the “Prior Bonds.” With respect to the Water System, Prior Bonds means the Water System Revenue Bonds, Series 2017C, dated December 5, 2017, the Water System Revenue Bonds, Series 2019D, dated October 1, 2019 and any bonds issued on a parity with such bonds. With respect to the Sewer System, Prior Bonds means Sewer System Revenue Bonds, Series 2017D, dated December 5, 2017, the Sewer System Revenue Bonds, Series 2019C, dated October 1, 2019 and any bonds issued on a parity with such bonds.

PRIOR BONDS OUTSTANDING

The Prior Bonds of the Water System and Sewer System are listed on the following pages.

HISTORIC DEBT SERVICE COVERAGES OF WATER SYSTEM AND SEWER SYSTEM

The exhibits on the Pages 6 and 7 present the three-year historic debt service coverages of the Water System and Sewer System.

City of Wausau, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Sewer Revenues
(As of 03/26/2020)

	Sewerage System Revenue Bonds Series 2017D		Sewerage System Revenue Bonds Series 2019C								2018 Net Revenue Available for Debt Service**
Dated	12/05/2017		10/01/2019								
Amount	$6,225,000		$6,530,000								$ 2,271,370
Maturity	05/01		05/01								
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Total Principal**	**Total Interest**	**Total P & I**	**Principal Outstanding**	**% Paid**	**Calendar Year Ending**	**Coverage**
2020	520,000	176,450	250,000	210,069	770,000	386,519	1,156,519	10,960,000	6.56%	**2020**	1.96
2021	535,000	163,225	270,000	183,125	805,000	346,350	1,151,350	10,155,000	13.43%	**2021**	1.97
2022	555,000	144,100	275,000	172,225	830,000	316,325	1,146,325	9,325,000	20.50%	**2022**	1.98
2023	580,000	121,400	280,000	161,125	860,000	282,525	1,142,525	8,465,000	27.83%	**2023**	1.99
2024	605,000	97,700	285,000	149,825	890,000	247,525	1,137,525	7,575,000	35.42%	**2024**	2.00
2025	630,000	73,000	290,000	138,325	920,000	211,325	1,131,325	6,655,000	43.27%	**2025**	2.01
2026	595,000	48,500	295,000	126,625	890,000	175,125	1,065,125	5,765,000	50.85%	**2026**	2.13
2027	90,000	34,800	300,000	114,725	390,000	149,525	539,525	5,375,000	54.18%	**2027**	4.21
2028	100,000	31,500	305,000	104,150	405,000	135,650	540,650	4,970,000	57.63%	**2028**	4.20
2029	100,000	28,500	315,000	94,850	415,000	123,350	538,350	4,555,000	61.17%	**2029**	4.22
2030	100,000	25,500	320,000	86,925	420,000	112,425	532,425	4,135,000	64.75%	**2030**	4.27
2031	100,000	22,500	330,000	80,219	430,000	102,719	532,719	3,705,000	68.41%	**2031**	4.26
2032	110,000	19,350	340,000	72,888	450,000	92,238	542,238	3,255,000	72.25%	**2032**	4.19
2033	110,000	16,050	345,000	65,181	455,000	81,231	536,231	2,800,000	76.13%	**2033**	4.24
2034	110,000	12,750	360,000	56,800	470,000	69,550	539,550	2,330,000	80.14%	**2034**	4.21
2035	120,000	9,300	370,000	47,675	490,000	56,975	546,975	1,840,000	84.31%	**2035**	4.15
2036	120,000	5,625	380,000	38,300	500,000	43,925	543,925	1,340,000	88.58%	**2036**	4.18
2037	120,000	1,875	395,000	28,119	515,000	29,994	544,994	825,000	92.97%	**2037**	4.17
2038			405,000	17,119	405,000	17,119	422,119	420,000	96.42%	**2038**	5.38
2039			420,000	5,775	420,000	5,775	425,775	0	100.00%	**2039**	5.33
	5,200,000	1,032,125	6,530,000	1,954,044	11,730,000	2,986,169	14,716,169				

**The debt service coverage ratios included on this page are calculated using 2018 Net Revenues. No guarantee can be given that the Net Revenues in future years will be the same as the Net Revenues in 2018 and future Net Revenues may be materially different.

City of Wausau, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Water Revenues
(As of 03/26/2020)

	Water System Revenue Bonds Series 2017C		Water System Revenue Bonds Series 2019D								2018 Net Revenue Available for Debt Service**
Dated	12/05/2017		10/01/2019								$ 2,967,709
Amount	$4,815,000		$2,695,000								
Maturity	05/01		05/01								
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Total Principal**	**Total Interest**	**Total P & I**	**Principal Outstanding**	**% Paid**	**Calendar Year Ending**	**Coverage**
2020	345,000	144,050	105,000	86,659	450,000	230,709	680,709	6,380,000	6.59%	**2020**	4.36
2021	355,000	131,775	110,000	75,531	465,000	207,306	672,306	5,915,000	13.40%	**2021**	4.41
2022	370,000	117,275	115,000	71,031	485,000	188,306	673,306	5,430,000	20.50%	**2022**	4.41
2023	385,000	102,175	115,000	66,431	500,000	168,606	668,606	4,930,000	27.82%	**2023**	4.44
2024	405,000	86,375	115,000	61,831	520,000	148,206	668,206	4,410,000	35.43%	**2024**	4.44
2025	420,000	69,875	120,000	57,131	540,000	127,006	667,006	3,870,000	43.34%	**2025**	4.45
2026	435,000	52,775	120,000	52,331	555,000	105,106	660,106	3,315,000	51.46%	**2026**	4.50
2027	110,000	41,875	125,000	47,431	235,000	89,306	324,306	3,080,000	54.90%	**2027**	9.15
2028	110,000	38,025	125,000	43,056	235,000	81,081	316,081	2,845,000	58.35%	**2028**	9.39
2029	120,000	34,575	130,000	39,231	250,000	73,806	323,806	2,595,000	62.01%	**2029**	9.17
2030	120,000	30,975	130,000	35,981	250,000	66,956	316,956	2,345,000	65.67%	**2030**	9.36
2031	120,000	27,375	135,000	33,247	255,000	60,622	315,622	2,090,000	69.40%	**2031**	9.40
2032	130,000	23,625	140,000	30,238	270,000	53,863	323,863	1,820,000	73.35%	**2032**	9.16
2033	130,000	19,725	145,000	27,031	275,000	46,756	321,756	1,545,000	77.38%	**2033**	9.22
2034	140,000	15,675	150,000	23,525	290,000	39,200	329,200	1,255,000	81.63%	**2034**	9.01
2035	140,000	11,475	150,000	19,775	290,000	31,250	321,250	965,000	85.87%	**2035**	9.24
2036	150,000	7,031	155,000	15,963	305,000	22,994	327,994	660,000	90.34%	**2036**	9.05
2037	150,000	2,344	165,000	11,756	315,000	14,100	329,100	345,000	94.95%	**2037**	9.02
2038			170,000	7,150	170,000	7,150	177,150	175,000	97.44%	**2038**	16.75
2039			175,000	2,406	175,000	2,406	177,406	0	100.00%	**2039**	16.73
	4,135,000	957,000	2,695,000	807,737	6,830,000	1,764,737	8,594,737				

**The debt service coverage ratios included on this page are calculated using 2018 Net Revenues. No guarantee can be given that the Net Revenues in future years will be the same as the Net Revenues in 2018 and future Net Revenues may be materially different.

CITY OF WAUSAU

HISTORIC STATEMENT OF REVENUES AND EXPENSES

The following table shows the historic Net Revenues of the Sewer System for the three year period ending December 31, 2018.

		Audited 2016	Audited 2017	Audited 2018
Operating Revenues				
	Sewer	5,320,894	5,312,603	5,433,929
	Other Operating Revenues	149	382	22,043
Total Operating Revenues		5,321,043	5,312,985	5,455,972
Operating Expenses				
	Operation and Maintenance	2,874,713	3,132,714	3,228,465
	Depreciation and Amortization	1,133,177	1,292,867	1,270,561
	Taxes - Payroll & Other	-	-	-
Total Operating Expenses		4,007,890	4,425,581	4,499,026
Operating Income		1,313,153	887,404	956,946
Plus:	Depreciation and Amortization	1,133,177	1,292,867	1,270,561
	Interest Income	1,235	5,582	43,863
Net Revenues Available for Debt Service		$ 2,447,565	$ 2,185,853	$ 2,271,370
Debt Service	2017D Sewer System Rev Bonds	-	-	$ 692,908
Debt Service Coverage		**n/a**	**n/a**	**3.28**

HISTORIC STATEMENT OF REVENUES AND EXPENSES

The following table shows the historic Net Revenues of the Water System for the three year period ending December 31, 2018.

		Audited 2016	Audited 2017	Audited 2018
Operating Revenues				
	Water	$ 5,409,380	$ 5,320,491	$ 5,798,209
	Other Operating Revenues	35,716	49,413	73,884
Total Operating Revenues		5,445,096	5,369,904	5,872,093
Operating Expenses				
	Operation and Maintenance	2,710,126	2,682,577	2,926,502
	Depreciation and Amortization	1,151,651	1,189,328	1,226,894
Total Operating Expenses		3,861,777	3,871,905	4,153,396
Operating Income		1,583,319	1,497,999	1,718,697
Plus:	Depreciation and Amortization	1,151,651	1,189,328	1,226,894
	Interest Income	82	3,020	22,118
Net Revenues Available for Debt Service		$ 2,735,052	$ 2,690,347	$ 2,967,709
Debt Service	2017C Water System Rev Bonds	-	-	488,997
Debt Service Coverage		**n/a**	**n/a**	**6.07**

DESCRIPTION OF THE SEWER SYSTEM

The City owns, operates and maintains the sewer system and related appurtenances. The sewer system and collection system were first established in 1939. The sewer system consists of a Wastewater Treatment Facility and a Wastewater Collection System consisting of approximately 225 miles of pipelines. The treatment facility is designed for an average daily flow of 8.2 million gallons per day (5,700 gallons per minute) and a current average daily flow is 5.5 million gallons per day. The treatment facility has a current projected design life to handle current and future development to at least the year 2037 assuming expected upgrades. The Wastewater Treatment and Collection System provides sewer service to customers located within the City of Wausau and the City of Schofield.

The sewer system is operated by the Wausau Water Works Commission which consists of five members appointed by the Mayor, subject to approval of the governing body. The Wausau Water Works Commission is the policy making body of the sewer system, overseeing all projects and programs, reviewing and approving the budget, and determining projects. Sewer system operations are directed by Eric Lindman, the City's Public Works & Utilities Director.

History of Usage and Total Billings

Year	Total Usage in Gallons Treated	Total Billings
2015	911,087,936	$4,308,884
2016	928,045,096	4,338,438
2017	909,937,512	4,280,679
2018	937,482,612	4,376,943
2019	898,515,552	4,892,092

History of Sewer Connections by Customer Type

Year	Residential	Commercial/ Multi-Family	Industrial	Public Authority	Total
2015	13,635	1,420	71	112	15,238
2016	13,706	1,434	71	115	15,326
2017	13,773	1,424	76	102	15,375
2018	13,743	1,427	77	102	15,349
2019	14,139	1,329	74	105	15,647

2019 Larger Sewer System Customers

Total 2019 Sewer System Billings $4,892,092

Customer	Usage in Gallons	Total Billings	Percent of Total Sewer Billings
Wausau Hospital	25,087,920	$74,069	1.51%
Wausau Coated Products	12,229,800	49,023	1.00%
Linetec	10,479,480	42,073	0.86%
Graphic Packaging	9,228,076	38,630	0.79%
Marathon County Jail	8,603,496	35,687	0.73%
North Central Health Care	8,437,440	36,631	0.75%
Great Lakes	7,367,800	30,968	0.63%
Wausau School	4,497,724	19,002	0.39%
St. Michael Clinic	3,582,920	14,522	0.30%
Landmark Building	3,271,004	13,800	0.28%

Sewer Rates

The City Council of the City establishes rates and charges for the Sewer System. Sewer rates are not subject to approval by the Wisconsin Public Service Commission. The City annually reviews rates as required under City ordinances to determine if adjustments are required. The sewer service charge for any lot, parcel of land, building or premise is based on the quantity and quality of wastewater generated, on debt service related to the Sewer System, and operation, maintenance and replacement costs of the Sewer System. Under the Wisconsin Statutes, delinquent charges may be placed on the tax roll and levied as a special charge against the property. The following sewer rates became effective February 1, 2019:

General Service - Metered

Quarterly Volume Charge		Quarterly Service Charge: Meter Size	Charge
Domestic Strength Rates		5/8”	$20.40
Volume Charge	$3.11/100 Cubic feet	3/4”	20.40
		1”	27.60
		1-1/4”	38.40
		1-1/2”	44.40
		2”	74.40
		3”	134.40
		4”	219.60
		6”	433.20
		8"	681.60

DESCRIPTION OF WATER SYSTEM

The City's Water System is a separate enterprise fund. It operates under service rules established by the Wisconsin Public Service Commission which regulates the rates charged. The City of owns, operates and maintains the Water System and related appurtenances serving customers located within the City and the Village of Brokaw. The Water System, established in 1885, is governed by the Common Council of the City. The Common Council is the policy making body of the Water System, overseeing all projects and programs, reviewing and approving the budget, and determining Water System projects. Water System operations are directed by the Public Works Department of the City.

The source of the water supply for the Water System consists of six wells, four clean water reservoirs with a combined capacity of approximately 4.8 million gallons, and three elevated water tanks, with a total capacity of 950,000 gallons. The maximum water used in a single day in 2019 was 6,756,000 gallons and the minimum was 1,969,000 gallons. The average daily water pumped in 2019 was 4,747,584 gallons.

The Water System includes other related appurtenances including 1,237,131 feet of various types of 2"- 30" water mains; 339,580 feet of various types of 5/8"- 10" water laterals, 17,536 utility-owned meters; and 1,638 hydrants.

History of Water Customers

Year	Residential	Commercial	Industrial	Other Customers[1]	Multi Family	Total
2015	14,155	1,409	90	452	138	16,244
2016	14,189	1,372	90	448	141	16,240
2017	14,160	1,371	90	488	141	16,250
2018	14,215	1,372	91	503	140	16,321
2019	14,145	1,346	85	492	136	16,204

History of Water Billings by Customer Type

Year	Residential	Commercial	Industrial	Other Services[2]	Multi Family	Total Billings
2015	$2,326,743	$825,881	$419,909	$1,391,509	$96,107	$5,060,149
2016	2,379,151	866,609	502,471	1,332,642	127,902	5,208,775
2017	2,376,011	866,737	545,530	1,277,702	119,461	5,198,517
2018	2,494,635	916,363	585,391	1,456,321	145,600	5,616,448
2019	2,499,543	901,237	634,366	1,409,528	111,264	5,555,938

[1] Includes other sales to public authorities, sales to irrigation customers, sales for resale, and interdepartmental sale, etc. but ***not*** private or public fire protection services.

[2] Includes all charges, including private fire protection services.

History of Water Sales

Year	No. of Customers[1]	Gallons Sold (in 000's)	Total Billings
2015	15,950	1,182,904	$5,060,149
2016	15,719	1,212,063	5,208,775
2017	16,041	1,150,955	5,198,517
2018	16,181	1,248,112	5,616,448
2019	16,204	1,208,501	5,555,938

2019 Larger Water Customers

Total 2019 Billings: $5,555,938

Customer	Gallons Sold	Billings [2]	% of Total Billings
LineTec Annodized	54,551,640	$130,051	2.34%
Graphic Packaging	52,008,440	124,688	2.24%
Kraft	35,023,604	84,582	1.52%
Minnesota Mining	32,443,004	78,484	1.41%
Wausau Hospital	27,302,000	66,460	1.20%
Marathon County Library	14,689,224	36,281	0.65%
Wausau Coated Products	12,229,800	29,895	0.54%
Linetec	10,479,480	25,760	0.46%
North Central Health Care	9,649,200	25,585	0.46%
Marathon County Jail	8,603,496	21,854	0.39%

1 Includes all charges, including private fire protection services.

2 Does not include charges for private fire protection services.

Water Rates and Charges

Rates and charges for the Water System are subject to approval by the Wisconsin Public Service Commission. The following quarterly water rates have been in effect since August 1, 2019:

General Service - Metered

Quarterly Volume Charge	Charge per 100 cubic feet	Minimum Quarterly Charge: Meter Size	Charge
Residential Customers	$2.29	5/8" & 3/4"	$17.07
Non-Residential Customers:		1"	27.87
First 6,000 cu.ft.	$2.29	1 1/4"	40.62
Next 54,000 cu.ft.	$2.13	1-1/2"	49.17
Over 60,000 cu.ft.	$1.80	2"	72.12
		3"	129.51
Irrigation class (all)	$3.28	4"	186.84
		6"	347.49
		8"	531.09
		10"	776.91
		12"	1,022.79

Bills for water service are rendered quarterly and become due and payable upon issuance following the period for which service is rendered. A late payment charge of 1% per month will be added to bills not paid within 20 days of issuance. This late payment charge will be applied to any unpaid balance including unpaid late payment charges. Customers may be given written notice that a bill is overdue no sooner than 20 days after the bill is issued. Unless payment or satisfactory arrangement for payment is made within the ten days after written notice is given, service may be disconnected pursuant to Chapter PSC 185, Wisconsin Adm. Code. Under the Wisconsin Statutes, delinquent charges may be placed on the tax roll and levied as a special charge against the property.

RATING

General obligation debt of the City is currently rated "Aa3" by Moody's Investors Service, Inc. ("Moody's"). Outstanding revenue debt of the City is currently rated "Aa3" by Moody's. The Water System and Sewer System Revenue Bond Anticipation Notes, Series 2018B (to be paid at maturity with the proceeds of this issue) have a "MIG 1" rating.

The City has requested a rating on the Notes from Moody's Investors Service, Inc., and bidders will be notified as to the assigned rating prior to the sale. Such rating reflects only the views of such organization and explanations of the significance of such rating may be obtained from Moody's Investors Service, Inc. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency, if in the judgment of such rating agency circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Notes.

Such rating is not to be construed as a recommendation of the rating agency to buy, sell or hold the Notes, and the rating assigned by the rating agency should be evaluated independently. Except as may be required by the Disclosure Undertaking described under the heading "CONTINUING DISCLOSURE" neither the City nor the underwriter undertake responsibility to bring to the attention of the owner of the Notes any proposed changes in or withdrawal of such rating or to oppose any such revision or withdrawal.

CONTINUING DISCLOSURE

In order to assist brokers, dealers, and municipal securities dealers, in connection with their participation in the offering of the Notes, to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission, pursuant to the Securities and Exchange Act of 1934, as amended (the "Rule"), the City shall agree to provide certain information to the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access ("EMMA") system, or any system that may be prescribed in the future. The Rule was last amended, effective February 27, 2019, to include an expanded list of material events.

On the date of issue and delivery, the City shall execute and deliver a Continuing Disclosure Certificate, under which the City will covenant for the benefit of holders including beneficial holders, to provide electronically, or in a manner otherwise prescribed, certain financial information annually and to provide notices of the occurrence of certain events enumerated in the Rule (the "Disclosure Undertaking"). The details and terms of the Disclosure Undertaking for the City are set forth in Appendix D. Such Disclosure Undertaking will be in substantially the form attached hereto.

A failure by the City to comply with any Disclosure Undertaking will not constitute an event of default on the Notes. However, such a failure may adversely affect the transferability and liquidity of the Notes and their market price.

In the previous five years, the City believes it has not failed to comply in all material respects with its prior undertakings under the Rule. The City has reviewed its continuing disclosure responsibilities along with any changes to the Rule, to ensure compliance. Ehlers is currently engaged as dissemination agent for the City.

LEGAL OPINION

An opinion as to the validity of the Notes and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the City, and will be available at the time of delivery of the Notes. The legal opinion will be issued on the basis of existing law and will state that the Notes are valid and binding special obligations of the City; provided that the rights of the owners of the Notes and the enforceability of the Notes may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding).

STATEMENT REGARDING COUNSEL PARTICIPATION

Bond Counsel has not assumed responsibility for this Preliminary Official Statement or participated in its preparation (except with respect to the section entitled "TAX EXEMPTION" in the Preliminary Official Statement and the "FORM OF LEGAL OPINION" found in Appendix B of the Preliminary Official Statement).

TAX EXEMPTION

Quarles & Brady LLP, Milwaukee, Wisconsin, Bond Counsel, will deliver a legal opinion with respect to the federal income tax exemption applicable to the interest on the Notes under existing law substantially in the following form:

> "The interest on the Notes is excludable for federal income tax purposes from the gross income of the owners of the Notes. The interest on the Notes is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals. The Code contains requirements that must be satisfied subsequent to the issuance of the Notes in order for interest on the Notes to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Notes to be included in gross income retroactively to the date of issuance of the Notes. The City has agreed to comply

with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the City comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Notes."

The interest on the Notes is not exempt from present Wisconsin income or franchise taxes.

Prospective purchasers of the Notes should be aware that ownership of the Notes may result in collateral federal income tax consequences to certain taxpayers. Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the Notes should consult their tax advisors as to collateral federal income tax consequences.

From time to time legislation is proposed, and there are or may be legislative proposals pending in the Congress of the United States that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Notes. It cannot be predicted whether, or in what form, any proposal that could alter one or more of the federal tax matters referred to above or adversely affect the market value of the Notes may be enacted. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

ORIGINAL ISSUE DISCOUNT

To the extent that the initial public offering price of certain of the Notes is less than the principal amount payable at maturity, such Notes ("Discounted Notes") will be considered to be issued with original issue discount. The original issue discount is the excess of the stated redemption price at maturity of a Discounted Note over the initial offering price to the public, excluding underwriters or other intermediaries, at which price a substantial amount of such Discounted Notes were sold (issue price). With respect to a taxpayer who purchases a Discounted Note in the initial public offering at the issue price and who holds such Discounted Note to maturity, the full amount of original issue discount will constitute interest that is not includible in the gross income of the owner of such Discounted Note for federal income tax purposes and such owner will not, subject to the caveats and provisions herein described, realize taxable capital gain upon payment of such Discounted Note upon maturity.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discounted Note, on days that are determined by reference to the maturity date of such Discounted Note. The amount treated as original issue discount on a Discounted Note for a particular semiannual accrual period is generally equal to (a) the product of (i) the yield to maturity for such Discounted Note (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discounted Note at the beginning of the particular accrual period if held by the original purchaser; and less (b) the amount of any interest payable for such Discounted Note during the accrual period. The tax basis is determined by adding to the initial public offering price on such Discounted Note the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If a Discounted Note is sold or exchanged between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

For federal income tax purposes, the amount of original issue discount that is treated as having accrued with respect to such Discounted Note is added to the cost basis of the owner in determining gain or loss upon disposition of a Discounted Note (including its sale, exchange, redemption, or payment at maturity). Amounts received upon disposition of a Discounted Note that are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain.

The accrual or receipt of original issue discount on the Discounted Notes may result in certain collateral federal income tax consequences for the owners of such Discounted Notes. The extent of these collateral tax consequences will depend upon the owner's particular tax status and other items of income or deduction.

The Code contains additional provisions relating to the accrual of original issue discount. Owners who purchase Discounted Notes at a price other than the issue price or who purchase such Discounted Notes in the secondary market should consult their own tax advisors with respect to the tax consequences of owning the Discounted Notes. Under the applicable provisions governing the determination of state and local taxes, accrued interest on the Discounted Notes may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a later year. Owners of Discounted Notes should consult their own tax advisors with respect to the state and local tax consequences of owning the Discounted Notes.

BOND PREMIUM

To the extent that the initial offering price of certain of the Notes is more than the principal amount payable at maturity, such Notes ("Premium Notes") will be considered to have bond premium.

Any Premium Note purchased in the initial offering at the issue price will have "amortizable premium" within the meaning of Section 171 of the Code. The amortizable premium of each Premium Note is calculated on a daily basis from the issue date of such Premium Note until its stated maturity date (or call date, if any) on the basis of a constant interest rate compounded at each accrual period (with straight line interpolation between the compounding dates). An owner of a Premium Note that has amortizable premium is not allowed any deduction for the amortizable premium; rather the amortizable premium attributable to a taxable year is applied against (and operates to reduce) the amount of tax-exempt interest payments on the Premium Notes. During each taxable year, such an owner must reduce his or her tax basis in such Premium Note by the amount of the amortizable premium that is allocable to the portion of such taxable year during which the holder held such Premium Note. The adjusted tax basis in a Premium Note will be used to determine taxable gain or loss upon a disposition (including the sale, exchange, redemption, or payment at maturity) of such Premium Note.

Owners of Premium Notes who did not purchase such Premium Notes in the initial offering at the issue price should consult their own tax advisors with respect to the tax consequences of owning such Premium Notes. Owners of Premium Notes should consult their own tax advisors with respect to the state and local tax consequences of owning the Premium Notes.

NON-QUALIFIED TAX-EXEMPT OBLIGATIONS

The City will NOT designate the Notes as "qualified tax-exempt obligations" pursuant to Section 265 of the Internal Revenue Code of 1986, as amended, which permits financial institutions to deduct interest expenses allocable to the Notes to the extent permitted under prior law.

MUNICIPAL ADVISOR

Ehlers has served as municipal advisor to the City in connection with the issuance of the Notes. The Municipal Advisor cannot participate in the underwriting of the Notes. The financial information included in this Preliminary Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. Ehlers is not a firm of certified public accountants. Ehlers is registered with the Securities and Exchange Commission and the MSRB as a municipal advisor. Ehlers makes no representation, warranty or guarantee regarding the accuracy or completeness of the information in this Official Statement, and its assistance in preparing this Official Statement should not be construed as a representation that it has independently verified such information.

MUNICIPAL ADVISOR AFFILIATED COMPANIES

Bond Trust Services Corporation ("BTSC") and Ehlers Investment Partners, LLC ("EIP") are affiliate companies of Ehlers. BTSC is chartered by the State of Minnesota and authorized in Minnesota, Wisconsin, Colorado, and Illinois to transact the business of a limited purpose trust company. BTSC provides paying agent services to debt issuers. EIP is a Registered Investment Advisor with the Securities and Exchange Commission. EIP assists issuers with the investment of bond proceeds or investing other issuer funds. This includes escrow bidding agent services. Issuers, such as the City, have retained or may retain BTSC and/or EIP to provide these services. If hired, BTSC and/or EIP would be retained by the City under an agreement separate from Ehlers.

INDEPENDENT AUDITORS

The basic financial statements of the City for the fiscal year ended December 31, 2018 have been audited by CliftonLarsonAllen LLP, Wausau, Wisconsin, independent auditors (the "Auditor"). The report of the Auditor, together with the basic financial statements, component units financial statements, and notes to the financial statements are attached hereto as "APPENDIX A – FINANCIAL STATEMENTS". The Auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Auditor also has not performed any procedures relating to this Official Statement.

RISK FACTORS

Following is a description of possible risks to holders of the Notes without weighting as to probability. This description of risks is not intended to be all-inclusive, and there may be other risks not now perceived or listed here.

Permanent Financing: The Notes of this offering are dependent upon the City successfully marketing longer term generalobligationorrevenue bonds or notes prior to the maturity of the Notes. Market conditions, future litigation or other factors could preclude the marketing of these securities.

System Revenues: Should rates set be inadequate to cover expenses, an unusual number of delinquencies occur, or a major breakdown or other disaster cause the Water System or Sewer System to be inoperable, a shortfall of revenues could result in a delay of debt payments.

Larger Users: Should larger users increase or decrease usage of the water and sewer service currently provided, the revenues of the Utility System will be affected proportionately.

Ratings; Interest Rates: In the future, the City's credit rating may be reduced or withdrawn, or interest rates for this type of obligation may rise generally, either possibility resulting in a reduction in the value of the Notes for resale prior to maturity.

Tax Exemption: If the federal government taxes all or a portion of the interest on municipal bonds or notes or if the State government increases its tax on interest on bonds and notes, directly or indirectly, or if there is a change in federal or state tax policy, then the value of these Notes may fall for purposes of resale. Noncompliance by the City with the covenants in the Award Resolution relating to certain continuing requirements of the Code may result in inclusion of interest to be paid on the Notes in gross income of the recipient for United States income tax purposes, retroactive to the date of issuance.

Continuing Disclosure: A failure by the City to comply with the Disclosure Undertaking for continuing disclosure (see "CONTINUING DISCLOSURE") will not constitute an event of default on the Notes. Any such failure must be reported in accordance with the Rule and must be considered by any broker, dealer, or municipal securities dealer before recommending the purchase or sale of the Notes in the secondary market. Such a failure may adversely affect the transferability and liquidity of the Notes and their market price.

Book-Entry-Only System: The timely credit of payments for principal and interest on the Notes to the accounts of the Beneficial Owners of the Notes may be delayed due to the customary practices, standing instructions or for other unknown reasons by DTC participants or indirect participants. Since the notice of redemption or other notices to holders of these obligations will be delivered by the City to DTC only, there may be a delay or failure by DTC, DTC participants or indirect participants to notify the Beneficial Owners of the Notes.

Depository Risk: Wisconsin Statutes direct the local treasurer to immediately deposit upon receipt thereof, the funds of the municipality in a public depository designated by the governing body. A public depository means a federal or state credit union, federal or state savings and loan association, state bank, savings and trust company, mutual savings bank or national bank in Wisconsin or the local government pooled investment fund operated by the State Investment Board. It is not uncommon for a municipality to have deposits exceeding limits of federal and state insurance programs. Failure of a depository could result in loss of public funds or a delay in obtaining them. Such a loss or delay could interrupt a timely payment of municipal debt.

Economy: A combination of economic, climatic, political or civil disruptions or terrorist actions outside of the control of the City, including loss of major taxpayers or major employers, could affect the local economy and result in reduced tax collections and/or increased demands upon local government. Real or perceived threats to the financial stability of the City may have an adverse effect on the value of the Notes in the secondary market.

Secondary Market for the Notes: No assurance can be given that a secondary market will develop for the purchase and sale of the Notes or, if a secondary market exists, that such Notes can be sold for any particular price. The underwriters are not obligated to engage in secondary market trading or to repurchase any of the Notes at the request of the owners thereof. Prices of the Notes as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Notes. Such market value could be substantially different from the original purchase price.

Bankruptcy: The rights and remedies of the holders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws, or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The opinion of Bond Counsel to be delivered with respect to the Notes will be similarly qualified. See "MUNICIPAL BANKRUPTCY" herein.

Cybersecurity: The City is dependent on electronic information technology systems to deliver services. These systems may contain sensitive information or support critical operational functions which may have value for unauthorized purposes. As a result, the electronic systems and networks may be targets of cyberattack. There can be no assurance that the City will not experience an information technology breach or attack with financial consequences that could have a material adverse impact.

The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Notes. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement and the Appendices hereto.

VALUATIONS

WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES

Equalized Value

Section 70.57, Wisconsin Statutes, requires the Department of Revenue to annually determine the equalized value (also referred to as full equalized value or aggregate full value) of all taxable property in each county and taxation district. The equalized value is an independent estimate of value used to equate individual local assessment policies so that property taxes are uniform throughout the various subdivisions in the State. Equalized value is calculated based on the history of comparable sales and information about value changes or taxing status provided by the local assessor. A comparison of the State-determined equalized value and the local assessed value, expressed as a percentage, is known as the assessment ratio or level of assessment. The Department of Revenue notifies each county and taxing jurisdiction of its equalized value on August 15; school districts are notified on October 1. The equalized value of each county is the sum of the valuations of all cities, villages, and towns within its boundaries. Taxing jurisdictions lying in more than one municipality, such as counties, school districts, or special taxing districts, use the equalized value of the underlying units in calculating and levying their respective levies. Equalized values are also used to apportion state aids and calculate municipal general obligation debt limits.

Assessed Value

The "assessed value" of taxable property in a municipality is determined by the local assessor, except for manufacturing properties which are valued by the State. Each city, village or town retains its own local assessor, who must be certified by the State Department of Revenue. Assessed value is used by these municipalities to determine tax levy mill rates and to apportion levies among individual property owners. Each taxing district must assess property at full value at least once in every five-year period. The State requires that the assessed values must be within 10% of State equalized values at least once every four years. The local assessor values property as of January 1 each year and submits those values to each municipality by the second Monday in June. The assessor also reports any value changes taking place since the previous year, to the Department of Revenue, by the second Monday in June.

CURRENT PROPERTY VALUATIONS

2019 Equalized Value	$3,075,863,100
2019 Equalized Value Reduced by Tax Increment Valuation	$2,716,775,800
2019 Assessed Value	$2,817,661,200

2019 EQUALIZED VALUE BY CLASSIFICATION

	2019 Equalized Value[1]	Percent of Total Equalized Value
Residential	$ 1,649,695,200	53.634%
Commercial	1,199,699,300	39.004%
Manufacturing	115,384,900	3.751%
Agricultural	39,800	0.001%
Undeveloped	349,800	0.011%
Ag Forest	218,300	0.007%
Forest	902,100	0.029%
Other	359,500	0.012%
Personal Property	109,214,200	3.551%
Total	$ 3,075,863,100	100.000%

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value[1]	Percent Increase/Decrease in Equalized Value
2015	$2,647,764,700	$2,633,849,300	-0.83%
2016	2,696,195,000	2,608,454,600	-0.96%
2017	2,716,638,000	2,764,682,800	5.99%
2018	2,712,932,900	2,896,505,400	4.77%
2019	2,817,661,200	3,075,863,100	6.19%

Source: Wisconsin Department of Revenue, Bureau of Equalization and Local Government Services Bureau.

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[1] Includes tax increment valuation.

LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2019 Equalized Value[1]	Percent of City's Total Equalized Value
Ghidorzi	Office/Land Development	$ 82,616,527	2.69%
Aspirus/Wausau Hospital	Medical	71,628,682	2.33%
Marshfield Clinic	Medical	36,502,896	1.19%
Apogee	Manufacturing	32,384,009	1.05%
Wausau Benefits/Fiserv	Commercial	30,406,965	0.99%
Eastbay	Retail	29,057,795	0.94%
First Wausau Tower	Office	27,570,674	0.90%
L&L Properties	Apartment Complex	20,016,872	0.65%
Kocourek Holdings Inc.	Auto Dealership	19,639,035	0.64%
River Valley Bank	Financial Institution	16,634,889	0.54%
Total		**$366,458,344**	**11.91%**

City's Total 2019 Equalized Value[2] $3,075,863,100

Source: The City.

[1] Calculated by dividing the 2019 Assessed Values by the 2019 Aggregate Ratio of assessment for the City.

[2] Includes tax increment valuation.

DEBT

DIRECT DEBT[1]

General Obligation Debt (see schedules following)

Total General Obligation Debt	$ 69,259,779

Revenue Debt (see schedules on pages 4 and 5)

Total revenue debt secured by sewer revenues	$11,730,000
Total revenue debt secured by water revenues	$6,830,000

Other Obligations (includes the Notes)*

Issue Date	Original Amount	Name of Issue	Final Maturity	Amount Outstanding
12/5/17	$ 6,600,000	Taxable Note Anticipation Note[2]	4/1/22	$ 6,600,000
12/4/18	$ 8,010,000	Taxable Note Anticipation Note[2]	4/1/23	$ 8,010,000
3/26/20	$ 5,120,000	The Notes[3]	4/01/22	$ 5,120,000

*Preliminary, subject to change.

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1 Outstanding debt is as of the dated date of the Notes.

2 These Taxable Note Anticipation Notes are not general obligations of the City but are secured by a pledge of the proceeds from the issuance of long-term general obligation debt. The City has reserved general obligation debt capacity for the long-term debt.

3 The Notes are not general obligations of the City but are secured by a pledge of the proceeds from the issuance of long-term revenue debt.

City of Wausau, Wisconsin
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Taxes
(As of 03/26/2020)

	Promissory Notes Series 2010A		Promissory Notes Series 2011A		Taxable Promissory Notes Series 2012A		Promissory Notes Series 2012B		Promissory Notes Series 2013A	
Dated	06/24/2010		08/02/2011		04/05/2012		04/05/2012		07/02/2013	
Amount	$5,145,000		$7,685,000		$2,725,000		$13,400,000		$5,365,000	
Maturity	04/01		04/01		04/01		04/01		04/01	
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2020	540,000	8,100	765,000	28,084	285,000	18,406	1,595,000	58,369	520,000	41,350
2021			760,000	9,500	290,000	11,575	1,005,000	27,863	520,000	30,950
2022					300,000	3,975	510,000	7,650	515,000	20,600
2023									515,000	7,725
2024										
2025										
2026										
2027										
2028										
2029										
2030										
2031										
2032										
2033										
2034										
2035										
2036										
2037										
2038										
2039										
	540,000	8,100	1,525,000	37,584	875,000	33,956	3,110,000	93,881	2,070,000	100,625

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City of Wausau, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 03/26/2020)

	Taxable Promissory Notes Series 2013B		Promissory Notes Foundation Note		Swimming Pool Bonds Series 2013C		Promissory Notes Series 2014A		Community Development Bonds Series 2014B	
Dated	07/02/2013		08/16/2013		12/03/2013		09/25/2014		09/25/2014	
Amount	$630,000		$750,000		$3,410,000		$6,405,000		$1,495,000	
Maturity	04/01		12/31		04/01		04/01		04/01	
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2020	60,000	5,520	0	20,625	170,000	80,750	400,000	37,700	105,000	29,025
2021	60,000	4,125	0	20,625	170,000	75,650	410,000	29,600	110,000	26,875
2022	60,000	2,580	750,000	20,625	170,000	70,550	415,000	21,350	115,000	24,625
2023	60,000	885			170,000	65,450	425,000	12,950	115,000	22,325
2024					170,000	60,350	435,000	4,350	115,000	19,738
2025					170,000	55,250			120,000	16,800
2026					170,000	49,725			120,000	13,500
2027					170,000	43,775			125,000	9,825
2028					170,000	37,400			130,000	6,000
2029					170,000	30,600			135,000	2,025
2030					170,000	23,800				
2031					170,000	17,000				
2032					170,000	10,200				
2033					170,000	3,400				
2034										
2035										
2036										
2037										
2038										
2039										
	240,000	13,110	750,000	61,875	2,380,000	623,900	2,085,000	105,950	1,190,000	170,738

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City of Wausau, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 03/26/2020)

	Promissory Notes Series 2015A		Corporate Purpose Bonds Series 2015B		Taxable Community Development Bonds Series 2015C		Promissory Notes Foundation Note		Promissory Notes Series 2016A	
Dated	08/06/2015		08/06/2015		08/06/2015		04/18/2016		05/10/2016	
Amount	$3,930,000		$5,705,000		$2,655,000		$1,609,779		$8,705,000	
Maturity	04/01		04/01		04/01		04/18		04/01	
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2020	385,000	44,831	315,000	132,273	180,000	75,105	0	44,269	760,000	120,750
2021	390,000	38,920	315,000	125,185	185,000	69,630	0	44,269	775,000	105,400
2022	400,000	32,100	330,000	117,123	190,000	64,005	0	44,269	795,000	85,725
2023	410,000	24,300	330,000	109,079	195,000	58,230	0	44,269	815,000	61,575
2024	420,000	15,475	345,000	100,848	200,000	52,305	0	44,269	845,000	36,675
2025	430,000	5,375	350,000	92,160	205,000	46,025	0	44,269	865,000	15,350
2026			360,000	82,385	215,000	39,090	1,609,779	44,269	335,000	3,350
2027			370,000	71,435	220,000	31,530				
2028			385,000	60,110	230,000	23,370				
2029			390,000	48,485	240,000	14,495				
2030			405,000	36,358	250,000	4,938				
2031			170,000	27,445						
2032			180,000	22,020						
2033			180,000	16,440						
2034			190,000	10,325						
2035			200,000	3,500						
2036										
2037										
2038										
2039										
	2,435,000	161,001	4,815,000	1,055,169	2,310,000	478,723	1,609,779	309,882	5,190,000	428,825

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City of Wausau, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 03/26/2020)

	Corporate Purpose Bonds Series 2016B		Taxable Community Development Bonds Series 2016C		Promissory Notes Foundation Note		Promissory Notes Series 2017A		Community Development Bonds Series 2017B	
Dated	05/10/2016		05/10/2016		11/15/2016		07/12/2017		07/12/2017	
Amount	$6,530,000		$4,695,000		$200,000		$6,230,000		$6,405,000	
Maturity	04/01		04/01		11/15		04/01		04/01	
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2020	350,000	173,550	525,000	64,738	200,000	5,515	640,000	143,150	440,000	177,350
2021	360,000	162,900	525,000	57,256			650,000	130,250	450,000	166,200
2022	370,000	151,950	525,000	48,594			670,000	110,350	465,000	152,475
2023	385,000	140,625	525,000	39,013			700,000	82,950	475,000	138,375
2024	395,000	128,925	550,000	28,388			730,000	54,350	490,000	123,900
2025	405,000	116,925	550,000	16,563			760,000	28,350	505,000	108,975
2026	415,000	104,625	50,000	9,675			280,000	12,750	520,000	93,600
2027	430,000	91,950	50,000	8,275			285,000	4,275	540,000	77,700
2028	440,000	78,900	50,000	6,875					555,000	61,275
2029	455,000	65,475	50,000	5,363					570,000	44,400
2030	470,000	51,600	50,000	3,738					590,000	27,000
2031	485,000	37,275	50,000	2,113					605,000	9,075
2032	190,000	27,150	40,000	650						
2033	195,000	21,375								
2034	200,000	15,450								
2035	205,000	9,375								
2036	210,000	3,150								
2037										
2038										
2039										
	5,960,000	1,381,200	3,540,000	291,238	200,000	5,515	4,715,000	566,425	6,205,000	1,180,325

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City of Wausau, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 03/26/2020)

	Promissory Notes Series 2018A		Promissory Notes Series 2019A		Corporate Purpose Bonds Series 2019B							
Dated	12/04/2018		10/01/2019		10/01/2019							
Amount	$5,480,000		$7,825,000		$4,870,000							
Maturity	04/01		04/01		04/01							
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2020	650,000	165,800	970,000	189,800	625,000	139,294	10,480,000	1,804,353	12,284,353	58,779,779	15.13%	2020
2021	665,000	139,500	925,000	161,375	165,000	123,494	8,730,000	1,561,141	10,291,141	50,049,779	27.74%	2021
2022	685,000	112,500	940,000	133,400	175,000	116,694	8,380,000	1,341,139	9,721,139	41,669,779	39.84%	2022
2023	700,000	84,800	955,000	104,975	175,000	109,694	6,950,000	1,107,219	8,057,219	34,719,779	49.87%	2023
2024	720,000	56,400	995,000	75,725	185,000	102,494	6,595,000	904,190	7,499,190	28,124,779	59.39%	2024
2025	735,000	30,975	1,025,000	50,550	195,000	94,894	6,315,000	722,460	7,037,460	21,809,779	68.51%	2025
2026	215,000	16,725	490,000	35,400	200,000	86,994	4,979,779	592,088	5,571,867	16,830,000	75.70%	2026
2027	220,000	10,200	500,000	25,500	210,000	78,794	3,120,000	453,259	3,573,259	13,710,000	80.20%	2027
2028	230,000	3,450	505,000	15,450	215,000	71,369	2,910,000	364,199	3,274,199	10,800,000	84.41%	2028
2029			520,000	5,200	215,000	64,919	2,745,000	280,961	3,025,961	8,055,000	88.37%	2029
2030					220,000	59,494	2,155,000	206,926	2,361,926	5,900,000	91.48%	2030
2031					225,000	54,903	1,705,000	147,811	1,852,811	4,195,000	93.94%	2031
2032					235,000	49,869	815,000	109,889	924,889	3,380,000	95.12%	2032
2033					240,000	44,525	785,000	85,740	870,740	2,595,000	96.25%	2033
2034					250,000	38,700	640,000	64,475	704,475	1,955,000	97.18%	2034
2035					250,000	32,450	655,000	45,325	700,325	1,300,000	98.12%	2035
2036					260,000	26,075	470,000	29,225	499,225	830,000	98.80%	2036
2037					270,000	19,113	270,000	19,113	289,113	560,000	99.19%	2037
2038					280,000	11,550	280,000	11,550	291,550	280,000	99.60%	2038
2039					280,000	3,850	280,000	3,850	283,850	0	100.00%	2039
	4,820,000	620,350	7,825,000	797,375	4,870,000	1,329,166	69,259,779	9,854,913	79,114,692			

DEBT LIMIT

The constitutional and statutory general obligation debt limit for Wisconsin municipalities, including towns, cities, villages, and counties (Article XI, Section 3 of the Wisconsin Constitution and Section 67.03, Wisconsin Statutes) is 5% of the current equalized value.

Equalized Value	$ 3,075,863,100
Multiply by 5%	0.05
Statutory Debt Limit	$ 153,793,155
Less: General Obligation Debt	(69,259,779)
Unused Debt Limit	$ 84,533,376

OVERLAPPING DEBT[1]

Taxing District	2019 Equalized Value[2]	% In City	Total G.O. Debt[3]	City's Proportionate Share
Marathon County	$ 11,639,160,900	26.4268%	$ 17,905,000	$ 4,731,719
North Central Technical College District	18,328,289,807	16.7821%	43,600,000	7,316,996
Wausau School District	4,643,608,021	63.1800%	63,560,000	40,157,208
DC Everest Area School District	3,028,568,434	4.6900%	97,710,000	4,582,599
City's Share of Total Overlapping Debt				$56,788,521

1 Overlapping debt is as of the dated date of the Notes. Only those taxing jurisdictions with general obligation debt outstanding are included in this section.

2 Includes tax increment valuation.

3 Outstanding debt based on information obtained on EMMA and the Municipal Advisor's records.

DEBT RATIOS

	G.O. Debt	Debt/Equalized Value $3,075,863,100	Debt/ Per Capita 39,090[1]
Total General Obligation Debt	$ 69,259,779	2.25%	$ 1,771.80
City's Share of Total Overlapping Debt	56,788,521	1.85%	1,452.76
Total	$126,048,300	4.10%	$ 3,224.57

DEBT PAYMENT HISTORY

The City has no record of default in the payment of principal and interest on its debt.

FUTURE FINANCING

On March 26, 2019 the Common Council authorized the submission of a loan application in the amount of $80,000,000 to the Wisconsin Environmental Improvement Fund – Clean Water for the City's Wastewater Treatment Facility Upgrade. The City has retained Donohue & Associates to provide planning and design engineering services. The City has also contracted with Ehlers for financial planning and rate study services. The construction is expected to begin summer of 2020.

The Common Council also authorized the construction and relocation of a new water treatment plant with a preliminary construction cost of $41,000,000. The City expects financing for this project to be the Wisconsin Environmental Improvement Fund-Safe Drinking Water Loan Program. The City has retained Becher Hoppe and Donohue & Associates, Inc. to provide planning and design engineering services. The City is currently working with the Wisconsin Department of Natural Resources and Wisconsin Public Service Commission on the final construction schedule, but hopes to begin construction in the summer of 2020. The City has contracted with Ehlers for financial planning and rate study services.

In addition, the City borrows annually for capital improvement and tax increment project needs.

Aside from the preceding, the City has no current plans for additional financing in the next 12 months.

[1] Estimated 2019 population.

TAX LEVIES AND COLLECTIONS

TAX LEVIES AND COLLECTIONS

Tax Year	Levy for City Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per $1,000
2015/16	$22,927,098	100%	$9.48
2016/17	23,879,534	100%	10.00
2017/18	24,462,367	100%	9.75
2018/19	25,061,256	100%	9.62
2019/20	26,096,694	In Process	9.61

Property tax statements are distributed to taxpayers by the town, village, and city treasurers in December of the levy year. Current state law requires counties to pay 100% of the real property taxes levied to cities, villages, towns, school districts and other taxing entities on or about August 20 of the collection year.

Personal property taxes, special assessments, special charges and special taxes must be paid to the town, city or village treasurer in full by January 31, unless the municipality, by ordinance, permits special assessments to be paid in installments. Real property taxes must be paid in full by January 31 or in two equal installments by January 31 and July 31. Alternatively, municipalities may adopt a payment plan which permits real property taxes to be paid in three or more equal installments, provided that the first installment is paid by January 31, one-half of the taxes are paid by April 30 and the remainder is paid by July 31. Amounts paid on or before January 31 are paid to the town, city or village treasurer. Amounts paid after January 31, are paid to the county treasurer unless the municipality has authorized payment in three or more installments in which case payment is made to the town, city or village treasurer. On or before January 15 and February 20 the town, city or village treasurer settles with other taxing jurisdictions for all collections through December and January, respectively. In municipalities which have authorized the payment of real property taxes in three or more installments, the town, city or village treasurer settles with the other taxing jurisdictions on January 15, February 20 and on the fifteenth day of each month following the month in which an installment payment is required. On or before August 20, the county treasurer must settle in full with the underlying taxing districts for all real property taxes and special taxes. Any county board may authorize its county treasurer to also settle in full with the underlying taxing districts for all special assessments and special charges. The county may then recover any tax delinquencies by enforcing the lien on the property and retain any penalties or interest on the delinquencies for which it has settled. Uncollected personal property taxes owed by an entity that has ceased operations or filed a petition for bankruptcy, or are due on personal property that has been removed from the next assessment roll are collected from each taxing entity in the year following the levy year.

PROPERTY TAX RATES

Full value rates for property taxes expressed in dollars per $1,000 of equalized value (excluding tax increment valuation) that have been collected in recent years have been as follows:

Year Levied/ Year Collected	Schools[1]	County	Local	Other[2]	Total
2015/16	$12.70	$5.15	$9.48	$0.18	$27.51
2016/17	12.37	5.06	10.00	0.19	27.62
2017/18	12.35	4.98	9.75	0.00	27.08
2018/19	12.21	4.82	9.62	0.00	26.66
2019/20	12.02	4.73	9.61	0.00	26.36

Source: Property Tax Rates were extracted from Statement of Taxes prepared by the Wisconsin Department of Revenue, Division of State and Local Finance.

LEVY LIMITS

Section 66.0602 of the Wisconsin Statutes, imposes a limit on property tax levies by cities, villages, towns and counties. No city, village, town or county is permitted to increase its tax levy by a percentage that exceeds its valuation factor (which is defined as a percentage equal to the greater of either the percentage change in the political subdivision's January 1 equalized value due to new construction less improvements removed between the previous year and the current or zero percent). The base amount in any year to which the levy limit applies is the actual levy for the immediately preceding year. In 2018, and in each year thereafter, the base amount is the actual levy for the immediately preceding year plus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes (an amount equal to the property taxes formerly levied on certain items of personal property), and the levy limit is the base amount multiplied by the valuation factor, minus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes. This levy limitation is an overall limit, applying to levies for operations as well as for other purposes.

A political subdivision that did not levy its full allowable levy in the prior year can carry forward the difference between the allowable levy and the actual levy, up to a maximum of 1.5% of the prior year's actual levy. The use of the carry forward levy adjustment needs to be approved by a majority vote of the political subdivision's governing body (except in the case of towns) if the amount of carry forward levy adjustment is less than or equal to 0.5% and by a super majority vote of the political subdivision's governing body (three-quarters vote if the governing body is comprised of five or more members, two-thirds vote if the governing body is comprised of fewer than five members) (except in the case of towns) if the amount of the carry forward levy adjustment is greater than 0.5% up to the

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1 The Schools tax rate reflects the composite rate of all local school districts and technical college district.

2 Includes the state reforestation tax which is apportioned to each county on the basis of its full value. Counties, in turn, apportion the tax to the tax districts within their borders on the basis of full value. It also includes taxes levied for special purpose districts such as metropolitan sewerage districts, sanitary districts, and public inland lake protection districts. Tax increment values are not included. State property taxes were eliminated in the State's 2017 - 2019 budget act.

maximum increase of 1.5%. For towns, the use of the carry forward levy adjustment needs to be approved by a majority vote of the annual town meeting or special town meeting after the town board has adopted a resolution in favor of the adjustment by a majority vote if the amount of carry forward levy adjustment is less than or equal to 0.5% or by two-thirds vote or more if the amount of carry forward levy adjustment is greater than 0.5% up to the maximum of 1.5%.

Beginning with levies imposed in 2015, if a political subdivision does not make an adjustment in its levy as described in the above paragraph in the current year, the political subdivision may increase its levy by the aggregate amount of the differences between the political subdivision's valuation factor in the previous year and the actual percent increase in a political subdivision's levy attributable to the political subdivision's valuation factor in the previous year, for the five years before the current year, less any amount of such aggregate amount already claimed as an adjustment in any of the previous five years. The calculation of the aggregate amount available for such adjustment may not include any year before 2014, and the maximum adjustment allowed may not exceed 5%. The use of the adjustment described in this paragraph requires approval by a two-thirds vote of the political subdivision's governing body, and the adjustment may only be used if the political subdivision's level of outstanding general obligation debt in the current year is less than or equal to the political subdivision's level of outstanding general obligation debt in the previous year.

Special provisions are made with respect to property taxes levied to pay general obligation debt service. Those are described below. In addition, the statute provides for certain other exclusions from and adjustments to the tax levy limit. Among the items excluded from the limit are amounts levied for any revenue shortfall for debt service on a revenue bond issued under Section 66.0621. Among the adjustments permitted is an adjustment applicable when a tax increment district terminates, which allows an amount equal to the prior year's allowable levy multiplied by 50% of the political subdivision's percentage growth due to the district's termination.

With respect to general obligation debt service, the following provisions are made:

(a) If a political subdivision's levy for the payment of general obligation debt service, including debt service on debt issued or reissued to fund or refund outstanding obligations of the political subdivision and interest on outstanding obligations of the political subdivision, on debt originally issued before July 1, 2005, is less in the current year than in the previous year, the political subdivision is required to reduce its levy limit in the current year by the amount of the difference between the previous year's levy and the current year's levy.

(b) For obligations authorized before July 1, 2005, if the amount of debt service in the preceding year is less than the amount of debt service needed in the current year, the levy limit is increased by the difference between the two amounts. This adjustment is based on scheduled debt service rather than the amount actually levied for debt service (after taking into account offsetting revenues such as sales tax revenues, special assessments, utility revenues, tax increment revenues or surplus funds). Therefore, the levy limit could negatively impact political subdivisions that experience a reduction in offsetting revenues.

(c) The levy limits do not apply to property taxes levied to pay debt service on general obligation debt authorized on or after July 1, 2005.

THE ISSUER

CITY GOVERNMENT

The City was incorporated in 1872 and is governed by a Mayor and an 11-member Common Council. The Mayor does not vote except in the case of a tie. All Council Members are elected to two-year terms. The appointed Finance Director/Treasurer and Clerk are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

The City employs a staff of 307 full-time, 16 part-time, and 50 seasonal employees. All eligible employees in the City are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes ("Chapter 40"). The WRS is a cost-sharing multiple-employer defined benefit pension plan. The Department of Employee Trust Funds ("ETF") administers the WRS. Required contributions to the WRS are determined by the ETF Board pursuant to an annual actuarial valuation in accordance with Chapter 40 and the ETF's funding policies. The ETF Board has stated that its funding policy is to (i) ensure funds are adequate to pay benefits; (ii) maintain stable and predictable contribution rates for employers and employees; and (iii) maintain inter-generational equity to ensure the cost of the benefits is paid for by the generation that receives the benefits.

City employees are generally required to contribute half of the actuarially determined contributions, and the City generally may not pay the employees' required contribution. During the fiscal year ended December 31, 2016 ("Fiscal Year 2016"), the fiscal year ended December 31, 2017 ("Fiscal Year 2017") and the fiscal year ended December 31, 2018 ("Fiscal Year 2018"), the City's portion of contributions to WRS (not including any employee contributions) totaled $1,620,665, $1,834,467 and $1,891,736 respectively.

The City implemented Governmental Accounting Standards Board Statement No. 68 ("GASB 68") for Fiscal Year 2016.

GASB 68 requires calculation of a net pension liability for the pension plan. The net pension liability is calculated as the difference between the pension plan's total pension liability and the pension plan's fiduciary net position. The pension plan's total pension liability is the present value of the amounts needed to pay pension benefits earned by each participant in the pension plan based on the service provided as of the date of the actuarial valuation. In other words, it is a measure of the present value of benefits owed as of a particular date based on what has been earned only up to that date, without taking into account any benefits earned after that date. The pension plan's fiduciary net position is the market value of plan assets formally set aside in a trust and restricted to paying pension plan benefits. If the pension plan's total pension liability exceeds the pension plan's fiduciary net position, then a net pension liability results. If the pension plan's fiduciary net position exceeds the pension plan's total pension liability, then a net pension asset results.

As of December 31, 2017, the total pension liability of the WRS was calculated as $101.4 billion and the fiduciary net position of the WRS was calculated as $104.4 billion, resulting in a net pension asset of $3 billion.

Under GASB 68, each participating employer in a cost-sharing pension plan must report the employer's proportionate share of the net pension liability or net pension asset of the pension plan. Accordingly, for Fiscal Year 2018, the City reported an asset of $5,150,404 for its proportionate share of the net pension asset of the WRS. The net pension asset was measured as of December 31, 2017 based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. The City's proportion was 0.17346577% of the aggregate WRS net pension asset as of December 31, 2017.

The calculation of the total pension asset and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of net pension asset of the WRS, which may also cause the ETF Board to change the contribution requirements for employers and employees. For more detailed information regarding the WRS and such actuarial assumptions, see "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

Recognized and Certified Bargaining Units

All eligible City personnel are covered by the Municipal Employment Relations Act ("MERA") of the Wisconsin Statutes. Pursuant to that law, employees have rights to organize and collectively bargain with municipal employers. MERA was amended by 2011 Wisconsin Act 10 (the "Act") and by 2011 Wisconsin Act 32, which altered the collective bargaining rights of public employees in Wisconsin.

As a result of the 2011 amendments to MERA, the City is prohibited from bargaining collectively with municipal employees, other than public safety and transit employees, with respect to any factor or condition of employment except total base wages. Even then, the City is limited to increasing total base wages beyond any increase in the consumer price index since 180 days before the expiration of the previous collective bargaining agreement (unless City were to seek approval for a higher increase through a referendum). Ultimately, the City can unilaterally implement the wages for a collective bargaining unit.

Under the changes to MERA, impasse resolution procedures were removed from the law for municipal employees of the type employed by the City, including binding interest arbitration. Strikes by any municipal employee or labor organization are expressly prohibited. As a practical matter, it is anticipated that strikes will be rare. Furthermore, if strikes do occur, they may be enjoined by the courts. Additionally, because the only legal subject of bargaining is the base wage rates, all bargaining over items such as just cause, benefits, and terms of conditions of employment are prohibited and cannot be included in a collective bargaining agreement. Impasse resolution for public safety employees and transit employees is subject to final and binding arbitration procedures, which do not include a right to strike. Interest arbitration is available for transit employees if certain conditions are met.

The following bargaining units represent employees of the City:

Bargaining Unit	**Expiration Date of Current Contract**
Wausau Firefighters Association Local 415 LAFF, AFL-CIO and CLC	December 31, 2020
Wausau Professional Police Association	December 31, 2020
Local 1168 Amalgamated Transit Union	December 31, 2022

Status of Contracts

Local 1168 Amalgamated Transit Union contract has been settled. The final document is waiting for signatures as of the date of this official statement.

OTHER POST EMPLOYMENT BENEFITS

The City provides "other post-employment benefits" ("OPEB") (i.e., post-employment benefits, other than pension benefits, owed to its employees and former employees) through a single-employer defined benefit plan to employees who have terminated their employment with the City and have satisfied specified eligibility standards. Any City employee retiring after December 31, 2012 is no longer eligible to remain on the City's group medical plan beyond COBRA eligibility.

The City provides "other post-employment benefits" ("OPEB") (i.e., post-employment benefits, other than pension benefits, owed to its employees and former employees) to employees who have terminated their employment with the City and have satisfied specified eligibility standards through a single-employer defined benefit plan. Membership of the plan consisted of 14 retirees receiving benefits and 261 active plan members as of December 31, 2017, the date of the latest actuarial valuation.

OPEB calculations are required to be updated every two years. Prior to fiscal years beginning after June 15, 2017, OPEB calculations were required to be prepared in accordance with Statement No. 45 of the Governmental Accounting Standards Board ("GASB 45") regarding retiree health and life insurance benefits, and related standards. For fiscal years beginning after June 15, 2017, OPEB calculations are required to be prepared in accordance with Statements No. 74 and 75 of the Governmental Accounting Standards Board ("GASB 74/75"). An actuarial study for the plan prepared in accordance with GASB 74/75 was most recently completed by Key Benefits Concepts, LLC in January, 2019 with an actuarial valuation date of December 31, 2017 (the "Actuarial Report").

For Fiscal Year 2018, benefit payments for the plan totaled $109,967. The City's current funding practice is to pay the amount of benefits due in a given year on a "pay-as-you-go" basis.

Under GASB 74/75, a net OPEB liability (or asset) is calculated as the difference between the plan's total OPEB liability and the plan's fiduciary net position, which terms have similar meanings as under GASB 68 for pension plans.

As of December 31, 2018, the plan's total OPEB liability was $673,151 and the plan fiduciary net position was $0, resulting in a net OPEB liability of $673,151.

The calculation of the total OPEB liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. For more detailed information, see Note 4.B.1 in the "APPENDIX A – FINANCIAL STATEMENTS" attached hereto.

The City also provides OPEB through the Local Retiree Life Insurance Fund ("LRLIF"), which is a cost-sharing multiple-employer defined benefit plan established by Chapter 40. The ETF and the Group Insurance Board have statutory authority for program administration and oversight, including establishing contribution requirements for employers.

For Fiscal Year 2018, the City’s portion of contributions to the LRLIF totaled $4,463. For Fiscal Year 2018, the City reported a liability of $707,188 for its proportionate share of the net OPEB liability of the LRLIF. The net OPEB liability was measured as of December 31, 2017 based on the City’s share of contributions to the LRLIF relative to the contributions of all participating employers. The City’s proportion was 0.23505700% of the aggregate LRLIF net OPEB liability as of December 31, 2017.

The calculation of the total OPEB liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of the net OPEB liability of the LRLIF, which may also cause ETF to change the contribution requirements for employers and employees. For more detailed information, see Note 4.B.2 in the "APPENDIX A – FINANCIAL STATEMENTS" attached hereto.

LITIGATION

There is no litigation threatened or pending questioning the organization or boundaries of the City or the right of any of its officers to their respective offices or in any manner questioning their rights and power to execute and deliver the Notes or otherwise questioning the validity of the Notes.

MUNICIPAL BANKRUPTCY

Municipalities are prohibited from filing for bankruptcy under Chapter 11 (reorganization) or Chapter 7 (liquidation) of the U.S. Bankruptcy Code (11 U.S.C. §§ 101-1532) (the "Bankruptcy Code"). Instead, the Bankruptcy Code permits municipalities to file a petition under Chapter 9 of the Bankruptcy Code, but only if certain requirements are met. These requirements include that the municipality must be "specifically authorized" under State law to file for relief under Chapter 9. For these purposes, "State law" may include, without limitation, statutes of general applicability enacted by the State legislature, special legislation applicable to a particular municipality, and/or executive orders issued by an appropriate officer of the State's executive branch.

As of the date hereof, Wisconsin law contains no express authority for municipalities to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code.

Nevertheless, there can be no assurance (a) that State law will not change in the future, while the Notes are outstanding, in a way that would allow the City to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code; or (b) even absent such a change in State law, that an executive order or other executive action could not effectively authorize the City to file for relief under Chapter 9. If, in the future, the City were to file a bankruptcy case under Chapter 9, the relevant bankruptcy court would need to consider whether the City could properly do so, which would involve questions regarding State law authority as well as other questions such as whether the City is a municipality for bankruptcy purposes. If the relevant bankruptcy court concluded that the City could properly file a bankruptcy case, and that determination was not reversed, vacated, or otherwise substantially altered on appeal, then the rights of holders of the Notes could be modified in bankruptcy proceedings. Such modifications could be adverse to holders of the Notes, and there could ultimately be no assurance that holders of the Notes would be paid in full or in part on the Notes. Further, under such circumstances, there could be no assurance that the Notes would not be treated as general, unsecured debt by a bankruptcy court, meaning that claims of holders of the Notes could be viewed as having no priority (a) over claims of other creditors of the City; (b) to any particular assets of the City, or (c) to revenues otherwise designated for payment to holders of the Notes.

Moreover, if the City were determined not to be a "municipality" for the purposes of the Bankruptcy Code, no representations can be made regarding whether it would still be eligible for voluntary or involuntary relief under Chapters of the Bankruptcy Code other than Chapter 9 or under similar federal or state law or equitable proceeding regarding insolvency or providing for protection from creditors. In any such case, there can be no assurance that the consequences described above for the holders of the Notes would not occur.

FUNDS ON HAND (as of February 11, 2020)

Fund	**Total Cash and Investments**
General	$ 30,686,194
Special Revenue	5,889,548
Debt Service	5,306,653
Capital Projects	16,759,050
Enterprise Funds	12,874,160
Internal Service Funds	4,729,701
Trust and Agency Funds	2,153,359
Total Funds on Hand	$ 78,398,665

ENTERPRISE FUNDS

Revenues available for debt service for the City's enterprise funds have been as follows as of December 31 each year:

	2016	**2017**	**2018**
Water			
Total Operating Revenues	$ 5,445,096	$ 5,369,904	$ 5,872,093
Less: Operating Expenses	(3,861,777)	(3,871,905)	(4,153,396)
Operating Income	$ 1,583,319	$ 1,497,999	$ 1,718,697
Plus: Depreciation	1,151,651	1,189,328	1,226,894
Interest Income	82	3,020	22,118
Revenues Available for Debt Service	$ 2,735,052	$ 2,690,347	$ 2,967,709
Sewer			
Total Operating Revenues	$ 5,321,043	$ 5,312,985	$ 5,455,972
Less: Operating Expenses	(4,007,890)	(4,425,581)	(4,499,026)
Operating Income	$ 1,313,153	$ 887,404	$ 956,946
Plus: Depreciation	1,133,177	1,292,867	1,270,561
Interest Income	1,235	5,582	43,863
Revenues Available for Debt Service	$ 2,447,565	$ 2,185,853	$ 2,271,370

financial statements in their entirety for more complete information concerning the City. Copies of the complete audited financial statements are available upon request. See Appendix A for the City's 2018 audited financial statements.

	FISCAL YEAR ENDING DECEMBER 31				
COMBINED STATEMENT	**2016 Audited**	**2017 Audited**	**2018 Audited**	**2019 Preliminary[1]**	**2020 Adopted Budget[2]**
Revenues					
Taxes and special assessments	$ 17,072,739	$ 17,858,057	$ 18,082,366	$ 18,562,554	$ 19,071,978
Intergovernmental	7,929,706	8,052,938	8,387,728	8,884,979	8,914,469
Licenses and permits	856,103	958,527	937,095	956,119	806,057
Penalties and forfeitures	379,671	423,502	376,737	309,803	380,030
Public charges for services	2,048,807	2,150,635	2,375,019	2,381,376	2,295,760
Intergovernmental charges for services	1,600,706	1,219,719	1,365,462	791,107	1,032,548
Interest	335,556	0	1,176,114	1,679,766	703,538
Miscellaneous general revenues	340,490	687,398	0	0	0
Total Revenues	$ 30,563,778	$ 31,350,776	$ 32,700,521	$ 33,565,704	$ 33,204,380
Expenditures					
Current:					
General government	$ 4,313,529	$ 3,789,975	$ 4,223,320	$ 3,939,978	$ 4,297,974
Public safety	16,145,321	17,063,509	17,234,487	17,943,805	18,516,936
Public works	7,263,021	7,510,543	8,408,670	9,240,260	8,327,196
Health and social services	969,091	965,794	895,448	905,302	929,000
Culture and recreation	2,489,383	2,543,094	2,724,450	2,777,458	3,074,171
Capital outlay	0	0	0	0	0
Total Expenditures	$ 31,180,345	$ 31,872,915	$ 33,486,375	$ 34,806,803	$ 35,145,277
Excess of revenues over (under) expenditures	$ (616,567)	$ (522,139)	$ (785,854)	$ (1,241,099)	$ (1,940,897)
Other Financing Sources (Uses)					
Proceeds from capital lease	0	0	0	0	0
Proceeds of long-term debt	0	0	0	0	0
Transfers in	1,895,060	1,910,012	1,918,184	1,893,260	1,940,897
Transfers out	(275,473)	(511,600)	(148,088)	(310,000)	0
Total Other Financing Sources (Uses)	$ 1,619,587	$ 1,398,412	$ 1,770,096	$ 1,583,260	$ 1,940,897
Excess of revenues and other financing sources over (under) expenditures and other financing uses	$ 1,003,020	$ 876,273	$ 984,242	$ 342,161	$ 0
General Fund Balance January 1	10,024,148	11,027,168	11,903,441	12,887,683	13,229,844
Prior Period Adjustment	0	0	0	0	
Residual Equity Transfer in (out)	0	0	0	0	
General Fund Balance December 31	$ 11,027,168	$ 11,903,441	$ 12,887,683	$ 13,229,844	$ 13,229,844
DETAILS OF DECEMBER 31 FUND BALANCE					
Nonspendable	4,110,246	4,022,645	3,537,800		
Committed	1,128,159	1,314,407	1,164,419		
Unassigned	5,788,763	6,566,389	8,185,464		
Total	$ 11,027,168	$ 11,903,441	$ 12,887,683	$ 0	$ 0

1 Unaudited data is as of December 31, 2019.

2 The 2020 budget was adopted on November 12, 2019.

GENERAL INFORMATION

LOCATION

The City, with a 2010 U.S. Census population of 39,106 and a current estimated population of 39,090 comprises an area of 19.56 square miles and is located in the heart of Wisconsin; about 99 miles east of Eau Claire, Wisconsin. The City is the county seat of Marathon County.

LARGER EMPLOYERS[1]

Larger employers in the City include the following:

Firm	Type of Business/Product	Estimated No. of Employees
Aspirus Wausau Hospital	Hospital	3,634
UMR	Insurance Company	1,354
Wausau School District	Elementary and secondary education	1,276
Eastbay Inc.	Mail Order House	1,125
Apogee Linetec	Finishing services for green building	977
Kolbe & Kolbe Millwork	Window manufacturer	871
Marathon County	County government and services	787
North Central Health Care	Mental health services	755
Liberty Mutual	Insurance Company	750
Marshfield Clinic	Healthcare/medical	566

Source: *ReferenceUSA, written and telephone survey (August 2019), Wisconsin Manufacturers Register, and the Wisconsin Department of Workforce Development.*

[1] This does not purport to be a comprehensive list and is based on available data obtained through a survey of individual employers, as well as the sources identified above. Some employers do not respond to inquiries for employment data.

BUILDING PERMITS

	2016	2017	2018	2019	2020[1]
New Single Family Homes					
No. of building permits	23	48	43	45	0
Valuation	$4,956,800	$9,272,000	$8,734,000	$9,935,012	$0
All Building Permits *(including additions and remodelings)*					
No. of building permits	1,683	393	1,141	1,185	45
Valuation	$85,560,936	$77,259,866	$91,421,507	$105,185,638	$15,921,862

Source: The City.

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[1] As of January 31, 2020.

U.S. CENSUS DATA

Population Trend: The City

2000 U.S. Census		38,426
2010 U.S. Census		39,106
2019 Estimated Population		39,090
Percent of Change 2000 - 2010	+	1.77%

Income and Age Statistics

	The City	**Marathon County**	**State of Wisconsin**	**United States**
2018 per capita income	$28,217	$31,879	$32,018	$32,621
2018 median household income	$43,232	$59,543	$59,209	$60,293
2018 median family income	$60,212	$74,600	$75,313	$73,965
2018 median gross rent	$685	$733	$837	$1,023
2018 median value owner occupied units	$118,300	$152,000	$173,600	$204,900
2018 median age	39.3 yrs.	40.6 yrs.	39.3 yrs.	37.9 yrs.

	State of Wisconsin	**United States**
City % of 2018 per capita income	88.13%	86.50%
City % of 2018 median family income	79.95%	81.41%

Housing Statistics

	The City		
	2010	**2018**	**Percent of Change**
All Housing Units	18,396	18,803	2.21%

Source: *2000 and 2010 Census of Population and Housing, and 2018 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (https://data.census.gov/cedsci).*

EMPLOYMENT/UNEMPLOYMENT DATA

Rates are not compiled for individual communities with populations under 25,000.

	Average Employment		**Average Unemployment**		
Year	**The City**	**Marathon County**	**The City**	**Marathon County**	**State of Wisconsin**
2015	18,919	70,503	4.3%	4.0%	4.6%
2016	19,021	71,151	3.8%	3.6%	4.0%
2017	19,133	71,886	3.2%	2.9%	3.3%
2018	19,190	72,098	2.9%	2.7%	3.0%
2019, December[1]	19,126	71,858	3.1%	2.7%	3.2%

Source: *Wisconsin Department of Workforce Development.*

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[1] Preliminary.

FINANCIAL STATEMENTS

Potential purchasers should read the included financial statements in their entirety for more complete information concerning the City's financial position. Such financial statements have been audited by the Auditor, to the extent and for the periods indicated thereon. The City has not requested or engaged the Auditor to perform, and the Auditor has not performed, any additional examination, assessments, procedures or evaluation with respect to such financial statements since the date thereof or with respect to this Official Statement, nor has the City requested that the Auditor consent to the use of such financial statements in this Official Statement. Although the inclusion of the financial statements in this Official Statement is not intended to demonstrate the fiscal condition of the City since the date of the financial statements, in connection with the issuance of the Notes, the City represents that there have been no material adverse change in the financial position or results of operations of the City, nor has the City incurred any material liabilities, which would make such financial statements misleading.

Copies of the complete audited financial statements for the past three years and the current budget are available upon request from Ehlers.

CITY OF WAUSAU
Wausau, Wisconsin

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended
December 31, 2018

Finance Department
Maryanne Groat, CPA, Finance Director / Treasurer
Robert Splinter, CPA, Assistant Finance Director

CITY OF WAUSAU, WISCONSIN
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Year Ended December 31, 2018

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July 31, 2019

To the Honorable Mayor, Members of the Common Council, and Citizens of the City of Wausau:

The Comprehensive Annual Financial Report of the City of Wausau for the fiscal year ended December 31, 2018 is hereby submitted.

Management Representations

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City. In addition, we are not aware of any financial policies that had a significant impact on the current year's financial statements. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Reporting Entity

The City of Wausau provides a full range of municipal services, including police, fire protection, paramedic, sanitation, water and wastewater, recreation, public works, and administrative support services. In addition, the City facilitates economic and neighborhood development. These services are funded from various sources which include: property taxes, room tax, cable franchise fee, grants, user fees, and revenues from municipally owned utilities. These activities are under the direct oversight responsibility of the Mayor and constitute the primary governmental functions of the City of Wausau. In addition, the City of Wausau is also financially accountable for a legally separate Community Development Authority, which is reported separately as a discretely presented component unit, within the City of Wausau's financial statements.

Profile of the Government

The City of Wausau was incorporated as a city on April 2, 1872. The City is located in north central Wisconsin, approximately 181 miles northwest of Milwaukee, Wisconsin and 175 miles east of Minneapolis/St. Paul, Minnesota. Wausau is the county seat of Marathon County, which is Wisconsin's largest county, covering 1,584 square miles. The City of Wausau covers 18.27 square miles with approximately 261.9 miles of streets. County population per the 2010 census was 134,063 which includes the City's census population of 39,106. The City operates under the mayoral form of government. Policy making and legislative authority are vested in a governing council consisting of eleven alderpersons, elected by district, who serve two-year terms. The elected mayor serves a four-year term.

Financial Information

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with General Accepted Accounting Principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Controls

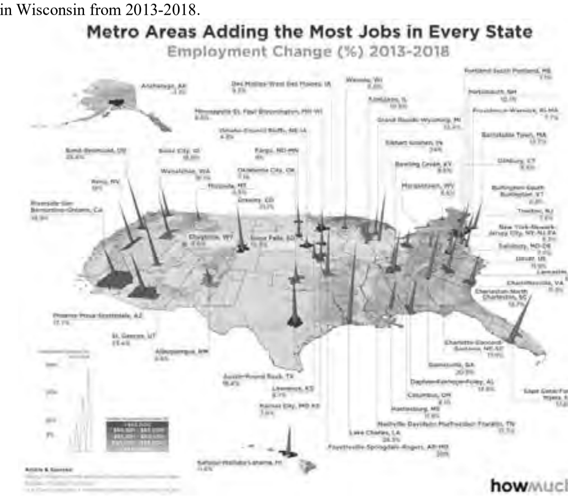
The annual budget serves as the foundation for the City of Wausau's financial planning and control. Activities of the general fund, certain special revenue funds, debt service fund, capital projects funds and proprietary funds (exclusive of the discretely presented component unit) are included in the City's annual budget. City departments submit their annual budget requests for the ensuing year to the Mayor. After all requests have been reviewed, services prioritized and available resources evaluated, the Mayor submits the budget to the Finance Committee for review and recommendation to the Common Council. After conducting a public hearing of the budget, the Common Council adopts the budget no later than the fourth Tuesday in November.

The budget as adopted includes total expenditures at the cost center level. A cost center can be a fund, department, program or other activity for which control of expenditures is considered desirable. Cost centers are defined as follows: General Fund at department level, Special Revenue and Capital Projects at program level and Debt Service at total fund level. The City's Finance Director and Mayor may authorize new appropriations or transfers of budgeted amounts within expenditures of a cost center up to $5,000. Amounts up to $15,000 require Finance Committee approval and transfers or new appropriations over $15,000 require two-thirds (2/3) Common Council approval to amend the budget.

Economic Condition and Outlook/Major Initiatives

Wausau is 'the city' of northern Wisconsin and as the largest municipality within an approximately 100 mile radius, Wausau serves as the region's central place - home to the largest hospital, that largest performing arts theater, headquarters of regional banks, destination for the largest regional shopping facilities within a 100 mile radius, and highest employment concentration. Wausau has a diverse economic base including manufacturing (with a very strong 2.51 Location Quotient), construction, retailing, finance and insurance (with a strong 1.52 Location Quotient), health care, legal and a variety of other professional services.

Wausau's 5 year economic indicators continued to strengthen into 2019. Updated US Bureau of Labor Statistics (BLS) data released at the end of last year confirmed that Wausau had the fastest job and wage growth in Wisconsin from 2013-2018.



Wausau, as the main employment center of the region, has over 50% of the region's workforce working within the City's limits. Unemployment remained stable throughout 2018 near historic lows, ending at 2.6% (December 2018 Wisconsin Worknet Local Area Unemployment Statistics) from an last year's historic low of 2.5%.

Recently, Wausau was certified as a Livable Community by AARP, only the 4th municipality in Wisconsin to receive the designation. Recent rankings by *Reviews.org* and *247WallSt.com* highlighted Wausau as a prime location for both millennials and retirees, confirming the City's diverse appeal. Diverse new housing options continue to expand, including a phase 2 of the City's first urban row house development and over 200 units of high-end multifamily residential are opening or under construction currently, which is another record for the City. Tourism continues to rise as Wausau strengthens as both a summer and winter sports destination with total tourism spending of more than $244,000,000 in 2018, up front $230,000,000 in 2015. Aiding this growth was continued improvements to the award-winning Wausau Whitewater Kayaking course, and the opening of new off-road cycling facilities which contributed to Wausau being named the #2 city for biking nationally by People for Bikes for 2018 (https://cityratings.peopleforbikes.org).

In 2019, the City expects to complete the buildout of a 205 acre expansion to the Wausau Business Campus, which is the only "certified site" by the Wisconsin Economic Development Corporation in the Wausau metro area. A new $80,000,000 cheese packaging plant is now in operation, and a $10,000,000 chemical warehousing facility will open later in 2019. A new health and wellness facility built in partnership with Aspirus Hospital and the Woodson YMCA is currently under construction downtown. Also, downtown the City's $4,100,000 Riverlife Park opens this year, surrounded by mixed use development totaling nearly $30,000,000 in construction value. The City is in the process of completing 2 new area plans - in downtown and along the south riverfront - examining opportunities for continued growth.

Planning for the construction on the City's new Fire Station Number 2 began in 2018 with construction set to begin in the fall of 2019. The project was included in the City's Capital Improvement Plan and the total cost for the new fire station will be approximately $4.8 million. In addition to replacing a fire station that is nearly 50 years old, the new fire station will include 4 engine bays, and include many enhancements such as a new workout area, ventilation, and HVAC upgrades. Land was purchased to provide for a location that optimizes the department's response time, and the station plans to house and place needed Hazardous Materials (HazMat) response vehicles and equipment closer to the highway where they are needed more often. The station will serve much of the City's west side.

Independent Audit

City policy is in accordance with state and federal requirements to provide for an annual audit by independent certified public accountants. Included in the financial section is the independent auditor's report which is a significant part of the Comprehensive Annual Financial Report (CAFR). CliftonLarsonAllen, LLP, express their opinion that the financial statements are presented fairly in accordance with generally accepted accounting principles and comment on the scope of the examination. The opinion is unmodified and signifies a substantial level of achievement. Compliance audits of the City's federal and state financial assistance programs for fiscal year ending December 31, 2018 were also completed by the independent auditors. The reports are available under separate cover.

Management's Discussion and Analysis

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

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wausau for its comprehensive annual financial report (CAFR) submitted for the fiscal year ended on December 31, 2017.

The Certificate of Achievement is a prestigious national award recognizing the conformance with the highest standards for preparation of the state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. This is the eighteenth year the City has received a Certificate of Achievement. We believe our current report continues to conform to the Certificate of Achievement program requirements and will submit this report to the GFOA.

Robert Splinter, CPA, Assistant Finance Director, deserves recognition for his efforts in preparing this year's report. The preparation of this high quality report would not have been possible without his dedication and skills. Credit must also be given to the City Council for their interest and support in responsibly planning and conducting the fiscal affairs of the City.

Respectfully Submitted,

Maryanne Groat, CPA
Finance Director

Robert Mielke
Mayor

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Wausau
Wisconsin

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

December 31, 2017

Christopher P. Morrill
Executive Director/CEO

CITY OF WAUSAU
Organizational Chart

Citizens of Wausau (Electorate)

Common Council

Mayor

Assessor's Office
- Administration
- Inspections Division

Community Development
- Administration
- Community Development
- Housing Division
- Planning Division
- Business Development

Customer Service Department
- Administration
- Accounting Division
- Clerk/Customer Service Division

Fire Department
- Administration
- Inspections Division
- Operations Division

Human Resources Department
- Administration

City Attorneys Office
- Legal Staff

Parks Department
- Administration
- Forestry Division
- Maintenance and Development Division
- Recreation Division

Airport
- Contracted Airport Management
- Contracted Fixed Base Operator

Police Department
- Administration Bureau
- Investigations
- Patrol Operations

Public Works Department
- Administration
- Construction & Maintenance Division
- Engineering Division
- Parking Facility Division
- GIS Division
- Water & Wastewater Divisions
- Inspections and Zoning Division

Metro Ride
- Administration
- Maintenance Division
- Operations Division

Municipal Court
- Administration

CITY OF WAUSAU
List of Principal Officials on December 31, 2018

ELECTED

Mayor	Robert Mielke
Municipal Judge	Mark Sauer
Common Council President	Lisa Rasmussen

Alderman District

First	Patrick Peckham
Second	Michael Martens
Third	David Nutting
Fourth	Tom Neal
Fifth	Gary Gisselman
Sixth	Becky McElhaney
Seventh	Lisa Rasmussen
Eighth	Karen Kellbach
Ninth	Dawn Herbst
Tenth	Mary Thao
Eleventh	Dennis Smith

APPOINTED

Finance Director / City Treasurer	Maryanne Groat
City Clerk	Toni Rayala
City Attorney	Anne Jacobson
Police Chief	Benjamin Bliven
Fire Chief	Tracey Kujawa
City Assessor	Richard Rubow
Director of Administration-Public Works & Utilities	Eric Lindman
City Engineering Project Manager	Allen Wesolowski
Chief Inspector & Zoning Administrator	William Hebert
Community Development Director - Interim	Christian Schock
Human Resources Director	Toni Vanderboom
Parks Director	Jamie Polley
Airport Manager	John Chmiel
Transit Lines Manager	Greg Seubert

CliftonLarsonAllen LLP
CLAconnect.com

Independent auditors' report

To the City Council
Wausau, Wisconsin

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Wausau, Wisconsin (the "City") as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITORS' RESPONSIBILITY

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

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

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

OPINIONS

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

CHANGE IN ACCOUNTING PRINCIPLE

As discussed in Note 4.B to the financial statements, in 2018 the City adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinions are not modified with respect to this matter.

OTHER MATTERS

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 12, the general fund budgetary comparison schedule on page 88 and the schedules relating to pensions and other postemployment benefits on pages 89 through 91 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 26, 2019, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over the City's financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Wausau, Wisconsin
July 26, 2019

CITY OF WAUSAU, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Wausau (City) presents the following discussion and analysis of the City's financial performance during the fiscal year ended December 31, 2018. This discussion and analysis is intended to assist readers in focusing on significant financial issues, changes in the City's financial position, and identifying any significant variances from the adopted budget. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the financial statements provided in this report.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $242,325,928. Of this amount, $10,354,262 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.
- During 2018, the City's total net position increased $6,649,107 from the 2017 restated net position, or approximately 2.8%.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $37,241,127, an increase of $4,871,472 from the prior year. The total unassigned fund balance of $6,081,501 is available for spending at the City's discretion.
- At the end of the current fiscal year, unrestricted fund balance for the City's general fund was $9,349,883, or 27.92% of expenditures. Of this amount, $1,164,419 is committed or assigned and $8,185,464 is unassigned.
- The City's total general obligation debt decreased $11,296,372, or 14.52%. The City also issued anticipation notes in the amount of $13,065,000. The major reason for the decrease in general obligation debt is due to the refunding of state trust fund loans in the amount of $7,761,372 on January 2, 2018 which were repaid with the proceeds of utility revenue bonds issued in 2017. As a result to the timing of these refunding transactions, both the state trust fund loans and the utility revenues bonds were included in liabilities as of December 31, 2017. The major reasons for the increase in overall debt outstanding is due to the issuance of anticipation notes for community and economic development projects, improvement of streets and other infrastructure, and to fund utility system improvements.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-Wide Statements

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

The *Statement of Net Position* presents information on all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. To assess the overall health of the City you need to consider additional non-financial factors, such as changes in the City's property tax base and the condition of the City's infrastructure.

The *Statement of Activities* presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (examples include: uncollected taxes and earned but unused compensated absences.) An important purpose of the design of the Statement of Activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by the City's taxpayers.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, transportation and streets, sanitation health and welfare, natural resources and recreation, and economic development. Business-type activities include: water, wastewater, parking utility, Metro Ride transit, airport and animal control funds.

The City's financial reporting includes funds of the City (primary government) but also a legally separate Community Development Authority for which the City of Wausau is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements are presented on pages 13-16 of this report.

Fund Financial Statements

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Fund accounting is also used to ensure and demonstrate compliance with finance related legal requirements placed on resources.

Fund financial statements are used to present financial information detailing resources that have been identified for specific activities. Within the basic financial statements, fund financial statements focus on the City's most significant funds rather than the City as a whole. Major funds are reported separately, while all others are combined into a single, aggregate presentation. Individual fund data for non-major funds is provided in the form of combining statements in the supplementary statements.

The City has three kinds of funds:

Governmental Funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statement, governmental fund financial statements focus on the 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 annual financing requirements of government programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-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 assist in understanding the differences between these two perspectives.

The City of Wausau maintains twenty-eight 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, the Debt Service Fund, TID #3 Downtown Development Fund and the Capital Improvements Fund, all of which are considered to be major funds. Data for the other twenty-four governmental funds is 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 the supplementary statements.

Budgetary comparison information for the general fund is included in the required supplementary information. This statement demonstrates compliance with the City's adopted and final revised budget.

The basic governmental fund financial statements are presented on pages 17-20 of this report.

Proprietary Funds are reported in the fund financial statements and generally report services for which the City charges customers a fee. The City maintains two types of proprietary funds. *Enterprise funds* are used to report the functions presented in business-type activities in the government-wide financial statements. Services are provided to customers external to the City organization and include the water, wastewater, parking, Metro Ride, airport and animal control funds. The City's *internal service funds*, the Motor Pool, Insurance, Employee Benefits and Employee HRA/Wellness funds, accumulate and allocate costs internally among the City's various functions. Because the City's internal service funds primarily serve governmental functions, they have been included within the governmental activities of the government-wide financial statements.

Proprietary fund financial statements provide separate and more detailed information for the water, wastewater, parking and Metro Ride enterprise funds, which are considered to be major funds, and the four internal service funds. Individual fund data for the two nonmajor enterprise funds and for each of the internal service funds is provided in combining statements elsewhere in the supplementary statements.

The basic proprietary fund financial statements can be found on pages 21-26 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the primary government. Fiduciary funds are not reflected in the government-wide financial statements as the resources of those funds are not available to support the City's programs and operations.

The basic fiduciary fund financial statements are presented on pages 27-28 of this report.

Notes to the Financial Statements provide information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 29 of this report.

Other information is provided in addition to the basic financial statements and accompanying notes. This required supplementary and other information consists of combining and individual fund schedules which can be found on pages 89-130 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, the City of Wausau's net position at fiscal year-end is $242,325,928.

By far, the largest portion of the City of Wausau's net position (82.1 percent) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment and construction in progress), less any related debt used to acquire those assets that is still outstanding. The City of Wausau used these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Wausau's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Summary of Net Position

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current and other assets	$ 140,176,201	$ 128,365,262	$ 17,952,618	$ 22,796,004	$ 158,128,819	$ 151,161,266
Capital assets	169,676,189	164,997,814	103,269,439	99,906,931	272,945,628	264,904,745
Total assets	309,852,390	293,363,076	121,222,057	122,702,935	431,074,447	416,066,011
Deferred outflows of resources	8,515,386	9,597,182	1,276,262	1,467,683	9,791,648	11,064,865
Non-current liabilities	85,550,661	80,331,325	17,747,803	21,781,733	103,298,464	102,113,058
Other liabilities	51,202,975	50,897,089	1,031,084	1,370,340	52,234,059	52,267,429
Total liabilities	136,753,636	131,228,414	18,778,887	23,152,073	155,532,523	154,380,487
Deferred inflows of resources	40,614,550	34,263,430	2,393,094	1,555,061	43,007,644	35,818,491
Net position:						
Net investment in capital assets	111,003,022	106,232,341	90,542,377	89,005,476	198,863,786	195,237,817
Restricted	26,236,517	21,414,528	6,871,363	4,175,498	33,107,880	25,590,026
Unrestricted	3,760,051	9,821,545	3,912,598	6,282,510	10,163,685	16,104,055
Total net position	$ 140,999,590	$ 137,468,414	$ 101,326,338	$ 99,463,484	$ 242,325,928	$ 236,931,898

An additional portion of the City's net position (13.7%) represents resources that are subject to restrictions on how they may be used. The remaining balance represents unrestricted net position of $10,163,685 which may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Wausau is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The City's total net position increased by $5,394,030 for the current fiscal year.

The changes by net position category are as follows:

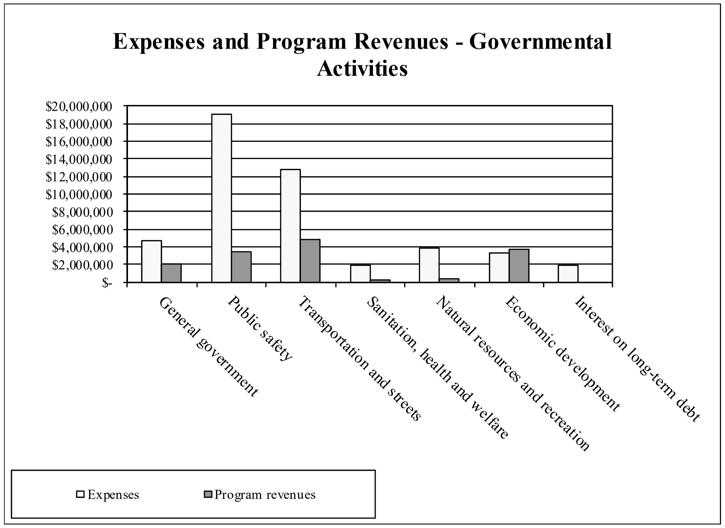
Net investment in capital assets	$ 6,307,582
Restricted	7,517,854
Unrestricted	(8,431,406)
Total	$ 5,394,030

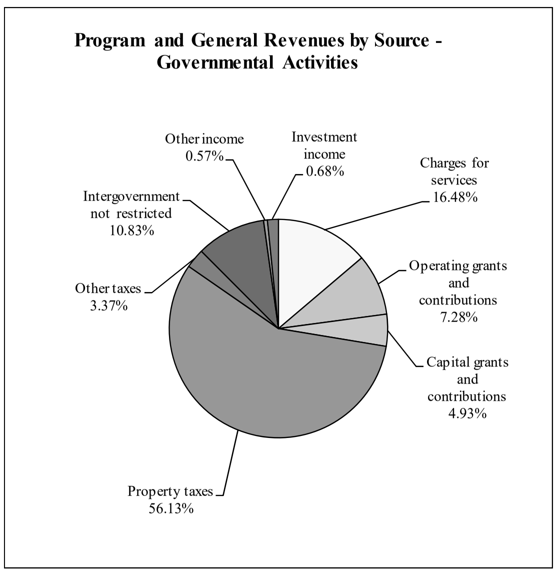
The following table provides a summary of the City's operations for the year ended December 31, 2018 and a comparison to the year ended December 31, 2017.

CITY OF WAUSAU
CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	Governmental Activities		Business-type Activities		Total	
Revenues:	2018	2017	2018	2017	2018	2017
Program Revenues						
Charges for services	$ 7,364,813	$ 6,435,728	$ 13,010,281	$ 12,402,064	$ 20,375,094	$ 18,837,792
Operating grants and contributions	4,853,467	4,309,462	1,896,213	1,785,979	6,749,680	6,095,441
Capital grants and contributions	2,526,235	3,776,241	288,116	234,519	2,814,351	4,010,760
General Revenues						
Property taxes	30,447,761	29,061,374	954,582	741,739	31,402,343	29,803,113
Other taxes	1,537,585	1,592,500	-	-	1,537,585	1,592,500
Grants and contributions not restricted to specific purposes	5,490,434	5,459,575	-	-	5,490,434	5,459,575
Investment income	865,988	386,707	65,981	8,602	931,969	395,309
Other	304,174	266,708	62,988	6,534	367,162	273,242
Total Revenues	53,390,457	51,288,295	16,278,161	15,179,437	69,668,618	66,467,732
Expenses						
General government	4,739,398	4,598,058	-	-	4,739,398	4,598,058
Public safety	19,056,774	19,502,367	215,627	195,926	19,272,401	19,698,293
Transportation and streets	12,735,068	12,297,895	6,155,486	5,951,008	18,890,554	18,248,903
Sanitation, health and welfare	1,945,411	2,025,650	-	-	1,945,411	2,025,650
Natural resources and recreation	3,885,942	3,158,110	-	-	3,885,942	3,158,110
Economic development	3,343,524	3,563,890	-	-	3,343,524	3,563,890
Interest on long term debt	1,876,531	1,801,377	-	-	1,876,531	1,801,377
Water	-	-	4,328,053	4,054,906	4,328,053	4,054,906
Wastewater	-	-	4,737,697	4,709,530	4,737,697	4,709,530
Total Expenses	47,582,648	46,947,347	15,436,863	14,911,370	63,019,511	61,858,717
Increase (decrease) in net position before transfers	5,807,809	4,340,948	841,298	268,067	6,649,107	4,609,015
Transfers	(1,104,222)	1,594,636	1,104,222	(1,594,636)	-	-
Increase (decrease) in net position	4,703,587	5,935,584	1,945,520	(1,326,569)	6,649,107	4,609,015
Net position - January 1	137,468,414	131,532,830	99,463,484	100,790,053	236,931,898	232,322,883
Cumulative effect of change in accounting principle	(1,172,411)	-	(82,666)	-	(1,255,077)	-
Net position - December 31	$ 140,999,590	$ 137,468,414	$ 101,326,338	$ 99,463,484	$ 242,325,928	$ 236,931,898

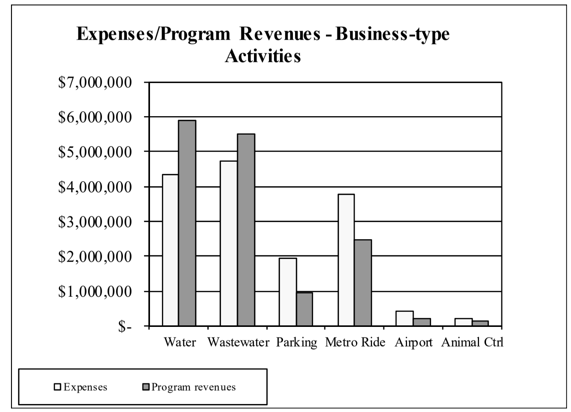
Governmental activities increased the City's net position by $4,703,587. Business-type activities increased the City's net position by $1,945,520. Capital contributions in the business-type activities for the year ended December 31, 2018 were $2,969,729.

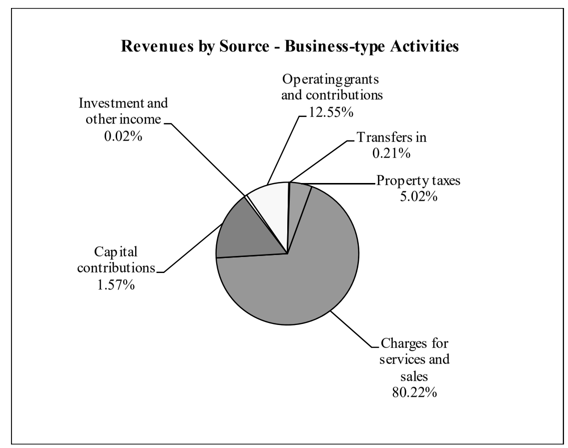




Business-type activities increased the City of Wausau's net position by $1,945,520. Key elements of the increase are as follows:

Operating revenues for business-type activities increased by $718,451 while total operating expenses increased by $579,115 for a net increase in operating income for the year of $139,336 over the prior year. Total operating loss for the year ended December 31, 2018 was $117,041 while net nonoperating revenues were $670,223. Additional capital contributions of $1,485,856, $1,260,988, and $168,500 in the Water, Wastewater, and Parking funds, respectively, along with transfers out of $1,165,911 in the Water utility, $450,000 in the Wastewater utility, and $1,480 in the Animal Control fund, contributed to the overall increase in net position for the year ended December 31, 2018. The significant capital contributions to the Water and Wastewater funds were made up of the engineering, construction, and material costs of a new water tower, booster station, and other water and wastewater utilities installed at the expanded business campus on the City's west side. These costs were funded by the TID #11 Business Campus fund.





FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

As discussed, the focus of governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party or the City itself.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balance of $37,241,127, an increase of $4,871,472 from the prior year. Approximately 16.33% of this amount ($6,081,501) constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of the fund balance is either nonspendable, restricted, or committed to indicate that it is 1) not in spendable form ($3,537,800), 2) restricted for particular purposes ($22,299,675), or 3) committed for particular purposes ($5,322,151). The net increase is due to an increase in the General Fund of $984,242, a decrease in the Debt Service Fund of $40,637, a decrease in the TID #3 Downtown Development Fund of $2,707,413, an increase in the Capital Improvements Fund of $13,069, and an increase in the nonmajor governmental funds of $6,622,211.

Major Governmental Funds

The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The fund balance of the General Fund increased $984,242 to $12,887,683. The City reported expenditures and other financing uses less than anticipated budget for 2018 in the amount of $138,183 while total revenues and other financing sources exceeded budget by $1,557,407. The main reason for the positive result in total revenues compared to budget was due to larger than expected gains on investments, permit revenues, and public and intergovernmental charges for services. General operations have had a positive impact on the unassigned fund balance, which was $8,185,464 at year-end. Unassigned fund balance increased by $1,619,075 from 2017 due to positive operating results as explained above. As a measure of the General Fund's liquidity, it's useful to compare both unrestricted fund balance and total fund balance to total fund expenditures. Unrestricted fund balance represents 27.92 percent of general fund expenditures, while total fund balance represents 38.49 percent of the same amount.

The Debt Service fund balance of $1,199,615 at year end represents a $40,637 decrease in fund balance from the previous year. The available balance reflects amounts restricted to pay debt service.

The TID #3 Downtown Development fund balance of $3,009,160 at the end of 2018 represents an decrease in fund balance of $2,707,413 from the prior year due to the spending of prior debt proceeds for the riverfront site development costs. Any potential future fund balance deficits would be anticipated to be reduced as projects are completed and development occurs.

Capital Improvements fund balance of $3,725,795 represents an increase in fund balance of $13,069 from the prior year. This balance represents unexpended capital projects in process. These projects will be completed in future years.

Proprietary Funds

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. Factors concerning the finances of these funds have already been addressed in the discussion of the City of Wausau's business-type activities.

General Fund Budgetary Highlights

- General Fund expenditures and other financing uses were less than budget by $138,183 for the current fiscal year. Cost savings occurred in all functional activities except general government, and public safety, which exceeded budget by $16,953 and $142,711, respectively.

- General Fund revenues and other financing sources exceeded budget expectations by $1,557,407. The most significant positive budget variances occurred in licenses and permits of $142,661, public charges for services of $299,229, intergovernmental charges for services of $305,099, and miscellaneous revenues of $648,562. Revenues above budgeted amounts were realized by all functional activities.

Capital Asset and Debt Administration

The City's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of December 31, 2018 was $272,945,628. This investment in capital assets includes land, buildings and improvements, machinery, equipment, infrastructure and construction in progress. The total increase in net capital assets for the current fiscal year was $8,040,883 or approximately 3.04%.

Major capital events during the current fiscal year included the following:
Governmental Activities

- Land purchased, design costs, and project expenses for the improvement of Thomas Street of $1,845,152.
- Playground equipment purchased for the riverfront development project of $949,649.
- Street and storm sewer assets constructed to expand the business campus for $1,479,288.
- Various street and infrastructure additions totaling over $2,250,000 including 1st Avenue, Pardee Street, and Plaza Drive, among other similar projects.

Business-type Activities

- A water tower, booster station, and other water and wastewater utilities constructed and installed to expand the business campus for $1,467,337.
- Water Utility installed water mains and other system support totaling $1,353,758.
- The Wastewater Utility installed mains and other system support totaling $1,844,900.

City of Wausau
Capital Assets
(net of accumulated depreciation)

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Land	$ 43,717,065	$ 40,096,504	$ 5,072,454	$ 5,066,996	$ 48,789,519	$ 45,163,500
Buildings & improvements	24,885,004	24,696,559	19,108,501	19,943,001	43,993,505	44,639,560
Machinery & equipment	9,169,631	7,704,151	8,889,501	10,021,873	18,059,132	17,726,024
Infrastructure	81,798,778	80,464,362	66,107,347	64,246,485	147,906,125	144,710,847
Construction in progress	10,105,711	12,036,238	4,091,636	628,576	14,197,347	12,664,814
Total	$169,676,189	$164,997,814	$ 103,269,439	$99,906,931	$272,945,628	$264,904,745

Additional information on the City of Wausau's capital assets can be found in Note 3.C. on pages 48-49 of this report.

Long Term Debt

At the end of the current fiscal year, the City of Wausau had total debt outstanding of $96,372,933. $66,527,933 of the total amount comprises debt backed by the full faith and credit of the City of Wausau. $19,665,000 of the total amount comprises anticipation notes. $10,180,000 of the total amount comprises utility revenue bonds backed by pledged utility revenues, net of specified operating expenses.

City of Wausau Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
General obligation	$ 65,403,293	$ 68,515,299	$ 1,124,640	$ 9,309,006	$ 66,527,933	$ 77,824,305
Anticipation notes	14,610,000	6,600,000	5,055,000	-	19,665,000	6,600,000
Revenue bonds	-	-	10,180,000	11,040,000	10,180,000	11,040,000
	$ 80,013,293	$ 75,115,299	$ 16,359,640	$ 20,349,006	$ 96,372,933	$ 95,464,305

In 2018 the City issued debt as follows:

- 2018 General Obligation Promissory Notes, Series A $5,480,000; this debt financed capital improvements as outlined by the Capital Improvement Plan adopted by the common council as well as costs within the City's Tax Incremental Financing District #6.

- 2018 Revenue Bond Anticipation Notes, Series B $5,055,000; this debt financed costs of capital improvements to the City's water and sewer system.

- 2018 Taxable Note Anticipation Notes, Series C $8,010,000; this debt financed future developer incentives in TID #11 and TID #12 to move growing businesses from parcels located on the Wisconsin River to parcels within the newly expanded business campus.

The City received an Aa3 rating from Moody's Investors Service for all of the debt issues shown above.

Additional information regarding the City of Wausau's long-term debt can be found in Note 3.E. on pages 52-57 of this report.

Economic Factors and the Next Year's Budgets and Rates

Wausau is characterized by a broad economic base of diverse industrial and commercial businesses. The area is a significant regional center for the insurance industry, paper manufacturing, medical facilities and home construction industry. The City actively uses tax increment financing to forward its development goals. Inflationary trends in the region compare favorably to national indices and equalized values have remained relatively stable.

These factors were considered in preparing the 2019 budget for the City of Wausau.

Requests for Information

This financial report is designed to provide a general overview of the City of Wausau's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the City's Finance Department, at 407 Grant Street, Wausau, Wisconsin 54403 or by calling 715-261-6640.

CITY OF WAUSAU, WISCONSIN
STATEMENT OF NET POSITION
December 31, 2018

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Unit
ASSETS				
Cash and cash equivalents	$ 42,459,764	$ 4,575,684	$ 47,035,448	$ 5,330,818
Investments	27,591,961	-	27,591,961	-
Receivables (net of allowance for uncollectible accounts)	63,846,793	5,225,756	69,072,549	331,233
Internal balances	646,832	(646,832)	-	-
Inventories and prepayments	760,166	420,528	1,180,694	10,736
Restricted assets:				
Cash and investments	-	7,684,388	7,684,388	970,272
Investment in joint venture	413,375	-	413,375	-
Other assets	-	-	-	27,483
Net pension asset	4,457,310	693,094	5,150,404	-
Capital assets (net of accumulated depreciation):				
Land	43,717,065	5,072,454	48,789,519	981,317
Buildings and improvements	24,885,004	19,108,501	43,993,505	13,044,704
Machinery and equipment	9,169,631	8,889,501	18,059,132	210,555
Infrastructure	81,798,778	66,107,347	147,906,125	-
Construction in progress	10,105,711	4,091,636	14,197,347	29,407
TOTAL ASSETS	309,852,390	121,222,057	431,074,447	20,936,525
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	111,863	-	111,863	-
Pension related amounts	8,224,609	1,265,970	9,490,579	-
OPEB related amounts	178,914	10,292	189,206	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	8,515,386	1,276,262	9,791,648	-

(Continued on next page)

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Unit
LIABILITIES				
Accounts payable and other current liabilities	$ 5,159,211	$ 775,576	$ 5,934,787	$ 177,361
Accrued interest payable	520,468	90,256	610,724	-
Accrued liability - claims payable	663,223	-	663,223	-
Due to other governments	44,415,911	27,320	44,443,231	-
Unearned revenues	444,162	137,932	582,094	-
Noncurrent liabilities:				
Due within one year	9,736,198	1,547,623	11,283,821	16,944
Due in more than one year (net of unamortized costs)	74,529,291	16,105,013	90,634,304	780,790
OPEB liability	1,285,172	95,167	1,380,339	-
TOTAL LIABILITIES	136,753,636	18,778,887	155,532,523	975,095
DEFERRED INFLOWS OF RESOURCES				
Property taxes levied for subsequent year	31,798,021	1,022,160	32,820,181	-
Pension related amounts	8,775,182	1,364,505	10,139,687	-
OPEB related amounts	41,347	6,429	47,776	-
TOTAL DEFERRED INFLOWS OF RESOURCES	40,614,550	2,393,094	43,007,644	-
NET POSITION				
Net investment in capital assets	111,003,022	90,542,377	198,863,786	13,515,983
Restricted for:				
Debt service payments	679,147	-	679,147	-
Capital improvements	14,959,818	6,178,269	21,138,087	-
Community development programs	3,304,278	-	3,304,278	32,593
Holtz-Krause clean up	1,776,029	-	1,776,029	-
Grants and special purpose accounts	1,059,935	-	1,059,935	-
Pension benefits	4,457,310	693,094	5,150,404	-
Unrestricted	3,760,051	3,912,598	10,354,262	6,412,854
TOTAL NET POSITION	$ 140,999,590	$ 101,326,338	$ 242,325,928	$ 19,961,430

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

CITY OF WAUSAU, WISCONSIN
STATEMENT OF ACTIVITIES
Year Ended December 31, 2018

		Program Revenues		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**
Primary government:				
Governmental activities:				
General government	$ 4,739,398	$ 2,075,535	$ 4,304	$ -
Public safety	19,056,774	2,783,705	717,532	-
Transportation and streets	12,735,068	915,854	2,684,374	1,176,370
Sanitation, health and welfare	1,945,411	40,330	273,148	-
Natural resources and recreation	3,885,942	338,851	-	-
Economic development	3,343,524	1,210,538	1,174,109	1,349,865
Interest on long-term debt	1,876,531	-	-	-
Total governmental activities	47,582,648	7,364,813	4,853,467	2,526,235
Business-type activities:				
Water	4,307,368	5,872,093	-	14,231
Wastewater	4,705,352	5,455,972	-	51,000
Parking	1,951,390	956,565	-	-
Metro Ride	3,770,269	429,393	1,879,153	168,500
Airport	433,827	163,379	-	54,385
Animal Control	215,627	132,879	17,060	-
Total business-type activities	15,383,833	13,010,281	1,896,213	288,116
Total primary government	$ 62,966,481	$ 20,375,094	$ 6,749,680	$ 2,814,351
Component unit:				
Community Development Authority	$ 2,996,745	$ 1,063,861	$ 1,784,773	$ 109,153

General revenues:
- Property taxes, levied for general purposes
- Property taxes, levied for debt service
- Property taxes, levied for capital purposes
- Property taxes, levied for TIF
- Other taxes
- Grants and contributions not restricted to specific purposes
- Investment income
- Miscellaneous
- Gain on sale of capital assets

Transfers

Total general revenues and transfers

Change in net position

Net position - beginning of year, as previously stated

Cumulative effect of change in accounting principle

Net position - beginning (as restated)

Net position - ending

(Continued on next page)

	Net (Expense) Revenue and Changes in Net Position			
	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Unit
	$ (2,659,559)	$ -	$ (2,659,559)	$ -
	(15,555,537)	-	(15,555,537)	-
	(7,958,470)	-	(7,958,470)	-
	(1,631,933)	-	(1,631,933)	-
	(3,547,091)	-	(3,547,091)	-
	390,988	-	390,988	-
	(1,876,531)	-	(1,876,531)	-
	(32,838,133)	-	(32,838,133)	-
	-	1,578,956	1,578,956	-
	-	801,620	801,620	-
	-	(994,825)	(994,825)	-
	-	(1,293,223)	(1,293,223)	-
	-	(216,063)	(216,063)	-
	-	(65,688)	(65,688)	-
	-	(189,223)	(189,223)	-
	(32,838,133)	(189,223)	(33,027,356)	-
	-	-	-	(38,958)
	18,590,845	954,582	19,545,427	-
	4,123,000	-	4,123,000	-
	793,940	-	793,940	-
	6,939,976	-	6,939,976	-
	1,537,585	-	1,537,585	-
	5,490,434	-	5,490,434	-
	865,988	65,981	931,969	103,408
	172,290	-	172,290	-
	131,884	9,958	141,842	-
	(1,104,222)	1,104,222	-	-
	37,541,720	2,134,743	39,676,463	103,408
	4,703,587	1,945,520	6,649,107	64,450
	137,468,414	99,463,484	236,931,898	19,896,980
	(1,172,411)	(82,666)	(1,255,077)	-
	136,296,003	99,380,818	235,676,821	19,896,980
	$ 140,999,590	$ 101,326,338	$ 242,325,928	$ 19,961,430

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

CITY OF WAUSAU, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2018

	General	Debt Service	TID #3 Downtown Development	Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	$ 8,940,853	$ 1,199,615	$ 6,000,642	$ 3,680,394	$ 17,547,570	$ 37,369,074
Investments	27,536,425	-	-	-	55,536	27,591,961
Receivables (net of allowance for uncollectible accounts):						
Taxes	36,931,320	4,123,000	2,771,677	498,890	6,171,559	50,496,446
Delinquent personal property tax	24,912	-	-	-	-	24,912
Accounts	1,451,904	-	211,634	3,096	176,702	1,843,336
Notes	-	-	1,848,178	-	8,703,080	10,551,258
Federal, state and local governments	34,475	-	250,000	456,919	147,023	888,417
Special assessments	-	-	-	446,150	-	446,150
Interest	130,583	-	-	-	-	130,583
Due from other funds	998,053	-	-	-	-	998,053
Advances to other funds	3,141,541	-	-	-	1,739,432	4,880,973
Inventories and prepayments	396,259	-	-	-	-	396,259
TOTAL ASSETS	$ 79,586,325	$ 5,322,615	$ 11,082,131	$ 5,085,449	$ 34,540,902	$ 135,617,422
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	$ 1,474,678	$ -	$ 345,787	$ 413,658	$ 989,192	$ 3,223,315
Accrued payroll and benefits	1,998,860	-	-	-	68,290	2,067,150
Due to other governments	44,415,911	-	-	-	-	44,415,911
Due to other funds	-	-	-	-	351,221	351,221
Unearned revenues	-	-	-	956	65,042	65,998
Advances from other funds	-	-	3,107,329	-	1,773,644	4,880,973
Total Liabilities	47,889,449	-	3,453,116	414,614	3,247,389	55,004,568
Deferred Inflows of Resources:						
Unavailable revenue	576,298	-	1,848,178	446,150	8,703,080	11,573,706
Property taxes levied for subsequent year	18,232,895	4,123,000	2,771,677	498,890	6,171,559	31,798,021
Total Deferred Inflows of Resources	18,809,193	4,123,000	4,619,855	945,040	14,874,639	43,371,727
Fund balances:						
Nonspendable	3,537,800	-	-	-	-	3,537,800
Restricted	-	1,199,615	3,009,160	854,628	17,236,272	22,299,675
Committed	1,164,419	-	-	2,871,167	1,286,565	5,322,151
Unassigned (deficit)	8,185,464	-	-	-	(2,103,963)	6,081,501
Total Fund Balances	12,887,683	1,199,615	3,009,160	3,725,795	16,418,874	37,241,127
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 79,586,325	$ 5,322,615	$ 11,082,131	$ 5,085,449	$ 34,540,902	$ 135,617,422

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

CITY OF WAUSAU, WISCONSIN
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET POSITION OF GOVERNMENTAL ACTIVITIES
December 31, 2018

		Total Governmental Funds
Fund balances - total governmental funds		$ 37,241,127
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in government activities are not financial resources and therefore are not reported in the fund financial statements. Capital assets at year-end (excluding internal service funds) consist of:		
Construction in progress	10,105,711	
Land	43,717,065	
Other capital assets, net of depreciation	115,853,413	
Less: Internal service fund included below	(5,659,365)	164,016,824
Special assessments, loans receivable, and various other receivables are reported as unavailable revenue in the fund financial statements and are recognized as revenue when earned in the government-wide financial statements. These types of unavailable revenues at year-end consist of:		
Special assessments receivable	446,150	
Loans and mortgages receivable	10,551,258	
Unpaid fines and forfeitures receivable	576,298	11,573,706
Receivables that may be uncollectible are recorded in unavailable revenue on the fund statements and do not require an allowance. On the government-wide statements an allowance for uncollectible accounts is necessary to offset the revenue that was recognized when earned on the government-wide statements.		(609,577)
Net pension amounts in governmental funds are not financial resources and, therefore, are not reported in the funds.		3,831,702
OPEB amounts in governmental funds are not financial resources and, therefore, are not reported in the funds.		(1,136,684)
Investment in joint venture is not a financial resource and, therefore, is not reported in the funds.		413,375
Internal service funds are used to charge the costs of motor pool, insurance and employee benefits to individual funds. These assets and liabilities of these funds are included in governmental activities in the statement of net position.		9,397,068
Long-term liabilities, including bonds and notes payable, are not due in the current period and therefore are not reported in the fund statements. Long-term liabilities at year-end consist of:		
Bonds and notes payable	(80,013,293)	
Accrued interest payable	(520,468)	
Compensated absences	(1,281,156)	(81,814,917)
Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These amounts are the net effect of these differences:		
(Premium)/discount on debt	(2,024,897)	
Deferred charge on refunding of debt	111,863	(1,913,034)
Net position of governmental activities		$ 140,999,590

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

CITY OF WAUSAU, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended December 31, 2018

	General	Debt Service	TID #3 Downtown Development	Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	$ 18,082,366	$ 4,123,000	$ 2,324,996	$ 498,890	$ 6,563,692	$ 31,592,944
Special assessments	-	-	1,839	272,847	30,934	305,620
Intergovernmental	8,387,728	-	317,567	153,081	2,053,964	10,912,340
Licenses and permits	937,095	-	-	-	55,643	992,738
Fines, forfeitures and penalties	376,737	-	-	-	-	376,737
Public charges for services	2,375,019	-	-	-	-	2,375,019
Intergovernmental charges for services	1,365,462	-	-	-	-	1,365,462
Miscellaneous revenues	1,176,114	104,607	1,076,264	29,933	1,439,693	3,826,611
Total Revenues	32,700,521	4,227,607	3,720,666	954,751	10,143,926	51,747,471
EXPENDITURES						
Current:						
General government	4,223,320	-	-	-	70,123	4,293,443
Public safety	17,234,487	-	-	-	488,786	17,723,273
Transportation and streets	8,408,670	-	-	-	-	8,408,670
Sanitation, health and welfare	895,448	-	-	-	974,596	1,870,044
Natural resources and recreation	2,724,450	-	-	-	42,946	2,767,396
Economic development	-	-	703,487	-	2,606,086	3,309,573
Capital outlay	-	-	3,589,606	3,122,778	6,527,123	13,239,507
Debt service:						
Principal retirement	-	8,592,006	-	-	-	8,592,006
Interest and debt service charges	-	1,916,432	-	11,693	120,716	2,048,841
Total Expenditures	33,486,375	10,508,438	4,293,093	3,134,471	10,830,376	62,252,753
Excess (Deficiency) of Revenues over Expenditures	(785,854)	(6,280,831)	(572,427)	(2,179,720)	(686,450)	(10,505,282)
OTHER FINANCING SOURCES (USES)						
Issuance of debt	-	-	-	2,040,000	11,450,000	13,490,000
Premium on debt issued	-	51,999	-	-	132,364	184,363
Transfers in	1,918,184	6,188,195	1,300,537	263,952	139,580	9,810,448
Transfers out	(148,088)	-	(3,435,523)	(111,163)	(4,413,283)	(8,108,057)
Total Other Financing Sources (Uses)	1,770,096	6,240,194	(2,134,986)	2,192,789	7,308,661	15,376,754
Net Change in Fund Balance	984,242	(40,637)	(2,707,413)	13,069	6,622,211	4,871,472
Beginning fund balances	11,903,441	1,240,252	5,716,573	3,712,726	9,796,663	32,369,655
Ending fund balances	$ 12,887,683	$ 1,199,615	$ 3,009,160	$ 3,725,795	$ 16,418,874	$ 37,241,127

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

CITY OF WAUSAU, WISCONSIN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2018

Net change in fund balances - total governmental funds		$ 4,871,472
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlay is capitalized in the government-wide statements	13,239,507	
Some capital outlay is not capitalized in the government-wide statements	(1,419,243)	
Depreciation is reported in the government-wide statements	(5,328,627)	
Capital assets transferred to business-type activities	(2,681,613)	
A loss on disposal of capital assets is reported in the government-wide statements	(73,013)	3,737,011
Receivables not currently available are reported as unavailable revenue in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements. This amount is the change in the following unavailable revenue categories:		
Special assessments receivable	27,964	
Loans and mortgages receivable	286,610	
Unpaid fines and forfeitures receivable	90,466	405,040
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 of principal payments paid.		8,592,006
Issuing debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. This is the amount of debt issued during the year.		(13,490,000)
Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These amounts are the net effect of these differences:		
Premiums on new debt	(184,363)	
Amortization of premium/(discount)	187,702	
Amortization of deferred charge on refunding	(86,379)	(83,040)
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 is the change in the following items:		
Net pension asset/liability (and pension related deferred outflows/inflows of resources)	(454,626)	
OPEB asset/liability (and pension related deferred outflows/inflows of resources)	(12,234)	
Accrued interest	70,987	
Compensated absences	(236,552)	(632,425)
Decrease in investment in joint venture reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in the funds.		190,577
Internal service funds are used to charge the costs of motor pool operations, insurance costs and employee benefits to individual funds. The net revenue of internal service fund activities is reported with the governmental activities.		1,112,946
Change in net position of governmental activities		$ 4,703,587

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

CITY OF WAUSAU, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2018

	Business Type Activities- Enterprise Funds						Governmental Activities-
	Water Utility	Wastewater Utility	Parking Utility	Metro Ride	Nonmajor Funds	Totals	Internal Service Funds
ASSETS							
Current Assets:							
Cash and cash equivalents	$ 1,899,637	$ 2,385,345	$ 165,118	$ -	$ 125,584	$ 4,575,684	$ 5,090,690
Taxes receivable	-	-	50,000	830,413	141,747	1,022,160	-
Accounts receivable	1,490,550	1,517,968	36,491	80,336	14,167	3,139,512	75,268
Due from other funds	-	140,000	-	-	-	140,000	-
Due from other governments	-	-	-	1,064,084	-	1,064,084	-
Inventories and prepayments	275,044	-	-	144,533	951	420,528	363,907
Total Current Assets	3,665,231	4,043,313	251,609	2,119,366	282,449	10,361,968	5,529,865
Noncurrent Assets:							
Restricted cash and cash equivalents	1,657,489	6,026,899	-	-	-	7,684,388	-
Property, Plant and Equipment:							
Property and equipment	59,394,374	69,324,548	31,818,513	9,088,496	4,118,663	173,744,594	14,127,748
Accumulated depreciation	(20,198,474)	(26,907,458)	(14,562,254)	(6,535,442)	(2,271,527)	(70,475,155)	(8,468,383)
Advance to other funds	-	840,000	-	-	-	840,000	-
Net pension asset	194,496	147,451	42,956	301,854	6,337	693,094	82,901
Total Noncurrent Assets	41,047,885	49,431,440	17,299,215	2,854,908	1,853,473	112,486,921	5,742,266
TOTAL ASSETS	44,713,116	53,474,753	17,550,824	4,974,274	2,135,922	122,848,889	11,272,131
DEFERRED OUTFLOWS OF RESOURCES							
Pension related amounts	357,597	269,985	79,478	547,190	11,720	1,265,970	155,343
OPEB related amounts	2,888	2,190	638	4,482	94	10,292	1,231
TOTAL DEFERRED OUTFLOWS OF RESOURCES	360,485	272,175	80,116	551,672	11,814	1,276,262	156,574

LIABILITIES							
Current Liabilities:							
Accounts payable	$ 209,122	$ 266,259	$ 72,468	$ 19,725	$ 18,864	$ 586,438	$ 144,970
Accrued payroll and benefits	111,384	89,340	25,679	135,407	3,111	364,921	21,171
Claims payable	-	-	-	-	-	-	625,135
Due to other funds	140,000	-	-	646,832	-	786,832	-
Due to other governments	-	-	-	22,428	4,892	27,320	-
Unearned revenues	-	-	90,417	22,564	24,951	137,932	378,164
General obligation debt - current portion	225,000	301,840	-	-	-	526,840	-
Revenue bonds - current portion	335,000	510,000	-	-	-	845,000	-
Accrued interest payable	36,633	53,623	-	-	-	90,256	-
Total Current Liabilities	1,057,139	1,221,062	188,564	846,956	51,818	3,365,539	1,169,440
Noncurrent Liabilities:							
General obligation debt	-	597,800	-	-	-	597,800	-
Revenue bonds	4,414,644	5,577,638	-	-	-	9,992,282	-
Revenue bond anticipation notes	1,015,000	4,040,000	-	-	-	5,055,000	-
Advance from other funds	840,000	-	-	-	-	840,000	-
Accrued liability - claims payable	-	-	-	-	-	-	663,223
Compensated absences	115,546	100,892	50,728	192,765	-	459,931	23,613
Net OPEB liability	26,706	20,246	5,898	41,447	870	95,167	11,383
Total Noncurrent Liabilities	6,411,896	10,336,576	56,626	234,212	870	17,040,180	698,219
TOTAL LIABILITIES	7,469,035	11,557,638	245,190	1,081,168	52,688	20,405,719	1,867,659
DEFERRED INFLOWS OF RESOURCES							
Pension related amounts	382,908	290,290	84,567	594,265	12,475	1,364,505	163,209
OPEB related amounts	1,804	1,368	398	2,800	59	6,429	769
Property taxes levied for subsequent year	-	-	50,000	830,413	141,747	1,022,160	-
TOTAL DEFERRED INFLOWS OF RESOURCES	384,712	291,658	134,965	1,427,478	154,281	2,393,094	163,978
NET POSITION							
Net investment in capital assets	34,222,256	34,663,672	17,256,259	2,553,054	1,847,136	90,542,377	5,659,365
Restricted for capital improvements	1,016,000	5,162,269	-	-	-	6,178,269	-
Restricted for pension benefits	194,496	147,451	42,956	301,854	6,337	693,094	82,901
Unrestricted (deficit)	1,787,102	1,924,240	(48,430)	162,392	87,294	3,912,598	3,654,802
TOTAL NET POSITION	$ 37,219,854	$ 41,897,632	$ 17,250,785	$ 3,017,300	$ 1,940,767	$ 101,326,338	$ 9,397,068

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

CITY OF WAUSAU, WISCONSIN
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year ended December 31, 2018

	Business Type Activities- Enterprise Funds						Governmental Activities-
	Water Utility	Wastewater Utility	Parking Utility	Metro Ride	Nonmajor Funds	Totals	Internal Service Funds
OPERATING REVENUES							
Charges for services and sales	$ 5,798,209	$ 5,433,929	$ 955,081	$ 429,393	$ 296,258	$ 12,912,870	$ 9,994,348
Intergovernmental	-	-	-	1,879,153	17,060	1,896,213	-
Other operating revenues	73,884	22,043	1,484	-	-	97,411	85,969
Total Operating Revenues	5,872,093	5,455,972	956,565	2,308,546	313,318	14,906,494	10,080,317
OPERATING EXPENSES							
Operating and maintenance	2,926,502	3,228,465	1,277,826	3,195,745	492,712	11,121,250	2,208,584
Depreciation	1,226,894	1,270,561	673,564	574,524	156,742	3,902,285	875,725
Insurance and claims	-	-	-	-	-	-	5,889,946
Total Operating Expenses	4,153,396	4,499,026	1,951,390	3,770,269	649,454	15,023,535	8,974,255
Operating income (loss)	1,718,697	956,946	(994,825)	(1,461,723)	(336,136)	(117,041)	1,106,062
NONOPERATING REVENUES (EXPENSES)							
Property taxes	-	-	-	809,906	144,676	954,582	-
Investment income	22,118	43,863	-	-	-	65,981	-
Interest expense	(174,657)	(238,671)	-	-	-	(413,328)	-
Amortization of premiums on debt issued	20,685	32,345	-	-	-	53,030	-
Gain on disposal of capital assets	9,958	-	-	-	-	9,958	131,884
Total Nonoperating Revenues (Expenses)	(121,896)	(162,463)	-	809,906	144,676	670,223	131,884
Income (loss) before Capital Contributions and Transfers	1,596,801	794,483	(994,825)	(651,817)	(191,460)	553,182	1,237,946

Capital contributions	1,485,856	1,260,988	-	168,500	54,385	2,969,729	-
Transfers in	-	-	-	-	40,000	40,000	708,161
Transfers out	(1,165,911)	(450,000)	-	-	(1,480)	(1,617,391)	(833,161)
Change in Net Position	1,916,746	1,605,471	(994,825)	(483,317)	(98,555)	1,945,520	1,112,946
Net Position - beginning of year, as previously stated	35,326,306	40,309,748	18,250,733	3,536,619	2,040,078	99,463,484	8,294,010
Cumulative effect of change in accounting principle	(23,198)	(17,587)	(5,123)	(36,002)	(756)	(82,666)	(9,888)
Net Position - beginning of year, as restated	35,303,108	40,292,161	18,245,610	3,500,617	2,039,322	99,380,818	8,284,122
Net position - end of year	$ 37,219,854	$ 41,897,632	$ 17,250,785	$ 3,017,300	$ 1,940,767	$ 101,326,338	$ 9,397,068

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

CITY OF WAUSAU, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2018

	Business Type Activities- Enterprise Funds						Governmental Activities-
	Water Utility	Wastewater Utility	Parking Utility	Metro Ride	Nonmajor Funds	Totals	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers, users and others	$ 5,821,865	$ 5,323,715	$ 1,027,504	$ 2,186,015	$ 320,222	$ 14,679,321	$ -
Receipts from interfund services provided	-	-	-	-	-	-	10,073,086
Payments to suppliers	(2,031,985)	(2,473,358)	292,616	(2,838,980)	(415,794)	(7,467,501)	(7,504,138)
Payments to employees	(913,764)	(795,898)	(1,557,304)	(274,219)	(66,627)	(3,607,812)	(511,104)
Net Cash Provided (Used) by Operating Activities	2,876,116	2,054,459	(237,184)	(927,184)	(162,199)	3,604,008	2,057,844
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Property taxes received	-	-	-	809,906	144,676	954,582	-
Due to other funds	(140,000)	-	-	22,744	-	(117,256)	-
Due from other funds	-	140,000	-	-	-	140,000	-
Transfers in	-	-	-	-	40,000	40,000	708,161
Transfers out	(1,165,911)	(450,000)	-	-	(1,480)	(1,617,391)	(833,161)
Net Cash Provided (Used) by Noncapital Financing Activities	(1,305,911)	(310,000)	-	832,650	183,196	(600,065)	(125,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Proceeds from capital debt	1,015,000	4,040,000	-	-	-	5,055,000	-
Capital contributions	14,231	51,000	-	168,500	54,385	288,116	-
Acquisition and construction of capital assets	(1,522,435)	(2,809,666)	-	(167,409)	(54,385)	(4,553,895)	(1,817,089)
Principal paid on capital debt	(3,400,972)	(5,643,394)	-	-	-	(9,044,366)	-
Interest paid on capital debt	(242,032)	(347,979)	-	-	-	(590,011)	-
Proceeds from sale of capital assets	9,958	-	-	-	-	9,958	131,884
Net Cash Provided (Used) by Capital and Related Financing Activities	(4,126,250)	(4,710,039)	-	1,091	-	(8,835,198)	(1,685,205)
CASH FLOWS FROM INVESTING ACTIVITIES							
Investment income received	22,118	43,863	-	-	-	65,981	-

Net Increase (Decrease) in Cash and Cash Equivalents	(2,533,927)	(2,921,717)	(237,184)	(93,443)	20,997	(5,765,274)	247,639
Cash and cash equivalents - beginning of year	6,091,053	11,333,961	402,302	93,443	104,587	18,025,346	4,843,051
Cash and cash equivalents - end of year	$ 3,557,126	$ 8,412,244	$ 165,118	$ -	$ 125,584	$ 12,260,072	$ 5,090,690
Reconciliation of Cash and Cash Equivalents to Statement of Net Position							
Unrestricted	$ 1,899,637	$ 2,385,345	$ 165,118	$ -	$ 125,584	$ 4,575,684	$ 5,090,690
Restricted (noncurrent)	1,657,489	6,026,899	-	-	-	7,684,388	-
Total cash and cash equivalents	$ 3,557,126	$ 8,412,244	$ 165,118	$ -	$ 125,584	$ 12,260,072	$ 5,090,690
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:							
Operating income (loss)	$ 1,718,697	$ 956,946	$ (994,825)	$ (1,461,723)	$ (336,136)	$ (117,041)	$ 1,106,062
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation expense	1,226,894	1,270,561	673,564	574,524	156,742	3,902,285	875,725
Changes in assets and liabilities:							
Accounts receivable	(50,228)	(132,257)	49,828	(126,281)	11,585	(247,353)	4,381
Inventories and prepayments	36,111	-	-	(2,242)	239	34,108	72,879
Accounts payable	(117,324)	(86,304)	(3,771)	(20,778)	8,194	(219,983)	(94,032)
Accrued payroll and compensated absences	38,408	26,805	13,271	39,482	897	118,863	1,703
Due to other governments	-	-	-	22,428	175	22,603	-
Pension related liabilities and deferred amounts	21,134	16,871	3,103	39,893	707	81,708	8,625
OPEB related liabilities and deferred amounts	2,424	1,837	535	3,763	79	8,638	1,033
Claims payable	-	-	-	-	-	-	93,080
Unearned revenues	-	-	21,111	3,750	(4,681)	20,180	(11,612)
Net cash provided (used) by operating activities	$ 2,876,116	$ 2,054,459	$ (237,184)	$ (927,184)	$ (162,199)	$ 3,604,008	$ 2,057,844
Noncash capital, investing and financing activities:							
Capital assets financed by municipality	$ 1,471,625	$ 1,209,988	$ -	$ -	$ -	$ 2,681,613	$ -

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

CITY OF WAUSAU, WISCONSIN
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
December 31, 2018

	Cemetery Private Purpose Trust Fund	Agency Funds
ASSETS		
Cash and cash equivalents	$ 604,405	$ 636,613
Accounts receivable	-	744
TOTAL ASSETS	604,405	$ 637,357
LIABILITIES		
Accounts payable	-	$ 637,357
NET POSITION		
Held in trust for private purpose	$ 604,405	

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

CITY OF WAUSAU, WISCONSIN
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
Year Ended December 31, 2018

	Cemetery Private Purpose Trust Fund
ADDITIONS	
Interest and dividends	$ 45,436
DEDUCTIONS	
Distributions to beneficiary	10,312
Net decrease in fair value of investments	69,621
Administrative expenses	6,635
Total deductions	86,568
Change in net position	(41,132)
Net position - beginning of year	645,537
Net position - end of year	$ 604,405

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

This report includes all of the funds of the City. The reporting entity for the City consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable for other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit 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 or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of two methods, discrete presentation or blending. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens, or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

Discretely presented component unit. The Community Development Authority of the City of Wausau was created under Section 66.4325 of the Wisconsin Statutes for the purpose of carrying out blight elimination, slum clearance, urban renewal programs and housing projects. The board of the Authority is appointed by the Mayor and two commissioners are members of the City Council. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the Authority, and also create a potential financial benefit to or burden on the City.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. REPORTING ENTITY (Continued)

The Community Development Authority Commission approves the annual budget, is fiscally separate from the City and possesses independent authority to acquire property and issue debt. As a component unit, the Authority's financial statements have been presented as a discrete column in the City's financial statements. Complete financial statements can be obtained from:

Community Development Authority
City of Wausau City Hall
407 Grant Street
Wausau, WI 54403-4783

Joint venture. The City of Wausau, in conjunction with Marathon County, has created the City-County Information Technology Commission. The commission provides for the implementation and operation of a cooperative data and management information system under the direction of the governing Board of Commissioners. Effective April 1, 2009, North Central Health Care also became a member of the Commission. The joint venture arrangement provides that net operating costs were subsidized 30% by the City prior to April 1, 2009 and are currently at 21%, with the remainder funded by the other members. All capital assets, unless otherwise shown to benefit only one owner, are paid for on a percentage basis.

B. GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on 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. Likewise, the primary government is reported separately from a legally separate component unit for which the primary government is financially accountable.

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. GOVERNMENT-WIDE FINANCIAL STATEMENTS (Continued)

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. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

a. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and

b. The same element of the individual governmental fund or enterprise fund that met the 10 percent test is at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

c. In addition, any other governmental or proprietary fund that the City believes is particularly important to financial statement users may be reported as a major fund.

The City reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources not accounted for and reported in another fund.

Debt Service Fund – This fund is used to account for all financial resources that are restricted, committed or assigned to expenditure for principal and interest costs. Sources of revenue are property taxes, interest earnings and reimbursements from departments for debt payments.

TID #3 Downtown Development Fund – This fund is used to account for all financial resources that are restricted, committed or assigned to expenditure for capital outlay within the downtown.

Capital Improvements Fund – This fund is used to account for all financial resources that are restricted, committed or assigned to expenditure for capital outlay related to the City's annual capital improvements plan.

The City reports the following major enterprise funds:

Water Utility – This fund accounts for the financing of the construction, operation and maintenance of the City-owned water facilities.

Wastewater Utility – This fund accounts for the financing of the construction, operation and maintenance of the City-owned wastewater facilities.

CITY OF WAUSAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. GOVERNMENT-WIDE FINANCIAL STATEMENTS (Continued)

Parking Utility – This fund accounts for the financing of the operation and maintenance of the City-owned parking facilities.

Metro Ride – This fund accounts for the financing of the operation and maintenance of the City transit system.

The City reports the following non-major governmental funds:

Special Revenue Funds – These funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service and capital projects.

Grants	Holtz-Krause Clean Up	Recycling
HUD Mortgage	Hazardous Materials Emergency Response	EMS Grant
DLAD Mortgage Program		400 Block
Economic Development	Housing Stock Improvement	Other Grants/Special Purposes
Federal Rent Rehabilitation	Room Tax	
WRRP Rehabilitation	Public Access Cable	

Capital Project Funds – These funds are used to account for financial resources that are restricted, committed or assigned to expenditure for capital outlays.

Central Capital Purchasing	TID #9 Big Bull Falls Fund
TID #5 Industrial Park Fund	TID #10 Industrial Park Fund
TID #6 West Side Development Fund	TID #11 Business Campus
TID #7 West Side Development Fund	TID #12 Downtown Development
TID #8 Near West Side Fund	

The City reports the Airport Fund and Animal Control Fund as non-major enterprise funds. Additionally, the City reports the following fund types:

Internal Service Funds - The Motor Pool Internal Service Fund is used to account for Motor Pool services provided by one department to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis. The Insurance Fund is used to account for accumulation of charges for and allocation of costs associated with insurance premiums and claims paid. The Employee Benefits and the Employee HRA/Wellness Funds are used to account for the accumulation of charges for and allocation of costs associated with employee health and dental premiums and claims paid.

The Private-purpose Trust Fund is used to account for resources legally held in trust for use by a non-profit organization to provide for cemetery perpetual care. All resources of the fund, including any earnings on invested resources, are used to support the organization's activities.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. GOVERNMENT-WIDE FINANCIAL STATEMENTS (Continued)

Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for Wausau Area Events, Inc., Wausau River District, Inc. and the Business Improvement District generated to provide for area-wide events and local promotion, and for the Entrepreneurial & Education Center generated through industrial development.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds, however, only report assets and liabilities and, consequently, do not have a measurement focus. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources 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 have been met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provide.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, unmatured interest on long-term debt, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is expected to be paid with available expendable financial resources.

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

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

Long-term receivables, such as special assessments, notes and mortgages, are recorded as receivables and deferred inflows of resources. In subsequent periods, when revenue recognition criteria are met or when the City has a legal claim to the resources, revenues are recorded.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (Continued)

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

The City reports deferred inflows of resources on its governmental funds balance sheet. For governmental fund financial statements, deferred inflows arise when a potential revenue source does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues arise when 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 the City has a legal claim to the resources, the unearned revenue is removed from the balance sheet and revenue is recognized.

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 and wastewater 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 concerned.

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water, Wastewater, Parking, Metro Ride, Airport and Animal Control enterprise funds are charges to customers for sales and services and intergovernmental operating revenues. Operating expenses for enterprise funds and internal service 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.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY

1. Deposits and Investments

The City maintains separate and distinct accounts for the Cemetery Private-purpose Trust Fund, Community Development Department and Community Development Authority (a discretely presented component unit). All other funds share common accounts to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable.

The City is required to invest its funds in accordance with Wisconsin Statutes 66.0603 and 67.11 (2). These statutes authorize the City to invest in obligations of the U.S. Treasury, agencies and instrumentalities, obligations of Wisconsin governmental units; time deposits, repurchase agreements; certain qualities of commercial paper; the State of Wisconsin Local Government Investment Pool; and certain money market mutual funds.

Investments are stated at fair value consistent with the provisions of GASB Statement No. 31. Fair values are based on quoted market prices. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income.

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.

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, 2018, the fair value of the LGIP's assets was substantially equal to the City's share as reported in these statements.

2. Receivable and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as either "due from/due to other funds" (current portion) or "advances to/from other funds" (non-current portion). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Accounts receivable in the governmental activities are shown net of an allowance for uncollectible accounts. No allowance for uncollectible accounts has been provided for the Water and Wastewater Utilities since they are able to place delinquent bills on the tax roll.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY (Continued)

2. Receivable and Payables (Continued)

Estimated unbilled revenues from the Water and Wastewater Utility Funds are recognized at the end of the year based on billings during the month following the close of the fiscal year.

Property taxes consist of taxes on real estate and personal property. Property taxes are levied in December of each year based on assessed value as of January 1 of that year and become an enforceable lien on the property the following January 1. The amount levied is applicable to the budget of the ensuing calendar year and become due as of January 1 of that year. Collections are made by the City through July 31. In addition to property taxes for the City, taxes are also collected for and remitted to the state and county governments as well as local school and technical college districts. The City settles with all entities on the 15th of January, February, May and August based on the taxes collected through the end of each preceding month. Payment due dates are full payment by January 31 or partial payments by January 31, April 30 and July 31 of each year.

At year end, property taxes levied for each fund are recorded as taxes receivable and deferred inflows of resources.

3. Inventories and Prepayments

Inventories consist of expendable supplies held for consumption. Inventories are stated at cost with value being determined on the "first-in, first-out" basis of accounting. The cost is recorded as an expenditure or an expense at the time the individual inventory items are consumed rather than when purchased.

Payments made to vendors for services that will benefit periods beyond the end of the current year are recorded as prepayments in both government-wide and fund financial statements.

Inventories and prepayments of governmental fund types are offset by a nonspendable fund balance account which indicated that assets do not represent spendable available financial resources.

4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties.

Restricted assets consist of cash and investments restricted for the Water and Wastewater Fund plant replacement and debt service payments. In addition, designated funds have also been restricted in the discretely presented component unit. Current liabilities payable from these restricted assets are so classified.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY (Continued)

5. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental activities or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. In accordance with GASB 34, the City has reported its major networks of infrastructure assets as of January 1, 2007.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Net interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Total interest expense incurred by the Water and Wastewater Utilities during the current fiscal year was $413,328, none of which was capitalized.

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

Buildings	25-50 Years
Improvements other than buildings	15-150 Years
Machinery and equipment	3-25 Years
Infrastructure	20-50 Years

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.

6. Other Assets

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

7. Compensated Absences

Under terms of employment, employees are granted sick leave and vacation. Varying amounts of the unused accumulated sick pay vests upon meeting specific requirements and is convertible into health insurance upon retirement. The City's policy is to allow employees to vest any unused vacation credits. Only benefits considered to be vested are disclosed in these statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY (Continued)

7. Compensated Absences (Continued)

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

8. Deferred Outflows/Inflows of Resources

Deferred outflows of resources are a consumption of net position by the government that is applicable to a future reporting period. Deferred inflows of resources are an acquisition of net position by the government that is applicable to a future reporting period. The recognition of those outflows and inflows as expenses or expenditures and revenues are deferred until the future periods to which the outflows and inflows are applicable.

Governmental funds may report deferred inflows of resources for unavailable revenues. The City reports unavailable revenues for loans and mortgages, special assessments, and municipal court receivables. These inflows are recognized as revenues in the government-wide financial statements.

9. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond issuance costs during the current period. The face amount of debt issued (plus any premiums) is reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

10. Pensions

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY (Continued)

11. Other Postemployement Benefits Other Than Pensions

Single-employer Defined Postemployment Benefit Plan

Qualifying employees are provided with other postemployment benefits. The OPEB is a single employer defined benefit plan administered by the City. For purposes of measuring the OPEB liability, related deferred outflows and inflows of resources and OPEB expense, the City has used values provided by its actuary. Benefit payments are recognized when due and payable in accordance with the benefit terms.

Local Retiree Life Insurance Fund

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits, OPEB expense, and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

12. Net Position or Fund Equity

Governmental Fund Financial Statements

Governmental fund equity is classified as fund balance. In accordance with GASB Statement No. 54, *"Fund Balance Reporting and Governmental Fund Type Definitions"* the City classifies governmental fund balance as follows:

- Nonspendable fund balance – amounts that are not in spendable form (such as inventory or long-term loans receivable) or are required to be maintained in tact;

- Restricted fund balance – amounts constrained to specific purposes by the providers (such as grantors, bondholders and higher levels of government) through constitutional provisions, or by enabling legislation;

- Committed fund balance – amounts constrained to specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority; fund balance amounts are committed through a formal action (resolution); changes to the constraints imposed require the same formal action of the City that originally created the commitment;

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY (Continued)

12. Net Position or Fund Equity (Continued)

- Assigned fund balance – amounts a government intends to use for specific purpose; intent can be expressed by the governing body or by an official or body to which the government body delegates the authority;

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

City Council establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through carryover resolutions. A fund balance commitment is further indicated in the budget document as a designation or commitment on the fund (such as for special incentives). Assigned fund balance is established by City Council through adoption or amendment of the budget as intended for specific purposes (such as the purchase of capital assets, construction, debt service, or for other purposes).

Government-wide and Proprietary Fund Statements

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

- Net investment in capital assets – amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets and any capital related deferred inflows of resources.

- Restricted net position – amount of net position that is subject to restrictions that are imposed by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

- Unrestricted net position – net position that is neither classified as restricted nor as net investment in capital assets.

Use of Restricted Resources

When an expense is incurred that can be paid using either restricted or unrestricted resources, the City's policy is to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the City's policy is to first apply the expenditure toward restricted fund balance and then to other less-restrictive classifications – committed and then assigned fund balances before using unassigned fund balances.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

Budgeting is an essential element of the financial planning, control and evaluation process of the City. Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, Debt Service Fund, the following Special Revenue Funds: Grants, HUD Mortgage, DLAD Mortgage Program, Economic Development, WRRP Rehabilitation, Holtz-Krause Clean Up, Hazardous Materials Emergency Response, Housing Stock Improvement, Room Tax, Public Access Cable, Recycling, EMS Grant, 400 Block, and the Other Grants & Special Purpose Accounts fund; and the following Capital Project Funds: Capital Improvements, TID #3 Downtown Development, Central Capital Purchasing, TID #5 Industrial Park, TID #6 West Side Development, TID #7 West Side Development, TID #8 Near West Side, TID #9 Big Bull Falls, TID #10 Industrial Park, TID #11 Business Campus, and TID #12 Downtown Development. All appropriations lapse at year end.

On or before the last day of August, all departments of the government submit requests for appropriations to the City's Finance Director so that a budget may be prepared. The budget is prepared by fund, department or program, and includes information on the prior year, year-to-date current year activity, current year estimates and requested appropriations for the next year.

The City's Finance Committee holds several budgetary review meetings to consider the departmental budgets. On or before the first Tuesday of November, the proposed budget is presented to the City Council for review. The Council holds public hearings to obtain taxpayer comments. The final adoption of the budget is by way of an annual budget resolution and must be passed by the Council no later than the fourth Tuesday in November.

The budget as adopted includes total expenditures at the cost center level. A cost center can be a fund, department, program or other activity for which control of expenditures is considered desirable. Cost centers are defined as follows for the governmental fund types with annual budgets: General Fund at department level, Special Revenue and Capital Projects at program level and Debt Service at total fund level.

The City's Finance Director and Mayor may authorize new appropriations or transfers of budgeted amounts within expenditures of a cost center up to $5,000. Amounts up to $15,000 require Finance Committee approval and transfers or new appropriations over $15,000 require two-thirds (2/3) Council approval to amend the budget. Supplemental appropriations were necessary during the year but were not material in relation to the original appropriation. All such supplemental appropriations were properly authorized by the Common Council. Budget data presented in the financial statements reflect any adjustments made.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. BUDGETARY INFORMATION (Continued)

The Council may amend the budget resolution in two respects: (a) it may transfer appropriations from one particular fund to another fund or it may add new objects within a fund. The Council may do this by means of a resolution; (b) it may increase the aggregate total of appropriations in order to reflect changes in financial circumstances either not contemplated in the annual budget resolution or due to financial circumstances which by their very nature are difficult to estimate with exactness at the time of the enactment of the annual budget resolution. The Council may do this by means of a resolution adopted by a two-thirds vote of the members. The Council may, by resolution, appropriate money from its contingent fund for any lawful purpose.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated during the ensuing year.

B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended December 31, 2018, expenditures exceeded appropriations for the following departmental cost centers in the General Fund: City hall and other municipal buildings by $3,281, Unclassified by $318,736, Police department by $24,135, Fire department by $141,297, and Public Works by $175,950. The Grants, HUD Mortgage, DLAD Mortgage Program, Hazardous Materials Emergency Response, Housing Stock Improvement, Room Tax, and Other Grants & Special Purpose Accounts special revenue funds incurred expenditures over appropriations by $488,436, $117,191, $13,012, $87,732, $132,009, $9,567, and $169,099 respectively; and in the Debt Service Fund by $55,561. Excess expenditures in the general fund, special revenue funds and debt service fund were funded by excess revenues, other cost savings or by available fund balance. Those incurred in the capital project funds would be funded with debt proceeds and advances from the General Fund.

C. DEFICIT FUND EQUITY

The TID #7 West Side Development, TID #9 Big Bull Falls, and TID #10 Industrial Park capital project funds had deficit fund equity of $1,692,079, $140,955, and $270,929 respectively, as of December 31, 2018. The City intends to fund the above fund balance deficits from future operation of these funds.

NOTE 3 – DETAILED NOTES ON ALL FUNDS

A. CASH AND INVESTMENTS

Cash and investments as of December 31, 2018 are classified in the accompanying financial statements as follows:

Statement of net position -	
Cash and cash equivalents	$ 47,035,448
Investments	27,591,961
Restricted assets - cash and cash equivalents	7,684,388
Statement of net position - fiduciary funds	
Cash and cash equivalents	
Cemetery Private Purpose Trust Fund	604,405
Agency Funds	636,613
Total	$ 83,552,815
Cash on hand	$ 10,352
Deposits with financial institutions	11,248,410
Investments	72,294,053
Total	$ 83,552,815

Investments Authorized by the State of Wisconsin and the City's Investment Policy

The City's investment policy as governed by Wisconsin State Statutes authorizes the following types of investments:

- U.S. Government agency bonds or securities;
- Certificates of deposit and repurchase agreements;
- Bonds or securities of any county, city, drainage district, vocational, technical and adult education district, village, town or school district in the state;
- Bankers acceptances issued by domestic banks which are eligible for purchase by the Federal Reserve System;
- Commercial paper rated in the highest short-term rating categories by rating agencies;
- Medium term corporate notes issued by corporations organized and operating within the U.S. or by depository institutions licensed by the U.S. or any state and operating in the U.S.;
- Money market mutual funds regulated by the Securities and Exchange Commission whose portfolios consist of U.S. Treasury or government obligations; and,
- State of Wisconsin Local Government Investment Pool.

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

A. CASH AND INVESTMENTS (Continued)

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs.

The valuation methods for recurring fair value measurements are as follows:

- Automated method – IDC Institutional Bond Pricing
- Automated method – IDC CD Pricing
- Quoted market prices

The City has the following fair value measurements as of December 31, 2018:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
U.S. Agencies	$ -	$ 23,216,781	$ -
Negotiable CD's	-	743,315	-
Municipal Bonds	-	492,220	-
Repurchase sweep agreements	-	8,163,601	-
External Investment Pools	-	795,248	-
Total Investments	$ -	$ 33,411,165	$ -

Interest Rate Risk

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

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

A. CASH AND INVESTMENTS (Continued)

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

		Investment Maturities (in Years)		
Investment Type	Fair Value	Less Than One	1-2	3-4
U.S. Agencies	$ 23,216,781	$ 2,416,600	$ 7,393,875	$ 13,406,306
Negotiable CD's	743,315	247,453	495,862	-
Municipal Bonds	492,220	-	492,220	-
Local Government Investment Pool	38,882,888	38,882,888	-	-
Repurchase sweep agreements	8,163,601	8,163,601	-	-
External investment pools	795,248	795,248	-	-
	$ 72,294,053	$ 50,505,790	$ 8,381,957	$ 13,406,306

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City will minimize credit risk by limiting the type of investments to U.S. treasury obligations, U.S. government agency obligations, money market mutual funds, certificates of deposit and local government investment pools. The City will also diversify its investment portfolio so as to minimize losses from any one type of security or from any one individual issuer.

The City had investments in the Local Government Investment Pool, Wells Fargo Treasury Money Market Fund, and repurchase sweep agreements which were not rated.

In addition, the City held investments in U.S. agency securities that were rated AAA, municipal bonds rated AA2, and negotiable CD's that were not rated.

Concentration of Credit Risk

Concentration of credit risk refers to risk of loss attributed to the City's investment in a single issuer. The City's investment policy addresses this risk by requiring diversification of investments by security type and institution. With the exception of U.S. Treasury securities, no more than 50% of the City's total investment portfolio will be invested in a single type of security.

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

A. CASH AND INVESTMENTS (Continued)

At December 31, 2018, concentrations making up over 5% of the City's investment portfolio were as follows:

Investment type	Issuer	Percentage of Portfolio
U.S. Agencies	Federal Agricultural Mortgage Corporation	6.2%
U.S. Agencies	Federal Farm Credit Bank	9.9%
U.S. Agencies	Federal Home Loan Bank	9.2%
Repurchase sweep agreements	U.S. Bank NA Commercial Paper	11.3%

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the City will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provisions for deposits: The City's investment policy requires collateralization on certificates of deposit and repurchase agreements at a level of 105% of the market value less amounts covered by the FDIC; and, the City Council approves and designates a list of authorized depository institutions based on evaluation and recommendation of the Finance Committee and City Finance Director.

At December 31, 2018, the carrying amount of the City's deposits was $11,248,410 and the financial institution balance was $9,967,354. Of the financial institution balance, $2,482,222 was covered by federal depository insurance, $500,000 was covered by the national credit union share insurance fund, $2,921,034 was covered by the State Deposit Guarantee Fund, and $4,064,098 was uninsured and uncollateralized. The City's repurchase sweep agreements, which had a balance of $8,163,601 at December 31, 2018, was fully covered and secured by U.S. Bank NA commercial paper.

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

A. CASH AND INVESTMENTS (Continued)

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of $250,000 for time and savings deposits and $250,000 for interest-bearing demand deposits per official custodian per depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by the FDIC in the amount of $250,000 for all time accounts, savings accounts and interest-bearing demand deposit accounts per official custodian per depository institution. In addition, the above-mentioned State Deposit Guarantee Fund through the State of Wisconsin provides additional coverage of up to a maximum of $400,000 per public depository above the applicable insurance coverage provided by the FDIC. However, although the fund had reserves available at December 31, 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.

B. RECEIVABLES

Receivables for the year ended December 31, 2018 for the City's general fund have been shown net of allowances for uncollectible accounts and uncollectible delinquent personal property taxes of $3,500,310 and $113,664, respectively.

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

	Unavailable	Unearned
Property taxes receivable	$ -	$ 31,798,021
Loans and mortgages receivable	10,551,258	-
Unpaid fines and forfeitures	576,298	-
Special assessments not yet due	446,150	-
Total deferred/unearned revenue for governmental funds	$ 11,573,706	$ 31,798,021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

C. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2018 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated:				
Land	$ 40,096,504	$ 3,620,561	$ -	$ 43,717,065
Construction in progress	12,036,238	10,658,400	(12,588,927)	10,105,711
Total capital assets not being depreciated	52,132,742	14,278,961	(12,588,927)	53,822,776
Capital assets being depreciated:				
Buildings and improvements	37,597,416	1,580,206	(96,704)	39,080,918
Machinery and equipment	24,972,441	3,122,016	(1,607,410)	26,487,047
Infrastructure	136,173,040	4,586,056	(117,258)	140,641,838
Total capital assets being depreciated	198,742,897	9,288,278	(1,821,372)	206,209,803
Less accumulated depreciation for:				
Buildings and improvements	(12,900,857)	(1,391,680)	96,623	(14,195,914)
Machinery and equipment	(17,268,290)	(1,602,058)	1,552,932	(17,317,416)
Infrastructure	(55,708,678)	(3,210,614)	76,232	(58,843,060)
Total accumulated depreciation	(85,877,825)	(6,204,352)	1,725,787	(90,356,390)
Total capital assets being depreciated, net	112,865,072	3,083,926	(95,585)	115,853,413
Governmental activities capital assets, net	$ 164,997,814	$ 17,362,887	$ (12,684,512)	169,676,189
Less: Capital related debt outstanding (excluding unspent capital related debt proceeds)				(56,828,169)
Less: Unamortized debt premiums				(1,956,861)
Add: Deferred loss on debt refunding				111,863
Net investment in capital assets				$ 111,003,022

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

C. CAPITAL ASSETS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets not being depreciated:				
Land	$ 5,066,996	$ 5,458	$ -	$ 5,072,454
Construction in progress	628,576	4,808,745	(1,345,685)	4,091,636
Total capital assets not being depreciated	5,695,572	4,814,203	(1,345,685)	9,164,090
Capital assets being depreciated:				
Buildings and improvements	45,307,953	360,984	-	45,668,937
Machinery and equipment	31,120,765	240,124	(188,198)	31,172,691
Water infrastructure	43,025,626	1,353,757	(168,918)	44,210,465
Wastewater infrastructure	41,800,396	1,844,900	(116,885)	43,528,411
Total capital assets being depreciated	161,254,740	3,799,765	(474,001)	164,580,504
Less accumulated depreciation for:				
Buildings and improvements	(25,364,952)	(1,195,484)	-	(26,560,436)
Machinery and equipment	(21,098,893)	(1,369,005)	184,708	(22,283,190)
Water infrastructure	(10,979,640)	(811,166)	168,918	(11,621,888)
Wastewater infrastructure	(9,599,896)	(526,630)	116,885	(10,009,641)
Total accumulated depreciation	(67,043,381)	(3,902,285)	470,511	(70,475,155)
Total capital assets being depreciated, net	94,211,359	(102,520)	(3,490)	94,105,349
Business-type activities capital assets, net	$ 99,906,931	$ 4,711,683	$ (1,349,175)	$ 103,269,439
Less: Capital related debt outstanding (excluding unspent capital related debt proceeds)				(12,069,780)
Less: Unamortized debt premiums				(657,282)
Net investment in capital assets				$ 90,542,377

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

Governmental activities:	
General government	$ 303,621
Public safety	448,439
Transportation and streets	3,631,541
Natural resources and recreation	944,594
Economic development	432
Capital assets held by internal service funds	875,725
Total depreciation expense - governmental activities	$ 6,204,352
Business-type activities:	
Water	$ 1,226,894
Wastewater	1,270,561
Parking	673,564
Metro Ride	574,524
Airport	156,742
Total depreciation expense - business-type activities	$ 3,902,285

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

D. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payables represent short-term loans from one fund to another to cover cash overdrafts or represent current portion of advances for specific funds. Interfund receivables and payables at December 31, 2018 are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	TID #7 West Side Development	$ 214,019
	TID #10 Industrial Park	116,300
	Public Access Cable	20,902
	Metro Ride	646,832
Wastewater Utility	Water Utility	140,000
Total - fund financial statements		1,138,053
Elimination for government-wide financial statements		(491,221)
Total - Government-wide financial statements		$ 646,832

Advances between funds represent long-term loans principally for capital purposes. The composition of interfund advances as of December 31, 2018 is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	TID #3 Downtown Development Fund	$ 1,367,897
	TID #7 West Side Development Fund	1,478,060
	TID #9 Big Bull Falls Fund	140,955
	TID #10 Industrial Park Fund	154,629
Holtz-Krause Clean Up Fund	TID #3 Downtown Development Fund	1,239,432
Economic Development	TID #3 Downtown Development Fund	250,000
Housing Stock Improvement	TID #3 Downtown Development Fund	250,000
Wastewater Utility	Water Utility	840,000
Total - fund financial statements		5,720,973
Elimination for government-wide financial statements		(5,720,973)
Total - Government-wide financial statements		$ -

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

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

D. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (Continued)

Interfund transfers for the year ended December 31, 2018 are as follows:

	Transfers to	Transfers from
General Fund		
Room Tax Fund	$ -	$ 177,273
Recycling Fund	20,000	-
Capital Improvements Fund	88,088	-
Water Utility Fund	-	1,165,911
Wastewater Utility Fund	-	450,000
Airport Fund	40,000	-
Motor Pool Fund	-	125,000
Special Revenue Funds		
General Fund	177,273	20,000
Grants Fund	35,591	-
HUD Mortgage Fund	-	35,591
400 Block Fund	82,509	-
Capital Improvements Fund	175,864	-
Room Tax Fund	-	82,509
Animal Control Fund	-	1,480
Debt Service Fund		
TID #3 Downtown Development Fund	-	3,435,523
Capital Improvements Fund	-	111,163
TID #6 West Side Development Fund	-	1,605,870
TID #7 West Side Development Fund	-	505,835
TID #8 Near West Side Fund	-	159,542
TID #9 Big Bull Falls Fund	-	72,935
TID #10 Industrial Park Fund	-	106,114
TID #11 Business Campus	-	191,213
Capital Projects Funds		
General Fund	-	88,088
Grants Fund	-	145,864
Economic Development Fund	-	30,000
TID #3 Downtown Development Fund	1,300,537	-
TID #5 Industrial Park Fund	-	1,300,537
Debt Service Fund	6,188,195	-
Enterprise Funds		
General Fund	1,615,911	40,000
Other grants & special purpose accounts	1,480	-
Internal Service Funds		
General Fund	125,000	-
Employee Benefits Fund	708,161	-
Employee HRA/Wellness Fund	-	708,161
Totals	$ 10,558,609	$ 10,558,609

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

D. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (Continued)

The principal purpose of these transfers are to (1) move revenues from the fund that collects them to the fund required to expend them, (2) move receipts restricted to debt service from funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in one fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

E. LONG-TERM DEBT

A summary of the long-term liability activity for the year ended December 31, 2018 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental activities					
General obligation debt:					
Bonds payable	$ 29,325,000	$ -	$ (1,210,000)	$ 28,115,000	$ 1,715,000
Notes payable	39,190,299	5,480,000	(7,382,006)	37,288,293	7,075,056
Note anticipation notes	6,600,000	8,010,000	-	14,610,000	-
Unamortized costs	2,028,236	184,363	(187,702)	2,024,897	-
Compensated absences	1,974,507	296,333	(43,541)	2,227,299	946,142
Governmental activities long-term liabilities	$ 79,118,042	$ 13,970,696	$ (8,823,249)	$ 84,265,489	$ 9,736,198

The summary of long-term liability activity for business-type activities is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Business-type activities					
General obligation debt:					
Notes payable	$ 1,646,480	$ -	$ (521,840)	$ 1,124,640	$ 526,840
State trust fund loan	7,662,526	-	(7,662,526)	-	-
Revenue bonds	11,040,000	-	(860,000)	10,180,000	845,000
Revenue bond anticipation notes	-	5,055,000	-	5,055,000	-
Unamortized costs	712,926	-	(55,644)	657,282	-
Compensated absences	528,864	292,784	(185,934)	635,714	175,783
Business-type activities long-term liabilities	$ 21,590,796	$ 5,347,784	$ (9,285,944)	$ 17,652,636	$ 1,547,623

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

E. LONG-TERM DEBT (Continued)

Total interest paid during the year on long-term debt totaled $2,515,038.

In accordance with Section 67.03 Wisconsin Statutes, the total indebtedness of the City for general purposes may not exceed 5% of the value of the taxable property located therein for state purposes:

Equalized value	$2,896,505,404
Legal debt margin percentage	5.00%
	144,825,270
Add: Available funds for debt payment	679,147
Less: Outstanding general obligation debt	(66,527,933)
Legal debt margin	$ 78,976,484

Estimated payments of compensated absences and other postemployment benefits are not included in the following debt payment schedules. The amounts attributable to governmental activities will be liquidated primarily by the general fund.

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

E. LONG-TERM DEBT (Continued)

General Obligation Debt

General obligation debt outstanding at December 31, 2018 is detailed as follows:

	Original Amount	Interest Rates	Final Maturity	Balance 12/31/2018
2009 Promissory note Series A	$ 9,560,000	0.7-3.0%	4/1/19	$ 415,000
2010 Promissory note Series A	5,145,000	1.0-3.0%	4/1/20	1,075,000
2011 Promissory note Series A	7,685,000	2.0-2.5%	4/1/21	2,295,000
2012 Promissory note Series A	2,725,000	2.0-2.65%	4/1/22	1,155,000
2012 Promissory note Series B	13,400,000	2.0-3.0%	4/1/22	4,685,000
2013 Promissory note	750,000	2.75%	8/16/18	750,000
2013 Promissory note Series A	5,365,000	2.0-3.0%	4/1/23	2,595,000
2013 Promissory note Series B	630,000	1.0-2.95%	4/1/23	305,000
2013 GO Bonds Series C	3,410,000	2.0-4.0%	4/1/33	2,550,000
2014 Promissory note	190,000	2.75%	3/17/19	190,000
2014 Promissory note Series A	6,405,000	2.0-3.0%	4/1/24	2,705,000
2014 GO Bonds Series B	1,495,000	2.0-3.0%	4/1/29	1,295,000
2015 Promissory note Series A	3,930,000	0.7-2.5%	4/1/25	2,820,000
2015 GO Bonds Series B	5,705,000	2.0-3.5%	4/1/35	5,125,000
2015 GO Com Dev Bonds Series C	2,655,000	3.0-3.95%	4/1/30	2,485,000
2016 Promissory note Series A	8,705,000	2.0-3.0%	4/1/26	5,935,000
2016 Promissory note Series B	6,530,000	2.0-3.0%	4/1/36	6,300,000
2016 Promissory note Series C	4,695,000	0.7-3.25%	4/1/32	4,055,000
2016 Promissory note	1,609,779	2.75%	4/18/26	1,609,779
2016 Promissory note	200,000	2.75%	11/14/20	200,000
2016 State trust fund loan	4,827,000	3.25%	3/15/25	728,154
2017 Promissory note Series A	6,230,000	1.25-4.0%	4/1/27	5,470,000
2017 Promissory note Series B	6,405,000	2.0-3.0%	4/1/31	6,305,000
2018 Promissory note Series A	5,480,000	3.0-4.0%	4/1/28	5,480,000
Total general obligation debt				$ 66,527,933

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

E. LONG-TERM DEBT (Continued)

Debt service requirements on general obligation debt to maturity at December 31, 2018 are as follows:

	Governmental Activities		Business-Type Activities		Total	
Year	Principal	Interest	Principal	Interest	Principal	Interest
2019	$ 8,790,056	$ 1,644,760	$ 526,840	$ 20,216	$ 9,316,896	$ 1,664,976
2020	8,669,419	1,483,676	299,880	11,009	8,969,299	1,494,685
2021	7,428,961	1,289,407	297,920	3,724	7,726,881	1,293,131
2022	7,354,488	1,115,610	-	-	7,354,488	1,115,610
2023	5,912,172	904,118	-	-	5,912,172	904,118
2024-2028	19,693,197	2,416,830	-	-	19,693,197	2,416,830
2029-2033	6,550,000	552,418	-	-	6,550,000	552,418
2034-2036	1,005,000	41,800	-	-	1,005,000	41,800
	$ 65,403,293	$ 9,448,619	$ 1,124,640	$ 34,949	$ 66,527,933	$ 9,483,568

Anticipation Notes

The anticipation notes outstanding at December 31, 2018 was comprised of the following issue:

	Original Amount	Interest Rates	Final Maturity	Balance 12/31/2018
2017 Note anticipation note Series E	$ 6,600,000	3.00%	4/1/22	$ 6,600,000
2018 Revenue bond anticipation note Series B	5,055,000	3.00%	4/1/20	5,055,000
2018 Note anticipation note Series C	8,010,000	3.45%	4/1/23	8,010,000
Total note anticipation note debt				$ 19,665,000

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

E. LONG-TERM DEBT (Continued)

Debt service requirements on the anticipation note debt to maturity at December 31, 2018 are as follows:

	Governmental Activities		Business-Type Activities		Total	
Year	Principal	Interest	Principal	Interest	Principal	Interest
2019	$ -	$ 425,985	$ -	$ 125,111	$ -	$ 551,096
2020	-	474,345	5,055,000	75,825	5,055,000	550,170
2021	-	474,345	-	-	-	474,345
2022	6,600,000	375,345	-	-	6,600,000	375,345
2023	8,010,000	138,173	-	-	8,010,000	138,173
	$ 14,610,000	$ 1,888,193	$ 5,055,000	$ 200,936	$ 19,665,000	$ 2,089,129

Revenue Bonds

The revenue bonds outstanding at December 31, 2018 were comprised of the following issues:

	Original Amount	Interest Rates	Final Maturity	Balance 12/31/2018
2017 Water revenue bonds	$ 4,815,000	2.0-4.0%	5/1/37	$ 4,470,000
2017 Sewer revenue bonds	6,225,000	2.0-4.0%	5/1/37	5,710,000
Total revenue bond debt				$ 10,180,000

Debt service requirements on the revenue bond debt to maturity at December 31, 2018 are as follows:

	Business-Type Activities	
Year	Principal	Interest
2019	$ 845,000	$ 339,325
2020	865,000	320,500
2021	890,000	295,000
2022	925,000	261,375
2023	965,000	223,575
2024-2028	3,500,000	574,425
2029-2033	1,140,000	248,175
2034-2037	1,050,000	66,075
	$ 10,180,000	$ 2,328,450

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

E. LONG-TERM DEBT (Continued)

Utility Revenues Pledged

The City has pledged future water and sewer customer revenues, net of specified operating expenses, to repay the water and sewer system revenue bonds. Proceeds from the bonds provided financing for the construction or acquisition of capital assets used with the systems. The bonds are payable solely from water and sewer customer net revenues and are payable through 2037. The total principal and interest remaining to be paid on the bonds is $12,508,450. Principal and interest paid for the current year was $1,181,905, and the total customer net revenues were $5,173,098.

Current Refunding

On December 5, 2017, the city issued $4,815,000 of water system revenue bonds, Series C, with an average interest rate of 2.55%, and $6,225,000 of sewer system revenue bonds, Series D, with an average interest rate of 2.32%, of which $6,925,000 was used to refund $7,662,526 of outstanding 2015 and 2016 state trust fund loans with an average interest rate of 3.25%. $6,877,701 of the total net proceeds of $11,754,856 plus an additional amount of $1,046,214 of current available resources were used to retire outstanding principal and interest of the 2015 and 2016 state trust fund loan issue in the amount of $7,923,915 on January 2, 2018. As a result, the 2015 state trust fund loan has been paid in its entirety, and all but $827,000 of the 2016 state trust fund loan has been paid as of January 2, 2018.

This refunding was undertaken to reduce the total debt payments through 2037 by $418,906 and to obtain a total economic gain (difference between the present values of the old and new debt service payments) of $126,886.

Conduit Debt Obligations

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2018, there were three series of Industrial Revenue Bonds outstanding. Total principal amount payable could not be determined, however, original issue amounts totaled $2,700,000.

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

F. RESTRICTED NET POSITION/FUND BALANCES

Governmental activities restricted net position reported in the government-wide statement of net position at December 31, 2018 includes the following:

Net position restricted for :	
Debt service payments	$ 679,147
Capital improvements	14,959,818
Special purposes	6,140,242
Pension Benefits	4,457,310
Total governmental activities restricted net position	$ 26,236,517

Fund balance classifications for major funds as of December 31, 2018 are as follows:

General Fund	
Nonspendable for advances	$ 3,141,541
Nonspendable for inventories and prepayments	396,259
Total nonspendable	3,537,800
Committed to contingencies	163,059
Committed to economic development	500,000
Committed to continuing appropriation	501,360
Unassigned	8,185,464
Total General Fund	$ 12,887,683
Debt Service Fund	
Restricted for debt service payments	$ 1,199,615
TID #3 Downtown Development Fund	
Restricted for capital improvements	$ 3,009,160
Capital Improvements Fund	
Restricted for capital improvements	$ 854,628
Committed for capital improvements	2,871,167
Total Capital Improvements Fund	$ 3,725,795

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

F. RESTRICTED NET POSITION/FUND BALANCES (Continued)

Fund balances reported on the fund financial statements at December 31, 2018 for nonmajor funds are as follows:

Special revenue funds	
Restricted for special purposes:	
Grants	$ 1,632,976
HUD mortgage program	131,917
Federal rent rehabilitation	337,818
WRRP rehabilitation	1,193,253
Holtz-Krause Clean up	1,776,029
Hazardous materials emergency response	180,065
Recycling	8,314
EMS grant	40,047
Other grants & special purpose accounts	839,823
Total restricted fund balance	6,140,242
Committed to special purposes:	
DLAD mortgage program	518,756
Economic development	289,186
Housing stock improvement	309,357
Room tax	41,458
Public access cable	1,439
400 Block	126,369
Total committed fund balance	1,286,565
Total special revenue funds	$ 7,426,807
Capital project funds	
Restricted for special purposes:	
Central Capital Purchasing	$ 83,328
TID #6 West Side Development	2,947,243
TID #8 Near West Side	255,587
TID #11 Business Campus	4,159,943
TID #12 Downtown Development	3,649,929
Total restricted fund balance	11,096,030
Unassigned:	
TID #7 West Side Development (deficit)	(1,692,079)
TID #9 Big Bull Falls (deficit)	(140,955)
TID #10 Industrial Park (deficit)	(270,929)
Total unassigned fund balance	(2,103,963)
Total capital project funds	$ 8,992,067

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

G. RESTRICTED ASSETS

The following represent the balances of the restricted assets:

Long-Term Debt Accounts

Construction - Used to report proceeds of bond issuances that are restricted for use in construction.

Redemption - Used to segregate resources accumulated for debt service payments over the next twelve months

Depreciation/Equipment Replacement Account

The Wastewater Utility established an equipment replacement account to be used for significant mechanical equipment replacement as required by the Wisconsin Department of Natural Resources, and City Council action. The Wastewater Utility has established specific cash accounts and distributes its revenues to these accounts as follows:

	Wastewater
Operations Fund	97.5%
Replacement Fund	2.5%

The balance of restricted assets in the Water and Wastewater Utility Enterprise Funds is as follows:

	Water Utility	Wastewater Utility
Construction accounts	$ 1,016,000	$ 3,403,486
Redemption accounts	641,489	864,630
Depreciation/Replacement accounts	-	1,758,783
Total Restricted Cash	$ 1,657,489	$ 6,026,899

H. COMPONENT UNIT

The financial records of the City of Wausau Community Development Authority (CDA) are maintained in accordance with the accounting practices prescribed by the United States Department of Housing and Urban Development (HUD). Financial information for the Authority is presented as a discrete column in the statement of net position and statement of activities.

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

H. COMPONENT UNIT (Continued)

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

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

b. The composition of cash, cash equivalents and investments at December 31, 2018 is as follows:

Deposits	$ 6,300,970
Petty cash	120
Total	$ 6,301,090
Financial statement presentation:	
Cash and cash equivalents	$ 5,330,818
Cash and cash equivalents - restricted	970,272
Total	$ 6,301,090

Custodial Credit Risk for Deposits

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the CDA will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The CDA requires all funds in excess of federal and state depository insurance coverage to be secured.

Custodial Credit Risk for Investments

At year end, the carrying value of the CDA's deposits was $6,300,970 and the financial institution balance was $6,380,223. The entire financial institution balance was covered by federal and state depository insurance.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the CDA will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The CDA requires all funds in excess of federal and state depository insurance coverage to be secured.

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

H. COMPONENT UNIT (Continued)

Investment Policy

The CDA has adopted a formal investment policy; however, the CDA invests in accordance with Wisconsin State Statutes. Under the policy, 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; and 2) the state local government investment pool.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments as indicated above. The CDA does not have a formal policy on this type of risk.

Concentration of Credit Risk

Concentration of credit risk refers to risk of loss attributed to the CDA's investment in a single issuer. The CDA does not have a formal policy on this type of investment risk.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The CDA has no formal investment policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

c. Long-term debt activity for the year ended December 31, 2018 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Affordable Housing Program					
Loan	$ 750,000	$ -	$ -	$ 750,000	$ -
Compensated absences	38,950	22,983	(14,199)	47,734	16,944
	$ 788,950	$ 22,983	$ (14,199)	$ 797,734	$ 16,944

The Affordable Housing Program Loan represents a 0%, non-amortizing note payable. The CDA must comply with all AHP provisions for 15 years at which time the loan balance will be forgiven.

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

H. COMPONENT UNIT (Continued)

d. Capital asset activity for the year ended December 31, 2018 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	$ 981,317	$ -	$ -	$ 981,317
Construction in progress	46,839	125,233	(142,665)	29,407
Total capital assets not being depreciated	1,028,156	125,233	(142,665)	1,010,724
Capital assets being depreciated:				
Buildings and improvements	21,688,210	153,766	-	21,841,976
Furniture and equipment	726,919	32,254	(1,259)	757,914
Total capital assets being depreciated	22,415,129	186,020	(1,259)	22,599,890
Less accumulated depreciation	(8,681,349)	(664,541)	1,259	(9,344,631)
Total capital assets being depreciated, net	13,733,780	(478,521)	-	13,255,259
Total Authority capital assets	$ 14,761,936	$ (353,288)	$ (142,665)	$ 14,265,983
Less related long-term debt outstanding				750,000
Net investment in capital assets				$ 13,515,983

NOTE 4 – OTHER INFORMATION

A. DEFINED BENEFIT PENSION PLAN

Plan description

The Wisconsin Retirement System (WRS) is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at etf.wi.gov/publications/cafr.htm

Vesting

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

Benefits provided

Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

Final average earnings is the average of the participant's three highest annual earnings periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

Vested participants may retire at or after age 55 (50 for protective occupations) and receive an actuarially-reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

The WRS also provides death and disability benefits for employees.

NOTE 4 – OTHER INFORMATION (Continued)

A. DEFINED BENEFIT PENSION PLAN (Continued)

Post-Retirement Adjustments

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2007	3.0%	10.0%
2008	6.6	0.0
2009	(2.1)	(42.0)
2010	(1.3)	22.0
2011	(1.2)	11.0
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0

Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, Executives and Elected Officials. Starting on January 1, 2016, the Executives and & Elected Officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period ending December 31, 2018, the WRS recognized $1,891,736 in contributions from the City.

NOTE 4 – OTHER INFORMATION (Continued)

A. DEFINED BENEFIT PENSION PLAN (Continued)

Contribution rates for the reporting period are:

Employee Category	Employee	Employer
General (including teachers, executives, and elected officials)	6.8%	6.8%
Protective with Social Security	6.8%	10.6%
Protective without Social Security	6.8%	14.9%

Pension Assets, Pension Expense, Deferred Outflows of Resources and Deferred Inflows or Resources Related to Pensions

At December 31, 2018, the City reported an asset of $5,150,404 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2017, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2016 rolled forward to December 31, 2017. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2017, the City's proportion was 0.17346577% which was an increase of 0.00310013% from its proportion measured as of December 31, 2016.

For the year ended December 31, 2018, the City recognized pension expense of $2,251,406.

At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 6,543,716	$ 3,060,934
Net differences between projected and actual earnings on pension plan investments	-	7,078,753
Changes in assumptions	1,017,619	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	37,508	-
Employer contributions subsequent to the measurement date	1,891,736	-
Total	$ 9,490,579	$ 10,139,687

NOTE 4 – OTHER INFORMATION (Continued)

A. DEFINED BENEFIT PENSION PLAN (Continued)

$1,891,736 reported as deferred outflows related to pension resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31	Expense
2019	$ 574,553
2020	(34,728)
2021	(1,760,081)
2022	(1,332,967)
2023	12,379
Total	$ (2,540,844)

Actuarial Assumption

The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2016
Measurement Date of Net Pension Asset:	December 31, 2017
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Market Value
Long-Term Expected Rate of Return:	7.2%
Discount Rate:	7.2%
Salary Increases:	
Inflation	3.2%
Seniority/Merit	0.2% - 5.6%
Mortality:	Wisconsin 2012 Mortality Table
Post-retirement Adjustments*	2.1%

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

Actuarial assumptions are based upon an experience study conducted in 2015 using experience from 2012-2014. The total pension asset for December 31, 2017 is based upon a roll-forward of the asset calculated from the December 31, 2016 actuarial valuation.

NOTE 4 – OTHER INFORMATION (Continued)

A. DEFINED BENEFIT PENSION PLAN (Continued)

Long-term expected Return on Plan Assets

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

Core Fund Asset Class	Current Asset Allocation	Long-Term Expected Nominal Rate of Return	Long-Term Expected Real Rate of Return
Global Equities	50.0%	8.2%	5.3%
Fixed Income	24.5%	4.2%	1.4%
Inflation Sensitive Assets	15.5%	3.8%	1.0%
Real Estate	8.0%	6.5%	3.6%
Private Equity/Debt	8.0%	9.4%	6.5%
Multi-Asset	4.0%	6.5%	3.6%
Total Core Fund	110.0%	7.3%	4.4%
US Equities	70%	7.5%	4.6%
International Equities	30%	7.8%	4.9%
Total Variable Fund	100%	7.9%	5.0%

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.75%
Asset allocations are managed within established ranges, target percentages may differ from actual monthly allocations

NOTE 4 – OTHER INFORMATION (Continued)

A. DEFINED BENEFIT PENSION PLAN (Continued)

Single Discount rate

A single discount rate of 7.20% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20% and a long term bond rate of 3.31%. Because of the unique structure of WRS, the 7.20% expected rate of return implies that a dividend of approximately 2.1% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the net pension liability/(asset) to changes in the discount rate

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

	1% Decrease to Discount Rate (6.20%)	Current Discount Rate (7.20%)	1% Increase to Discount Rate (8.20%)
City's proportionate share of the net pension asset (liability)	$ 13,325,855	$ (5,150,404)	$ (19,192,933)

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at etf.wi.gov/publications/cafr.htm.

Payable to the pension plan

At December 31, 2018 the City reported a payable of $398,947 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2018.

In addition to the above-mentioned retirement fund, the State of Wisconsin administers a plan for three (3) employees who retired prior to the consolidation with the WRS. The total estimated future cost to the City at December 31, 2018, was approximately $10,612, substantially all of which relates to prior services. The current portion of the estimated liability of $10,612 is provided for in the General Fund. The estimated remaining period of amortization is one year.

NOTE 4 – OTHER INFORMATION (Continued)

B. OTHER POSTEMPLOYMENT BENEFITS

The City has adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for the year ended December 31, 2018. This statement revised and established new financial reporting requirements for governments that provide their employees with postemployment benefits. Financial statements for the year ended December 31, 2018 have not been restated.

The cumulative effect of this change was to decrease the December 31, 2018 net position by $1,255,077 as follows:

Other postemployment liability		
OPEB asset balance previously reported	$ 38,073	
Actuarially determined liability balance	(712,680)	
Actuarially determined deferred outflows	109,967	
Change in other postemployment liability		$ (640,786)
Local Retiree Life Insurance Fund (LRLIF)		
OPEB liability balance previously reported	-	
Actuarially determined liability balance	(614,291)	
Change in other postemployment liability		(614,291)
Total cumulative effect of change in accounting principle		$ (1,255,077)

The City reports OPEB related balances at December 31, 2018 as summarized below:

	OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Local Retiree Life Insurance Fund (LRLIF)	$ 707,188	$ 76,480	$ 47,776	$ 64,193
Single-employer defined OPEB plan	673,151	112,726	-	112,726
Total OPEB related items	$ 1,380,339	$ 189,206	$ 47,776	$176,919

NOTE 4 – OTHER INFORMATION (Continued)

B. OTHER POSTEMPLOYMENT BENEFITS

1. Single-employer Defined Postemployment Benefit Plan

Plan Description

The Plan is a single-employer defined benefit postemployment health plan that covers retired employees of the City. Eligible retired employees may use a percentage of their accumulated sick leave, converted at their monetary value, towards continued medical coverage on the City's group plan. Medical benefits paid for by the City are indicated below. Eligibility requirements for specific classifications of employees for continued health care coverage under the City's group plan are briefly outlined below:

- Fire: At least 50 years of age with a minimum of 5 years of service with the City.
- Police: At least 50 years of age with a minimum of 13 years of service with the City.
- Management: At least 55 years of age with a minimum of 14 years of service with the City, and hired prior to January 1, 2013. The requirement of 14 years of service is decreased by 1 year for every additional year of age over 55 at the date of retirement.

Note: Any City employee retiring after December 31, 2012 will no longer be eligible to remain on the City's group medical plan beyond the COBRA period.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The plan does not issue separate financial statements.

Benefits provided

Retired employees who qualify are allowed to convert a maximum of 60% (80% for employees with at least 25 years of service and 100% for management employees with at least 30 years of service as of December 31, 2012) of their accumulated sick leave balance upon retirement into monetary value and draw down on the amount to pay costs of health insurance premiums.

Employees Covered by Benefit Terms

At December 31, 2018, the following employees were covered by the benefit terms:

21	Inactive employees or beneficiaries currently receiving benefit payments
293	Active employees
314	

Contributions

The City does not contribute to the premium costs. The retirees pay 100% of the premium amounts under the plan.

NOTE 4 – OTHER INFORMATION (Continued)

B. OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Single-employer Defined Postemployment Benefit Plan (Continued)

Total OPEB Liability

The City's total OPEB liability of $673,151 was measured as of December 31, 2017, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs

The total OPEB liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary Increases	3.0%
Healthcare cost trend rates	Assumed to increase each year of age separate from trend due to increased cost of older participants, as follows:

Age	Rate
Under 40	4.00%
40-44	3.75%
45-49	3.50%
50-54	3.00%
55-64	3.25%

A discount rate of 3.50% was used in calculating the City's OPEB liability based on the Bond Buyer GO 20-Year AA Bond Index.

Mortality rates were based on the Wisconsin 2012 Mortality table.

The actuarial assumptions used in the December 31, 2017 valuation were upon an experience study conducted in 2015 using the Wisconsin Retirement System (WRS) experience from 2012-2014.

NOTE 4 – OTHER INFORMATION (Continued)

B. OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Single-employer Defined Postemployment Benefit Plan (Continued)

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at December 31, 2017	$ 712,680
Changes for the year:	
Service Cost	46,603
Interest	23,835
Benefit Payments	(109,967)
Net Changes	(39,529)
Balance at December 31, 2018	$ 673,151

Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease to Discount Rate (2.50)%	Current Discount Rate (3.50%)	1% Increase to Discount Rate (4.50%)
City's proportionate share of the OPEB liability	$ 708,878	$ 673,151	$ 638,687

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease (6.5% decreasing to 4.0%)	Healthcare Cost Trend Rates (7.5% decreasing to 5.0%)	1% Increase (8.5% decreasing to 6.0%)
City's proportionate share of the OPEB liability	$ 619,154	$ 673,151	$ 638,687

NOTE 4 – OTHER INFORMATION (Continued)

B. OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Single-employer Defined Postemployment Benefit Plan (Continued)

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended December 31, 2018, the City recognized OPEB expense of $109,967. $112,726 reported as deferred outflows related to OPEB resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended December 31, 2019.

Payable to the OPEB Plan

At December 31, 2018, the City reported a payable of $0 for the outstanding amount of contribution to the plan required for the year ended December 31, 2018.

2. Local Retiree Life Insurance Fund

Plan Description

The LRLIF is a cost-sharing, multiple-employer defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides postemployment life insurance benefits for all eligible employees.

OPEB Plan Fiduciary Net Positon

ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at http://etf.wi.gov/publications/cafr.htm.

Benefits Provided

The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired employees and pre-65 retirees who pay for their coverage.

Contributions

The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member’s working lifetime funds a post-retirement benefit.

NOTE 4 – OTHER INFORMATION (Continued)

B. OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Local Retiree Life Insurance Fund (Continued)

Employers are required to pay the following contributions based on employee contributions for active members to provide them with Basic Coverage after age 65. There are no employer contributions required for pre-age 65 annuitant coverage. If a member retires prior to age 65, they must continue paying the employee premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution rates as of December 31, 2018 are:

Coverage Type	Employer Contribution
50% Post-retirement coverage	40% of employee contribution
25% Post-retirement coverage	20% of employee contribution

Employee contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per $1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2017 are listed below:

Life Insurance
Employee Contribution Rates
For the Year Ended December 31, 2018

Attained Age	Basic
Under 30	$0.05
30 - 34	0.06
35 - 39	0.07
40 - 44	0.08
45 - 49	0.12
50 - 54	0.22
55 - 59	0.39
60 - 64	0.49
65 - 69	0.57

During the reporting period, the LFLIF recognized $4,463 in contributions from the City.

NOTE 4 – OTHER INFORMATION (Continued)

B. OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Local Retiree Life Insurance Fund (Continued)

OPEB Liability, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2018, the City reported a liability of $707,188 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2016 rolled forward to the December 31, 2017. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City proportion of the net OPEB liability was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2017, the City's proportion was 0.23505700%, which was a decrease of 0.017959% from its proportion measured as of December 31, 2016.

For the year ended December 31, 2018, the City recognized OPEB expense of $64,193.

At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 9,964
Net differences between projected and actual earnings on pension plan investments	8,143	-
Changes in assumptions	68,337	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	37,812
Total	$ 76,480	$ 47,776

NOTE 4 – OTHER INFORMATION (Continued)

B. OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Local Retiree Life Insurance Fund (Continued)

Amounts related to the City reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31	Expense
2019	$ 5,185
2020	5,185
2021	5,185
2022	5,185
2023	3,150
2024	3,150
Thereafter	1,664
Total	$ 28,704

Actuarial assumptions

The total OPEB liability in the January 1, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial valuation date:	January 1, 2017
Measurement date of net OPEB liability (asset):	December 31, 2017
Actuarial cost method:	Entry age normal
20 year tax-exempt municipal bond yield:	3.44%
Long-term expected rate of return:	5.00%
Discount rate:	3.63%
Salary increases:	
Inflation	3.20%
Seniority/Merit	0.2% - 5.6%
Mortality:	Wisconsin 2012 Mortality Table

NOTE 4 – OTHER INFORMATION (Continued)

B. OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Local Retiree Life Insurance Fund (Continued)

Long-term expected return on plan assets

The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Investments for the LRLIF are held with Securian, the insurance carrier. Interest is calculated and credited to the LRLIF based on the rate of return for a segment of the insurance carriers' general fund, specifically 10-year A- Bonds (as a proxy, and not tied to any specific investments). The overall aggregate interest rate is calculated using a tiered approach based on the year the funds were originally invested and the rate of return for that year. Investment interest is credited based on the aggregate rate of return and assets are not adjusted to fair market value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto.

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
US Government Bonds	Barclays Government	1%	1.13%
US Credit Bonds	Barclays Credit	65%	2.61%
US Long Credit Bonds	Barclays Long Credit	3%	3.08%
US Mortgages	Barclays MBS	31%	2.19%
Inflation			2.30%
Long-Term Expected Rate of Return			5.00%

Single discount rate

A single discount rate of 3.63% was used to measure the total OPEB liability. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient.

NOTE 4 – OTHER INFORMATION (Continued)

B. OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Local Retiree Life Insurance Fund (Continued)

Sensitivity of the proportionate share of net OPEB liability to changes in the discount rate

The following presents the City's proportionate share of the net OPEB asset (liability) calculated using the discount rate of 3.63%, as well as what the City's proportionate share of the net OPEB asset (liability) would be if it were calculated using a discount rate that is 1-percentage-point lower (2.63%) or 1-percentage-point higher (4.63%) than the current rate:

	1% Decrease to Discount Rate (2.63%)	Current Discount Rate (3.63%)	1% Increase to Discount Rate (4.63%)
City's proportionate share of the net OPEB asset (liability)	$ (999,525)	$ (707,188)	$ (482,850)

OPEB plan fiduciary net position

Detailed information about the OPEB plan's fiduciary net position is available in separately issued financial statements available at http://etf.wi.gov/publications/cafr.htm.

Payable to the OPEB Plan

At December 31, 2018, the City reported a payable of $0 for the outstanding amount of contribution to the plan required for the year ended December 31, 2018.

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

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

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

NOTE 4 – OTHER INFORMATION (Continued)

B. COMMITMENTS AND CONTINGENCIES

At December 31, 2018, the City had the following encumbrances outstanding at year end and expects to honor them upon performance by the vendors:

Capital Improvements	$1,159,478
TID #3 Downtown Development	1,723,959
Water Utility	115,334
Wastewater Utility	1,398,871
Motor Pool	295,075
Nonmajor Capital Projects Funds	806,647
Total Committed Construction and Equipment	$5,499,364

The City has entered into a number of developer agreements within the City's tax incremental financing districts to stimulate economic growth. Payments under these agreements are contingent upon developers fulfilling certain agreed upon matters. Total commitments at December 31, 2018 are $16,009,942.

Risk management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omission; injuries to employees; and natural disasters. The City purchases commercial insurance to protect against these potential losses. No significant reductions in prior year insurance coverage has occurred. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

The City provides health and dental care benefits to employees through individual plans with specific insurance coverage. For health insurance, employees have an HRA or an HSA option. The health plans are offered by WPS and dental coverage is offered through Delta Dental. Insurance premiums, based on historical cost, are paid into the Employee Benefits and Employee HRA/Wellness Funds from all other City funds and other participants and are available to pay claims, administrative costs and stop loss claims.

Under the health care program, the City pays up to a maximum of $60,000 annually for each covered employee and each covered dependent's health care cost. Expected claims are calculated at the end of each plan year by the third party administrator based on the number of single and family contracts covered and the expected claims. Administrative costs for 2018 totaled approximately $135,058.

The estimated liability for self-funded losses is based on reported claims for the year and those received subsequent to year end. The City does not allocate overhead costs or other costs to the claims liability. The estimated claims liability amount for 2017 and 2018 is as follows:

	Balance January 1	Claims and Changes in Estimates	Amounts Paid	Balance December 31
2017	663,883	3,544,139	3,665,022	543,000
2018	543,000	4,191,554	4,370,465	364,089

NOTE 4 – OTHER INFORMATION (Continued)

C. COMMITMENTS AND CONTINGENCIES (Continued)

The City is partially self-funded for liability insurance and pays premiums for its excess liability insurance coverage. The City's self-insured retention limit is $50,000 for any one occurrence, $200,000 aggregate. The limits of liability are $5,000,000 per occurrence less the retained limits. The City also carries excess insurance which covers the City up to $20,000,000. Premiums paid for insurance coverage are recorded in the Insurance internal service fund. The fund charges various City departments and operations for their portion of insurance coverage for the year.

On December 31, 2018, a claims liability of $101,465 is reported in the fund based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the claims liability amount for 2017 and 2018 are as follows:

	Balance January 1	Claims and Changes in Estimates	Amounts Paid	Balance December 31
2017	94,594	60,780	18,218	137,156
2018	137,156	15,759	51,450	101,465

The City has also established a workers compensation self-insurance fund to finance workers compensation awards for City employees. The program is funded by charges to City departments. The program also is supplemented by stop loss protection, which limits the City's annual liability to $500,000 per occurrence.

The claims liability of $822,804 at December 31, 2018 is based on the requirements of GASB Statement No. 10 which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the claims liability amount for 2017 and 2018 are as follows:

	Balance January 1	Claims and Changes in Estimates	Amounts Paid	Balance December 31
2017	165,591	609,724	262,193	513,122
2018	513,122	463,925	154,243	822,804

NOTE 4 – OTHER INFORMATION (Continued)

D. ACCUMULATED UNPAID EMPLOYEE BENEFITS

City employees generally earn vacation and sick leave at different rates depending upon years of service. Vacation and sick leave accumulate on a biweekly basis. A liability for accrued vacation benefits of $1,029,387 has been recorded in the government-wide statement of net position.

When an employee retires or is forced to retire due to medical disability and meets specified requirements, a maximum of 60% (80 % for employees with at least 25 years of service and 100% for nonrepresented employees with at least 30 years of service as of December 31, 2012) of the remaining accumulated sick pay (employee's hourly rate, exclusive of longevity and shift differential) is used to pay premiums toward the hospital and surgical program then in effect for the employee. The liability for these benefits for current employees was $1,741,088 at December 31, 2018, and has also been recorded in the statement of net position. The employee may use the foregoing benefit until such time as one of the following occurs: the fund is depleted, the employee dies, or the employee becomes employed and/or eligible for other comparable hospital and surgical programs from another source.

In order to be eligible for the above-described benefit, the employee must meet all the following conditions:

1. Have been hired prior to January 1, 2013, and
2. Apply for Wisconsin Retirement System benefits within thirty (30) days of the last day of work, and
3. In cases of voluntary retirement, give the employer at least a three months' notice of retirement date.

Provisions exist which allow City employees to earn compensatory time for hours worked in excess of 40 hours per week. This compensatory time is earned at either time or time-and-one half depending upon the employee's position classification. Compensatory balances that exceed the bank hour maximums shall be paid out. All balances in compensatory time banks must be used within the year it is earned or it will be paid out on the last pay period of each year. The City has recorded a liability of $92,538 at December 31, 2018.

E. DEFERRED COMPENSATION PLAN

The City offers its employees certain deferred compensation plans created in accordance with the Internal Revenue Code. The plans, available to all City employees, permit them to defer a portion of their earnings until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. Plans are administered by private entities.

The City has amended all deferred compensation plans offered to comply with the modified laws governing IRC Section 457 plans. Accordingly, all amounts of compensation are held in trust for the exclusive benefit of the plan participants and their beneficiaries. All assets of the plans, all property and rights purchased with deferred amounts and all income attributable to those amounts, property or rights are (until made available to the employee or other beneficiary) held for the exclusive benefit of the employees and their beneficiaries. Since the City's deferred compensation plans are administered by private entities, in accordance with GASB Statement No. 32, no assets from these plans are presented in the City's financial statements.

NOTE 4 – OTHER INFORMATION (Continued)

F. JOINT VENTURE INFORMATION

The City is a participant in a joint and cooperative venture with Marathon County and North Central Health Care in the City-County Information Technology Commission (CCITC). The Commission provides for the implementation and operation of a cooperative data and management information system under the direction of the governing Board of Commissioners. North Central Health Care became a member as of April 1, 2009. Reimbursement of all operating expenses other than depreciation and interest are made by the City at a rate of 21%.

Complete financial statements can be obtained from:

City-County Information Technology Commission
407 Grant Street, Wausau, Wisconsin 54403-4783

The City has recorded its equity interest in the government-wide statement of net position. Summary financial information for the CCITC for the year ended December 31, 2018 is as follows:

Operating revenues	$ 3,959,757
Operating expenses	
Data processing expenses	3,796,174
Administrative and general expenses	163,583
Depreciation	458,604
Total operating expenses	4,418,361
Operating loss before contributions and reimbursements	(458,604)
Capital contributions and reimbursements	1,441,752
Change in net position	983,148
Total assets and deferred outflows of resources	4,630,936
Total liabilities and deferred inflows of resources	2,686,547
Total net position	1,944,389

NOTE 4 – OTHER INFORMATION (Continued)

G. TAX INCREMENTAL FINANCING DISTRICTS

Tax Incremental Financing District No. 3 was created on September 1, 1994. The last date to incur project costs is September 1, 2026. The City borrowed funds for the project that will be retired by tax increments. These debt issues are included within the City's long-term debt. The balances on debt issues outstanding at December 31, 2018 are summarized in the following schedule.

2009 General Obligation Notes	$ 35,000
2010A General Obligation Notes	375,447
2012A General Obligation Notes - Taxable	1,155,000
2012B General Obligation Notes	2,665,000
2013 Foundation loan	750,000
2014B General Obligation Bonds	1,025,000
2015B General Obligation Bonds	1,325,000
2015C General Obligation Bonds - Taxable	2,485,000
2016B General Obligation Bonds	3,315,000
2016C General Obligation Bonds - Taxable	2,984,202
2016 Foundation Loan	1,609,779
2017B General Obligation Bonds	6,305,000
Total	$ 24,029,428

Tax Incremental Financing District No. 5 was created on July 8, 1997. The last date to incur project costs is July 8, 2015. The City borrowed funds for the project that were retired by tax increments. At December 31, 2018, Tax Incremental Financing District No. 5 has no debt issues outstanding.

Tax Incremental Financing District No. 6 was created on May 11, 2005. The expenditure period will end on May 11, 2023. The City borrowed funds for the project that will be retired by tax increments. The debt issues are included in the City's debt and the balances at December 31, 2018 are as follows:

2010A General Obligation Notes	$ 80,000
2011A General Obligation Notes	371,790
2012B General Obligation Notes	270,000
2013A General Obligation Notes	1,000,000
2016A General Obligation Notes	3,465,000
2017A General Obligation Notes	3,145,000
2018A General Obligation Notes	3,440,000
Total	$ 11,771,790

NOTE 4 – OTHER INFORMATION (Continued)

G. TAX INCREMENTAL FINANCING DISTRICTS (Continued)

The following schedule summarizes the cumulative status of Tax Incremental Financing Districts (TID) No. 3, 5 and 6 as of December 31, 2018.

	TID #3	TID #5	TID #6
Total revenues	$ 53,181,938	$ 17,416,753	$ 15,816,776
Expenditures:			
Project costs	60,372,541	3,328,795	18,917,415
Interest and related costs	13,114,876	1,919,991	1,876,295
Administration	1,060,505	408,273	778,396
Developer grants/incentives	8,537,459	7,703,410	2,873,958
Other costs	-	4,056,284	195,258
Total expenditures	83,085,381	17,416,753	24,641,322
Net recoverable costs	$ 29,903,443	$ -	$ 8,824,546

Tax Incremental Financing District No. 7 was created January 11, 2006. The expenditure period will end on January 10, 2021. The City borrowed funds for the project that will be retired by tax increments. These debt issues are included in the City's debt and balances at December 31, 2018 are summarized as follows:

2009A General Obligation Notes	$ 70,000
2010A General Obligation Notes	18,000
2013B General Obligation Notes	205,000
Total	$ 293,000

Tax Incremental Financing District No. 8 was created on April 11, 2012. The expenditure period will end on April 10, 2034. The City borrowed funds for the project that will be retired by tax increments. These debt issues are included in the City's debt and the balance at December 31, 2018 is as follows:

2014 Foundation Loan	$ 190,000
2015A General Obligation Notes	730,000
2016 Foundation Loan	200,000
2016B General Obligation Bond	515,000
	$ 1,635,000

NOTE 4 – OTHER INFORMATION (Continued)

G. TAX INCREMENTAL FINANCING DISTRICTS (Continued)

Tax Incremental Financing District No. 9 was created on September 26, 2012. The expenditure period will end on September 25, 2034. The City borrowed funds for the project that will be retired by tax increments. This debt issue is included in the City's debt and the balance at December 31, 2018 is as follows:

2013B General Obligation Notes	$ 305,000

The following schedule summarizes the cumulative status of Tax Incremental Financing Districts (TID) No. 7, 8, and 9:

	TID #7	TID #8	TID #9
Total revenues	$ 5,435,541	$ 1,569,062	$ 256,420
Expenditures:			
Project costs	5,564,267	2,295,066	6,140
Interest and related costs	994,347	127,786	78,883
Administration	152,097	150,288	17,352
Developer grants/incentives	513,484	332,500	600,000
Other costs	196,425	42,835	-
Total expenditures	7,420,620	2,948,475	702,375
Net recoverable costs	$ 1,985,079	$ 1,379,413	$ 445,955

Tax Incremental Financing District No. 10 was created on September 10, 2013. The expenditure period will end on September 10, 2028. The City borrowed funds for the project that will be retired by tax increments. These debt issues are included in the City's debt and the balances at December 31, 2018 are as follows:

2014B Community Development Bond	$ 270,000
2015B General Obligation Bonds	1,140,000
	$ 1,410,000

Tax Incremental Financing District No. 11 was created on July 24, 2017. The expenditure period will end on July 11, 2032. The City borrowed funds for the project that will be retired by tax increments. These debt issues are included in the City's debt and the balances at December 31, 2018 are as follows:

2017E Taxable Note Anticipation Notes	$ 6,600,000
2018C Taxable Note Anticipation Notes	4,005,000
	$ 10,605,000

NOTE 4 – OTHER INFORMATION (Continued)

G. TAX INCREMENTAL FINANCING DISTRICTS (Continued)

Tax Incremental Financing District No. 12 was created on July 24, 2017. The expenditure period will end on July 18, 2039. The City borrowed funds for the project that will be retired by tax increments. These debt issues are included in the City's debt and the balances at December 31, 2018 are as follows:

2018C Taxable Note Anticipation Notes	$ 4,005,000

The following schedule summarizes the cumulative status of Tax Incremental Financing Districts (TID) No. 10, 11, and 12:

	TID #10	TID #11	TID #12
Total revenues	$ 428,787	$ 228,835	$ 11,768
Expenditures:			
Project costs	544,637	6,033,977	160,746
Interest and related costs	149,725	442,601	173,557
Administration	90,354	197,313	32,535
Developer grants/incentives	1,325,000	-	-
Other costs	-	-	-
Total expenditures	2,109,716	6,673,891	366,838
Net recoverable costs	$ 1,680,929	$ 6,445,056	$ 355,070

H. UPCOMING ACCOUNTING PRONOUNCEMENTS

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. The Statement establishes criteria for identifying fiduciary activities and addresses financial reporting for these activities. This statement is effective for reporting periods beginning after June 15, 2018. The City is currently evaluating the impact this standard will have on the financial statements when adopted.

In June 2017, the GASB issued Statement No. 87, *Leases*. The Statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. This statement is effective for reporting periods beginning after December 15, 2019. The City is currently evaluating the impact this standard will have on the financial statements when adopted.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WAUSAU, WISCONSIN
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 2018

	Budgeted Amounts (Note A)			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 18,059,391	$ 18,059,391	$ 18,082,366	$ 22,975
Intergovernmental	8,322,495	8,322,495	8,387,728	65,233
Licenses and permits	794,434	794,434	937,095	142,661
Fines, forfeitures and penalties	359,000	359,000	376,737	17,737
Public charges for services	2,075,790	2,075,790	2,375,019	299,229
Intergovernmental charges for services	1,060,363	1,060,363	1,365,462	305,099
Miscellaneous revenues	527,552	527,552	1,176,114	648,562
Total Revenues	31,199,025	31,199,025	32,700,521	1,501,496
EXPENDITURES				
General government	4,123,809	4,206,367	4,223,320	(16,953)
Public safety	17,390,230	17,495,900	17,234,487	261,413
Transportation and streets	7,915,959	8,265,959	8,408,670	(142,711)
Sanitation, health and welfare	927,000	907,000	895,448	11,552
Natural resources and recreation	2,704,300	2,749,332	2,724,450	24,882
Total Expenditures	33,061,298	33,624,558	33,486,375	138,183
Deficiency of Revenues over Expenditures	(1,862,273)	(2,425,533)	(785,854)	1,639,679
OTHER FINANCING SOURCES (USES)				
Transfers in	1,862,273	1,862,273	1,918,184	55,911
Transfers out	-	(148,088)	(148,088)	-
Total Other Financing Sources (Uses)	1,862,273	1,714,185	1,770,096	55,911
Net Change in Fund Balance	-	(711,348)	984,242	1,695,590
Fund balance - beginning of year	11,903,441	11,903,441	11,903,441	-
Fund balance - end of year	$ 11,903,441	$ 11,192,093	$ 12,887,683	$ 1,695,590

NOTE A - ANNUAL BUDGET

Annual budget for the General Fund is prepared on a basis consistent with generally accepted accounting principles.

NOTE B - EXPENDITURES OVER APPROPRIATIONS

Expenditures exceeded appropriations for the following departmental cost centers: City hall and other municipal buildings by $3,281, unclassified by $318,736, police department by $24,135, fire department by $141,297, and public works by $175,950.

CITY OF WAUSAU, WISCONSIN
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
LOCAL RETIREE LIFE INSURANCE FUND
For the Year Ended December 31, 2018

LRLIF Plan Fiscal Year Ending	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Covered-employee Payroll	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered-employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
12/31/2017	0.2350570%	$ 707,188	$ 18,940,393	3.73%	44.81%

CITY OF WAUSAU, WISCONSIN
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
LOCAL RETIREE LIFE INSURANCE FUND
For the Year Ended December 31, 2018

City's Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered-employee Payroll	Contributions as a Percentage of Covered-employee Payroll
12/31/2018	$ 4,463	$ 4,463	$ -	$ 19,678,481	0.02%

NOTE A - LOCAL RETIREE LIFE INSURANCE FUND

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

CITY OF WAUSAU, WISCONSIN
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
AND RELATED RATIOS
OTHER POST-EMPLOYMENT BENEFITS
For the Year Ended December 31, 2018

	2018
Total OPEB Liability	
Service Costs	$ 46,603
Interest	23,835
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	-
Benefit Payments	(109,967)
Net Change in OPEB Liability	(39,529)
Total OPEB Liability - Beginning	712,680
Total OPEB Liability - Ending	$ 673,151
Covered-employee payroll	$ 17,250,275
Total OPEB liability as a percentage of covered-employee payroll	3.90%

NOTE A - LOCAL RETIREE LIFE INSURANCE FUND

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

CITY OF WAUSAU, WISCONSIN
REQUIRED SUPPLEMENTARY INFORMATION
WISCONSIN RETIREMENT SYSTEM
SCHEDULE OF EMPLOYER PROPORTIONATE SHARE OF
NET PENSION ASSET (LIABILITY)
For the Year Ended December 31, 2018

WRS Fiscal Year End Date (Measurement Date)	Proportion of Net Pension Asset (Liability)	City's Proportionate Share of the Net Pension Asset (Liability)	Covered Payroll	Ending Net Pension Asset (Liability) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of Total Pension Asset (Liability)
12/31/2014	0.17172566%	$ 4,218,052	$ 18,308,916	23.04%	102.74%
12/31/2015	0.17102049%	$ (2,779,050)	$ 18,179,898	15.29%	98.20%
12/31/2016	0.17036564%	$ (1,404,220)	$ 18,160,529	7.73%	99.12%
12/31/2017	0.17346577%	$ 5,150,404	$ 18,940,393	27.19%	102.93%

CITY OF WAUSAU, WISCONSIN
REQUIRED SUPPLEMENTARY INFORMATION
WISCONSIN RETIREMENT SYSTEM
SCHEDULE OF EMPLOYER CONTRIBUTIONS
For the Year Ended December 31, 2018

City Year End Date	Contractually Required Contributions	Contributions Made	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of Covered Payroll
12/31/2015	$ 1,627,588	$ 1,627,588	$ -	$ 18,179,898	8.95%
12/31/2016	$ 1,620,665	$ 1,620,665	$ -	$ 18,160,529	8.92%
12/31/2017	$ 1,834,467	$ 1,834,467	$ -	$ 18,940,393	9.69%
12/31/2018	$ 1,891,736	$ 1,891,736	$ -	$ 19,678,481	9.61%

NOTE A - WISCONSIN RETIREMENT SYSTEM

There were no changes in benefit terms or assumptions for any participating employer in WRS.

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

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL
Year Ended December 31, 2018

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
TAXES				
General property taxes	$ 17,863,207	$ 17,863,207	$ 17,863,207	$ -
Mobile home parking fees	27,000	27,000	27,897	897
Payments in lieu of taxes	100,000	100,000	112,765	12,765
Other taxes	69,184	69,184	78,497	9,313
Total Taxes	18,059,391	18,059,391	18,082,366	22,975
INTERGOVERNMENTAL				
State shared taxes	4,471,924	4,471,924	4,472,785	861
Expenditure restraint	871,259	871,259	871,260	1
Fire insurance tax	113,000	113,000	113,244	244
Municipal services	150,000	150,000	146,389	(3,611)
Transportation aids	2,686,312	2,686,312	2,684,374	(1,938)
Other grants	30,000	30,000	99,676	69,676
Total Intergovernmental	8,322,495	8,322,495	8,387,728	65,233
LICENSES AND PERMITS				
Licenses	185,590	185,590	185,993	403
Franchise fees	355,000	355,000	337,402	(17,598)
Permits	253,844	253,844	413,700	159,856
Total Licenses and Permits	794,434	794,434	937,095	142,661
FINES, FORFEITURES AND PENALTIES	359,000	359,000	376,737	17,737
PUBLIC CHARGES FOR SERVICES				
General government	81,250	81,250	120,394	39,144
Public safety	1,563,170	1,563,170	1,793,143	229,973
Streets and related facilities	125,000	125,000	165,031	40,031
Recreation	182,800	182,800	170,374	(12,426)
Public areas	123,570	123,570	126,077	2,507
Total Public Charges for Services	2,075,790	2,075,790	2,375,019	299,229
INTERGOVERNMENTAL CHARGES FOR SERVICES				
State, federal and local reimbursements	11,340	11,340	18,745	7,405
County and other municipalities	252,423	252,423	253,541	1,118
City departments	796,600	796,600	1,093,176	296,576
Total Intergovernmental Charges for Services	1,060,363	1,060,363	1,365,462	305,099

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL (Continued)
Year Ended December 31, 2018

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget
MISCELLANEOUS REVENUES				
Interest on general investments	$ 275,000	$ 275,000	$ 736,867	$ 461,867
Interest on special assessments	11,000	11,000	8,432	(2,568)
Other interest	18,000	18,000	120,689	102,689
Rent of land and buildings	188,032	188,032	217,729	29,697
Sale of City property/loss compensation	12,200	12,200	39,858	27,658
Other miscellaneous revenues	23,320	23,320	52,539	29,219
Total Miscellaneous Revenues	527,552	527,552	1,176,114	648,562
OTHER FINANCING SOURCES				
Transfers in	1,862,273	1,862,273	1,918,184	55,911
TOTAL REVENUES AND OTHER FINANCING SOURCES	$ 33,061,298	$ 33,061,298	$ 34,618,705	$ 1,557,407

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL
Year Ended December 31, 2018

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget
GENERAL GOVERNMENT				
City Council	$ 93,245	$ 93,245	$ 87,254	$ 5,991
Mayor	213,431	213,431	206,576	6,855
City promotion	125,000	125,000	105,372	19,628
Finance department	508,155	508,155	487,942	20,213
Data processing	713,978	713,978	697,327	16,651
City clerk/customer service	414,966	414,966	400,676	14,290
Elections	73,378	93,378	88,023	5,355
Assessor	526,895	490,485	425,151	65,334
City attorney	556,093	576,093	508,113	67,980
Municipal court	151,849	155,567	145,935	9,632
Human resources	377,958	453,208	380,073	73,135
City hall and other municipal buildings	283,602	283,602	286,883	(3,281)
Unclassified	85,259	85,259	403,995	(318,736)
Total General Government	4,123,809	4,206,367	4,223,320	(16,953)
PUBLIC SAFETY				
Police department	9,352,991	9,368,661	9,392,796	(24,135)
Fire department	3,792,551	3,792,551	3,933,848	(141,297)
Ambulance	3,394,208	3,394,208	3,003,527	390,681
Inspections department	850,480	940,480	904,316	36,164
Total Public Safety	17,390,230	17,495,900	17,234,487	261,413
TRANSPORTATION AND STREETS				
Engineering	1,319,017	1,319,017	1,285,778	33,239
Public works	6,596,942	6,946,942	7,122,892	(175,950)
Total Transportation and Streets	7,915,959	8,265,959	8,408,670	(142,711)
SANITATION, HEALTH AND WELFARE				
Garbage and refuse collection	927,000	907,000	895,448	11,552
NATURAL RESOURCES/RECREATION				
Parks and recreation	2,704,300	2,749,332	2,724,450	24,882
OTHER FINANCING USES				
Transfers out	-	148,088	148,088	-
TOTAL EXPENDITURES AND OTHER FINANCING USES	$ 33,061,298	$ 33,772,646	$ 33,634,463	$ 138,183

CITY OF WAUSAU, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
December 31, 2018

	Special Revenue Funds				Special Revenue Funds					
	Grants	HUD Mortgage	DLAD Mortgage Program	Economic Development	Federal Rent Rehabilitation	WRRP Rehabilitation	Holtz-Krause Clean Up	Hazardous Materials Emergency Response	Housing Stock Improvement	Room Tax
ASSETS										
Cash and cash equivalents	$ 1,678,601	$ 135,300	$ 518,756	$ 52,654	$ 337,818	$ 1,193,253	$ 532,637	$ 160,485	$ 12,471	$ 30,696
Investments	-	-	-	-	-	-	-	-	-	-
Taxes receivable	215,085	-	-	-	-	-	-	-	-	-
Accounts receivable	46,151	-	-	500	-	-	5,852	-	-	93,677
Notes receivable	3,206,974	2,114,294	70,975	821,522	-	587,253	58,266	-	562,423	100,000
Due from other governments	33,473	-	-	-	-	-	-	20,250	49,886	-
Advance to other funds	-	-	-	250,000	-	-	1,239,432	-	250,000	-
TOTAL ASSETS	$ 5,180,284	$ 2,249,594	$ 589,731	$ 1,124,676	$ 337,818	$ 1,780,506	$ 1,836,187	$ 180,735	$ 874,780	$ 224,373
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
Liabilities										
Accounts payable	$ 17,798	$ 3,383	$ -	$ 1,025	$ -	$ -	$ 1,491	$ 670	$ 3,000	$ 82,915
Employee compensation and benefits	55,352	-	-	-	-	-	401	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-	-
Unearned revenues	52,099	-	-	12,943	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-	-
Total Liabilities	125,249	3,383	-	13,968	-	-	1,892	670	3,000	82,915
Deferred Inflows of Resources										
Unavailable revenue	3,206,974	2,114,294	70,975	821,522	-	587,253	58,266	-	562,423	100,000
Property taxes levied for subsequent year	215,085	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	3,422,059	2,114,294	70,975	821,522	-	587,253	58,266	-	562,423	100,000
Fund Balances										
Restricted for special purposes	1,632,976	131,917	-	-	337,818	1,193,253	1,776,029	180,065	-	-
Committed to special purposes	-	-	518,756	289,186	-	-	-	-	309,357	41,458
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	1,632,976	131,917	518,756	289,186	337,818	1,193,253	1,776,029	180,065	309,357	41,458
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 5,180,284	$ 2,249,594	$ 589,731	$ 1,124,676	$ 337,818	$ 1,780,506	$ 1,836,187	$ 180,735	$ 874,780	$ 224,373

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CITY OF WAUSAU, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (Continued)
December 31, 2018

	Special Revenue Funds				Special Revenue Funds		Capital Project Funds			
	Public Access Cable	Recycling	EMS Grant	400 Block	Other grants & Special Purpose Accounts	Total	Central Capital Purchasing	TID #5 Industrial Park	TID #6 West Side Development	TID #7 West Side Development
ASSETS										
Cash and cash equivalents	$ -	$ 40,987	$ 40,047	$ 126,004	$ 806,446	$ 5,666,155	$ 126,987	$ -	$ 3,343,418	$ -
Investments	-	-	-	-	55,536	55,536	-	-	-	-
Taxes receivable	-	562,744	-	-	-	777,829	406,482	912,859	2,726,108	774,874
Accounts receivable	28,357	-	-	365	1,800	176,702	-	-	-	-
Notes receivable	-	-	-	-	-	7,521,707	-	80,000	528,294	-
Due from other governments	-	-	-	-	43,414	147,023	-	-	-	-
Advance to other funds	-	-	-	-	-	1,739,432	-	-	-	-
TOTAL ASSETS	$ 28,357	$ 603,731	$ 40,047	$ 126,369	$ 907,196	$ 16,084,384	$ 533,469	$ 992,859	$ 6,597,820	$ 774,874
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
Liabilities										
Accounts payable	$ 4,127	$ 32,673	$ -	$ -	$ 56,725	$ 203,807	$ 43,659	$ -	$ 396,175	$ -
Employee compensation and benefits	1,889	-	-	-	10,648	68,290	-	-	-	-
Due to other funds	20,902	-	-	-	-	20,902	-	-	-	214,019
Unearned revenues	-	-	-	-	-	65,042	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-	1,478,060
Total Liabilities	26,918	32,673	-	-	67,373	358,041	43,659	-	396,175	1,692,079
Deferred Inflows of Resources										
Unavailable revenue	-	-	-	-	-	7,521,707	-	80,000	528,294	-
Property taxes levied for subsequent year	-	562,744	-	-	-	777,829	406,482	912,859	2,726,108	774,874
Total Deferred Inflows of Resources	-	562,744	-	-	-	8,299,536	406,482	992,859	3,254,402	774,874
Fund Balances										
Restricted for special purposes	-	8,314	40,047	-	839,823	6,140,242	83,328	-	2,947,243	-
Committed to special purposes	1,439	-	-	126,369	-	1,286,565	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	(1,692,079)
Total Fund Balances	1,439	8,314	40,047	126,369	839,823	7,426,807	83,328	-	2,947,243	(1,692,079)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 28,357	$ 603,731	$ 40,047	$ 126,369	$ 907,196	$ 16,084,384	$ 533,469	$ 992,859	$ 6,597,820	$ 774,874

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CITY OF WAUSAU, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (Concluded)
December 31, 2018

	Capital Project Funds				Capital Project Funds		
	TID #8 Near West Side	TID #9 Big Bull Falls	TID #10 Industrial Park	TID #11 Business Campus	TID #12 Downtown Development	Total	Total Nonmajor Governmental Funds
ASSETS							
Cash and cash equivalents	$ 255,587	$ -	$ -	$ 4,503,484	$ 3,651,939	$ 11,881,415	$ 17,547,570
Investments	-	-	-	-	-	-	55,536
Taxes receivable	257,077	27,457	246,322	42,551	-	5,393,730	6,171,559
Accounts receivable	-	-	-	-	-	-	176,702
Notes receivable	275,000	298,079	-	-	-	1,181,373	8,703,080
Due from other governments	-	-	-	-	-	-	147,023
Advance to other funds	-	-	-	-	-	-	1,739,432
TOTAL ASSETS	$ 787,664	$ 325,536	$ 246,322	$ 4,546,035	$ 3,651,939	$ 18,456,518	$ 34,540,902
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities							
Accounts payable	$ -	$ -	$ -	$ 343,541	$ 2,010	$ 785,385	$ 989,192
Employee compensation and benefits	-	-	-	-	-	-	68,290
Due to other funds	-	-	116,300	-	-	330,319	351,221
Unearned revenues	-	-	-	-	-	-	65,042
Advances from other funds	-	140,955	154,629	-	-	1,773,644	1,773,644
Total Liabilities	-	140,955	270,929	343,541	2,010	2,889,348	3,247,389
Deferred Inflows of Resources							
Unavailable revenue	275,000	298,079	-	-	-	1,181,373	8,703,080
Property taxes levied for subsequent year	257,077	27,457	246,322	42,551	-	5,393,730	6,171,559
Total Deferred Inflows of Resources	532,077	325,536	246,322	42,551	-	6,575,103	14,874,639
Fund Balances							
Restricted for special purposes	255,587	-	-	4,159,943	3,649,929	11,096,030	17,236,272
Committed to special purposes	-	-	-	-	-	-	1,286,565
Unassigned	-	(140,955)	(270,929)	-	-	(2,103,963)	(2,103,963)
Total Fund Balances	255,587	(140,955)	(270,929)	4,159,943	3,649,929	8,992,067	16,418,874
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 787,664	$ 325,536	$ 246,322	$ 4,546,035	$ 3,651,939	$ 18,456,518	$ 34,540,902

CITY OF WAUSAU, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
Year Ended December 31, 2018

	Special Revenue Funds				Special Revenue Funds					
	Grants	HUD Mortgage	DLAD Mortgage Program	Economic Development	Federal Rent Rehabilitation	WRRP Rehabilitation	Holtz-Krause Clean Up	Hazardous Materials Emergency Response	Housing Stock Improvement	Room Tax
REVENUES										
Taxes	$ 210,187	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 926,024
Special assessments	-	-	-	-	-	-	-	-	-	-
Intergovernmental	1,013,588	-	-	-	-	-	-	95,880	149,091	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenues	560,465	243,228	13,838	2,381	-	48,777	124,319	6,638	39,894	-
Total Revenues	1,784,240	243,228	13,838	2,381	-	48,777	124,319	102,518	188,985	926,024
EXPENDITURES										
Current:										
General government	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	123,332	-	-
Sanitation, health and welfare	-	-	-	-	-	-	113,676	-	198,009	-
Natural resources and recreation	-	-	-	-	-	-	-	-	-	-
Economic development	1,554,734	212,191	13,912	-	-	1,869	-	-	-	670,129
Capital outlay	-	-	-	-	-	-	-	-	-	-
Debt Service:										
Interest and debt service charges	-	-	-	-	-	-	-	-	-	-
Total expenditures	1,554,734	212,191	13,912	-	-	1,869	113,676	123,332	198,009	670,129
Excess (deficiency) of revenues over expenditures	229,506	31,037	(74)	2,381	-	46,908	10,643	(20,814)	(9,024)	255,895
OTHER FINANCING SOURCES (USES)										
Issuance of debt	-	-	-	-	-	-	-	-	-	-
Premium on debt issued	-	-	-	-	-	-	-	-	-	-
Transfers in	35,591	-	-	-	-	-	-	-	-	-
Transfers out	(145,864)	(35,591)	-	(30,000)	-	-	-	-	-	(259,782)
Total other financing sources (uses)	(110,273)	(35,591)	-	(30,000)	-	-	-	-	-	(259,782)
Net change in fund balances	119,233	(4,554)	(74)	(27,619)	-	46,908	10,643	(20,814)	(9,024)	(3,887)
Fund balances (deficit) - beginning of year	1,513,743	136,471	518,830	316,805	337,818	1,146,345	1,765,386	200,879	318,381	45,345
Fund balances (deficit) - end of year	$ 1,632,976	$ 131,917	$ 518,756	$ 289,186	$ 337,818	$ 1,193,253	$ 1,776,029	$ 180,065	$ 309,357	$ 41,458

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CITY OF WAUSAU, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCES (Continued)
Year Ended December 31, 2018

	Special Revenue Funds				Special Revenue Funds		Capital Project Funds			
	Public Access Cable	Recycling	EMS Grant	400 Block	Other Grants & Special Purpose Accounts	Total	Central Capital Purchasing	TID #5 Industrial Park	TID #6 West Side Development	TID #7 West Side Development
REVENUES										
Taxes	$ -	$ 517,451	$ -	$ -	$ -	$ 1,653,662	$ 295,050	$ 1,126,450	$ 2,267,884	$ 954,823
Special assessments	-	-	-	-	-	-	-	-	23,358	-
Intergovernmental	-	147,017	8,011	-	268,239	1,681,826	-	43,997	109,983	9,632
Licenses and permits	55,000	643	-	-	-	55,643	-	-	-	-
Miscellaneous revenues	10,943	205	-	15,293	130,044	1,196,025	-	130,240	27,030	-
Total Revenues	65,943	665,316	8,011	15,293	398,283	4,587,156	295,050	1,300,687	2,428,255	964,455
EXPENDITURES										
Current:										
General government	70,123	-	-	-	-	70,123	-	-	-	-
Public safety	-	-	1,300	-	364,154	488,786	-	-	-	-
Sanitation, health and welfare	-	662,911	-	-	-	974,596	-	-	-	-
Natural resources and recreation	-	-	-	30,010	12,936	42,946	-	-	-	-
Economic development	-	-	-	-	-	2,452,835	-	150	-	-
Capital outlay	-	-	-	-	-	-	258,498	-	3,064,499	3,902
Debt Service:										
Interest and debt service charges	-	-	-	-	-	-	-	-	43,356	-
Total expenditures	70,123	662,911	1,300	30,010	377,090	4,029,286	258,498	150	3,107,855	3,902
Excess (deficiency) of revenues over expenditures	(4,180)	2,405	6,711	(14,717)	21,193	557,870	36,552	1,300,537	(679,600)	960,553
OTHER FINANCING SOURCES (USES)										
Issuance of debt	-	-	-	-	-	-	-	-	3,440,000	-
Premium on debt issued	-	-	-	-	-	-	-	-	132,364	-
Transfers in	-	20,000	-	82,509	1,480	139,580	-	-	-	-
Transfers out	-	-	-	-	-	(471,237)	-	(1,300,537)	(1,605,870)	(505,835)
Total other financing sources (uses)	-	20,000	-	82,509	1,480	(331,657)	-	(1,300,537)	1,966,494	(505,835)
Net change in fund balances	(4,180)	22,405	6,711	67,792	22,673	226,213	36,552	-	1,286,894	454,718
Fund balances (deficit) - beginning of year	5,619	(14,091)	33,336	58,577	817,150	7,200,594	46,776	-	1,660,349	(2,146,797)
Fund balances (deficit) - end of year	$ 1,439	$ 8,314	$ 40,047	$ 126,369	$ 839,823	$ 7,426,807	$ 83,328	$ -	$ 2,947,243	$ (1,692,079)

(Continued on next page)

CITY OF WAUSAU, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES (Concluded)
Year Ended December 31, 2018

	Capital Project Funds				Capital Project Funds		
	TID #8 Near West Side	TID #9 Big Bull Falls	TID #10 Industrial Park	TID #11 Business Campus	TID #12 Downtown Development	Total	Total Nonmajor Governmental Funds
REVENUES							
Taxes	$ 113,098	$ 22,890	$ 129,835	$ -	$ -	$ 4,910,030	$ 6,563,692
Special assessments	3,486	-	-	-	4,090	30,934	30,934
Intergovernmental	192,113	312	16,101	-	-	372,138	2,053,964
Licenses and permits	-	-	-	-	-	-	55,643
Miscellaneous revenues	288	23,839	-	54,593	7,678	243,668	1,439,693
Total Revenues	308,985	47,041	145,936	54,593	11,768	5,556,770	10,143,926
EXPENDITURES							
Current:							
General government	-	-	-	-	-	-	70,123
Public safety	-	-	-	-	-	-	488,786
Sanitation, health and welfare	-	-	-	-	-	-	974,596
Natural resources and recreation	-	-	-	-	-	-	42,946
Economic development	19,189	1,844	3,880	99,590	28,598	153,251	2,606,086
Capital outlay	115,445	-	-	3,007,568	77,211	6,527,123	6,527,123
Debt Service:							
Interest and debt service charges	-	-	-	38,680	38,680	120,716	120,716
Total expenditures	134,634	1,844	3,880	3,145,838	144,489	6,801,090	10,830,376
Excess (deficiency) of revenues over expenditures	174,351	45,197	142,056	(3,091,245)	(132,721)	(1,244,320)	(686,450)
OTHER FINANCING SOURCES (USES)							
Issuance of debt	-	-	-	4,005,000	4,005,000	11,450,000	11,450,000
Premium on debt issued	-	-	-	-	-	132,364	132,364
Transfers in	-	-	-	-	-	-	139,580
Transfers out	(159,542)	(72,935)	(106,114)	(191,213)	-	(3,942,046)	(4,413,283)
Total other financing sources (uses)	(159,542)	(72,935)	(106,114)	3,813,787	4,005,000	7,640,318	7,308,661
Net change in fund balances	14,809	(27,738)	35,942	722,542	3,872,279	6,395,998	6,622,211
Fund balances (deficit) - beginning of year	240,778	(113,217)	(306,871)	3,437,401	(222,350)	2,596,069	9,796,663
Fund balances (deficit) - end of year	$ 255,587	$ (140,955)	$ (270,929)	$ 4,159,943	$ 3,649,929	$ 8,992,067	$ 16,418,874

CITY OF WAUSAU, WISCONSIN
NONMAJOR BUDGETED GOVERNMENTAL FUNDS
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2018

	Special Revenue Funds			
	Grants		HUD Mortgage	
	Budget	Actual	Budget	Actual
REVENUES				
Taxes	$ 210,187	$ 210,187	$ -	$ -
Special assessments	-	-	-	-
Intergovernmental	288,572	1,013,588	-	-
Licenses and permits	-	-	-	-
Miscellaneous revenues	360,191	560,465	150,000	243,228
Total Revenues	858,950	1,784,240	150,000	243,228
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Sanitation, health and welfare	-	-	-	-
Natural resources and recreation	-	-	-	-
Economic development	1,066,298	1,554,734	95,000	212,191
Capital outlay	-	-	-	-
Debt Service:				
Interest and debt service charges	-	-	-	-
Total expenditures	1,066,298	1,554,734	95,000	212,191
Excess (deficiency) of revenues over expenditures	(207,348)	229,506	55,000	31,037
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	-	-	-
Premium on debt issued	-	-	-	-
Transfers in	34,000	35,591	-	-
Transfers out	(5,600)	(145,864)	(30,000)	(35,591)
Total other financing sources (uses)	28,400	(110,273)	(30,000)	(35,591)
Net change in fund balances	$ (178,948)	119,233	$ 25,000	(4,554)
Fund balances (deficit) - beginning of year		1,513,743		136,471
Fund balances (deficit) - end of year		$ 1,632,976		$ 131,917

	Special Revenue Funds					
	DLAD Mortgage Program		Economic Development		WRRP Rehabilitation	
	Budget	Actual	Budget	Actual	Budget	Actual
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Special assessments	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Miscellaneous revenues	900	13,838	-	2,381	40,000	48,777
Total Revenues	900	13,838	-	2,381	40,000	48,777
EXPENDITURES						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Sanitation, health and welfare	-	-	-	-	-	-
Natural resources and recreation	-	-	-	-	-	-
Economic development	900	13,912	5,000	-	200,000	1,869
Capital outlay	-	-	-	-	-	-
Debt Service:						
Interest and debt service charges	-	-	-	-	-	-
Total expenditures	900	13,912	5,000	-	200,000	1,869
Excess (deficiency) of revenues over expenditures	-	(74)	(5,000)	2,381	(160,000)	46,908
OTHER FINANCING SOURCES (USES)						
Issuance of debt	-	-	-	-	-	-
Premium on debt issued	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(30,000)	(30,000)	(1,500)	-
Total other financing sources (uses)	-	-	(30,000)	(30,000)	(1,500)	-
Net change in fund balances	$ -	(74)	$ (35,000)	(27,619)	$ (161,500)	46,908
Fund balances (deficit) - beginning of year		518,830		316,805		1,146,345
Fund balances (deficit) - end of year		$ 518,756		$ 289,186		$ 1,193,253

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CITY OF WAUSAU, WISCONSIN
NONMAJOR BUDGETED GOVERNMENTAL FUNDS
BUDGETARY COMPARISON SCHEDULE (Continued)
Year Ended December 31, 2018

	Special Revenue Funds				Special Revenue Funds					
	Holtz-Krause Clean Up		Hazardous Materials Emergency Response		Housing Stock Improvement		Room Tax		Public Access Cable	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
REVENUES										
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ 875,000	$ 926,024	$ -	$ -
Special assessments	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	81,000	95,880	-	149,091	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	55,000	55,000
Miscellaneous revenues	142,410	124,319	-	6,638	20,000	39,894	-	-	13,300	10,943
Total Revenues	142,410	124,319	81,000	102,518	20,000	188,985	875,000	926,024	68,300	65,943
EXPENDITURES										
Current:										
General government	-	-	-	-	-	-	-	-	65,007	70,123
Public safety	-	-	22,600	123,332	-	-	-	-	-	-
Sanitation, health and welfare	153,587	113,676	-	-	5,000	198,009	-	-	-	-
Natural resources and recreation	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	61,000	-	660,562	670,129	-	-
Capital outlay	-	-	13,000	-	-	-	-	-	17,618	-
Debt Service:										
Interest and debt service charges	-	-	-	-	-	-	-	-	-	-
Total expenditures	153,587	113,676	35,600	123,332	66,000	198,009	660,562	670,129	82,625	70,123
Excess (deficiency) of revenues over expenditures	(11,177)	10,643	45,400	(20,814)	(46,000)	(9,024)	214,438	255,895	(14,325)	(4,180)
OTHER FINANCING SOURCES (USES)										
Issuance of debt	-	-	-	-	-	-	-	-	-	-
Premium on debt issued	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(250,000)	-	(230,454)	(259,782)	-	-
Total other financing sources (uses)	-	-	-	-	(250,000)	-	(230,454)	(259,782)	-	-
Net change in fund balances	$ (11,177)	10,643	$ 45,400	(20,814)	$ (296,000)	(9,024)	$ (16,016)	(3,887)	$ (14,325)	(4,180)
Fund balances (deficit) - beginning of year		1,765,386		200,879		318,381		45,345		5,619
Fund balances (deficit) - end of year		$ 1,776,029		$ 180,065		$ 309,357		$ 41,458		$ 1,439

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CITY OF WAUSAU, WISCONSIN
NONMAJOR BUDGETED GOVERNMENTAL FUNDS
BUDGETARY COMPARISON SCHEDULE (Continued)
Year Ended December 31, 2018

	Special Revenue Funds				Special Revenue Funds				Capital Project Funds	
	Recycling		EMS Grant		400 Block		Other Grants & Special Purpose Accounts		Central Capital Purchasing	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
REVENUES										
Taxes	$ 517,451	$ 517,451	$ -	$ -	$ -	$ -	$ -	$ -	$ 295,050	$ 295,050
Special assessments	-	-	-	-	-	-	-	-	-	-
Intergovernmental	147,736	147,017	9,400	8,011	-	-	177,991	268,239	-	-
Licenses and permits	-	643	-	-	-	-	-	-	-	-
Miscellaneous revenues	900	205	-	-	7,000	15,293	30,000	130,044	-	-
Total Revenues	666,087	665,316	9,400	8,011	7,000	15,293	207,991	398,283	295,050	295,050
EXPENDITURES										
Current:										
General government	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	9,000	1,300	-	-	207,991	364,154	-	-
Sanitation, health and welfare	666,087	662,911	-	-	-	-	-	-	-	-
Natural resources and recreation	-	-	-	-	60,000	30,010	-	12,936	-	-
Economic development	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	395,515	258,498
Debt Service:										
Interest and debt service charges	-	-	-	-	-	-	-	-	-	-
Total expenditures	666,087	662,911	9,000	1,300	60,000	30,010	207,991	377,090	395,515	258,498
Excess (deficiency) of revenues over expenditures	-	2,405	400	6,711	(53,000)	(14,717)	-	21,193	(100,465)	36,552
OTHER FINANCING SOURCES (USES)										
Issuance of debt	-	-	-	-	-	-	-	-	-	-
Premium on debt issued	-	-	-	-	-	-	-	-	-	-
Transfers in	20,000	20,000	-	-	53,000	82,509	-	1,480	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	20,000	20,000	-	-	53,000	82,509	-	1,480	-	-
Net change in fund balances	$ 20,000	22,405	$ 400	6,711	$ -	67,792	$ -	22,673	$ (100,465)	36,552
Fund balances (deficit) - beginning of year		(14,091)		33,336		58,577		817,150		46,776
Fund balances (deficit) - end of year		$ 8,314		$ 40,047		$ 126,369		$ 839,823		$ 83,328

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CITY OF WAUSAU, WISCONSIN
NONMAJOR BUDGETED GOVERNMENTAL FUNDS
BUDGETARY COMPARISON SCHEDULE (Continued)
Year Ended December 31, 2018

	Capital Project Funds				Capital Project Funds					
	TID #5 Industrial Park		TID #6 West Side Development		TID #7 West Side Development		TID #8 Near West Side		TID #9 Big Bull Falls	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
REVENUES										
Taxes	$ 1,132,658	$ 1,126,450	$ 1,903,534	$ 2,267,884	$ 730,750	$ 954,823	$ 112,000	$ 113,098	$ 23,800	$ 22,890
Special assessments	-	-	-	23,358	-	-	20,000	3,486	-	-
Intergovernmental	43,996	43,997	109,983	109,983	9,632	9,632	192,112	192,113	312	312
Licenses and permits	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenues	116,000	130,240	25,700	27,030	-	-	2,000	288	25,980	23,839
Total Revenues	1,292,654	1,300,687	2,039,217	2,428,255	740,382	964,455	326,112	308,985	50,092	47,041
EXPENDITURES										
Current:										
General government	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-
Sanitation, health and welfare	-	-	-	-	-	-	-	-	-	-
Natural resources and recreation	-	-	-	-	-	-	-	-	-	-
Economic development	150	150	-	-	-	-	57,500	19,189	-	1,844
Capital outlay	-	-	5,146,030	3,064,499	8,150	3,902	386,545	115,445	3,150	-
Debt Service:										
Interest and debt service charges	-	-	-	43,356	-	-	-	-	-	-
Total expenditures	150	150	5,146,030	3,107,855	8,150	3,902	444,045	134,634	3,150	1,844
Excess (deficiency) of revenues over expenditures	1,292,504	1,300,537	(3,106,813)	(679,600)	732,232	960,553	(117,933)	174,351	46,942	45,197
OTHER FINANCING SOURCES (USES)										
Issuance of debt	-	-	3,400,000	3,440,000	-	-	-	-	-	-
Premium on debt issued	-	-	-	132,364	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	(1,292,504)	(1,300,537)	(1,456,932)	(1,605,870)	(515,394)	(505,835)	(152,549)	(159,542)	(72,935)	(72,935)
Total other financing sources (uses)	(1,292,504)	(1,300,537)	1,943,068	1,966,494	(515,394)	(505,835)	(152,549)	(159,542)	(72,935)	(72,935)
Net change in fund balances	$ -	-	$ (1,163,745)	1,286,894	$ 216,838	454,718	$ (270,482)	14,809	$ (25,993)	(27,738)
Fund balances (deficit) - beginning of year		-		1,660,349		(2,146,797)		240,778		(113,217)
Fund balances (deficit) - end of year		$ -		$ 2,947,243		$ (1,692,079)		$ 255,587		$ (140,955)

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CITY OF WAUSAU, WISCONSIN
NONMAJOR BUDGETED GOVERNMENTAL FUNDS
BUDGETARY COMPARISON SCHEDULE (Concluded)
Year Ended December 31, 2018

	Capital Project Funds				Capital Project Funds	
	TID #10 Industrial Park		TID #11 Business Campus		TID #12 Downtown Development	
	Budget	Actual	Budget	Actual	Budget	Actual
REVENUES						
Taxes	$ 118,000	$ 129,835	$ -	$ -	$ -	$ -
Special assessments	-	-	-	-	-	4,090
Intergovernmental	16,101	16,101	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Miscellaneous revenues	-	-	-	54,593	-	7,678
Total Revenues	134,101	145,936	-	54,593	-	11,768
EXPENDITURES						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Sanitation, health and welfare	-	-	-	-	-	-
Natural resources and recreation	-	-	-	-	-	-
Economic development	6,150	3,880	4,008,000	99,590	5,010,150	28,598
Capital outlay	-	-	2,395,920	3,007,568	2,849,850	77,211
Debt Service:						
Interest and debt service charges	-	-	-	38,680	13,750	38,680
Total expenditures	6,150	3,880	6,403,920	3,145,838	7,873,750	144,489
Excess (deficiency) of revenues over expenditures	127,951	142,056	(6,403,920)	(3,091,245)	(7,873,750)	(132,721)
OTHER FINANCING SOURCES (USES)						
Issuance of debt	-	-	4,000,000	4,005,000	7,780,000	4,005,000
Premium on debt issued	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	(142,973)	(106,114)	(198,283)	(191,213)	(109,000)	-
Total other financing sources (uses)	(142,973)	(106,114)	3,801,717	3,813,787	7,671,000	4,005,000
Net change in fund balances	$ (15,022)	35,942	$ (2,602,203)	722,542	$ (202,750)	3,872,279
Fund balances (deficit) - beginning of year		(306,871)		3,437,401		(222,350)
Fund balances (deficit) - end of year		$ (270,929)		$ 4,159,943		$ 3,649,929

CITY OF WAUSAU, WISCONSIN
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 2018

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
General property taxes	$ 4,123,000	$ 4,123,000	$ 4,123,000	$ -
Miscellaneous revenues	23,060	23,060	104,607	81,547
Total Revenues	4,146,060	4,146,060	4,227,607	81,547
EXPENDITURES				
Debt Service:				
Principal retirement	8,717,137	8,717,137	8,592,006	125,131
Interest and debt service charges	1,735,740	1,735,740	1,916,432	(180,692)
Total Expenditures	10,452,877	10,452,877	10,508,438	(55,561)
Deficiency of Revenues over Expenditures	(6,306,817)	(6,306,817)	(6,280,831)	25,986
OTHER FINANCING SOURCES				
Premium on debt issued	-	-	51,999	51,999
Transfers in	5,965,062	5,965,062	6,188,195	223,133
Total Other Financing Sources	5,965,062	5,965,062	6,240,194	275,132
Net change in fund balance	(341,755)	(341,755)	(40,637)	301,118
Fund balance - beginning of year	1,240,252	1,240,252	1,240,252	-
Fund balance - end of year	$ 898,497	$ 898,497	$ 1,199,615	$ 301,118

CITY OF WAUSAU, WISCONSIN
TID #3 - DOWNTOWN DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 2018

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
General property taxes	$ 2,302,943	$ 2,302,943	$ 2,324,996	$ 22,053
Special assessments	-	-	1,839	1,839
Intergovernmental	317,566	567,566	317,567	(249,999)
Other miscellaneous	242,247	494,697	1,076,264	581,567
Total Revenues	2,862,756	3,365,206	3,720,666	355,460
EXPENDITURES				
Economic development	2,642,463	3,142,463	703,487	2,438,976
Capital outlay:				
Economic development	7,019,296	7,455,985	3,589,606	3,866,379
Total expenditures	9,661,759	10,598,448	4,293,093	6,305,355
Deficiency of Revenues over Expenditures	(6,799,003)	(7,233,242)	(572,427)	6,660,815
OTHER FINANCING SOURCES (USES)				
Transfers in	1,292,504	1,292,504	1,300,537	8,033
Transfers out	(3,516,995)	(3,516,995)	(3,435,523)	81,472
Total Other Financing Sources (Uses)	(2,224,491)	(2,224,491)	(2,134,986)	89,505
Net change in fund balance	(9,023,494)	(9,457,733)	(2,707,413)	6,750,320
Fund balance - beginning of year	5,716,573	5,716,573	5,716,573	-
Fund balance - end of year	$ (3,306,921)	$ (3,741,160)	$ 3,009,160	$ 6,750,320

CITY OF WAUSAU, WISCONSIN
CAPITAL IMPROVEMENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 2018

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
General property taxes	$ 498,890	$ 498,890	$ 498,890	$ -
Special assessments	266,460	266,460	272,847	6,387
Intergovernmental	-	-	153,081	153,081
Other miscellaneous	11,000	11,000	29,933	18,933
Total Revenues	776,350	776,350	954,751	178,401
EXPENDITURES				
Capital outlay	3,279,350	9,844,035	3,122,778	6,721,257
Debt Service:				
Interest and debt service charges	-	-	11,693	(11,693)
Total expenditures	3,279,350	9,844,035	3,134,471	6,709,564
Deficiency of Revenues over Expenditures	(2,503,000)	(9,067,685)	(2,179,720)	6,887,965
OTHER FINANCING SOURCES				
Issuance of debt	2,403,000	6,420,321	2,040,000	(4,380,321)
Transfers in	100,000	188,088	263,952	75,864
Transfers out	-	-	(111,163)	(111,163)
Total Other Financing Sources	2,503,000	6,608,409	2,192,789	(4,415,620)
Net change in fund balance	-	(2,459,276)	13,069	2,472,345
Fund balance - beginning of year	3,712,726	3,712,726	3,712,726	-
Fund balance - end of year	$ 3,712,726	$ 1,253,450	$ 3,725,795	$ 2,472,345

CITY OF WAUSAU, WISCONSIN
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
December 31, 2018

	Airport Fund	Animal Control Fund	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	$ 20,137	$ 105,447	$ 125,584
Taxes receivable	101,000	40,747	141,747
Accounts receivable	5,456	8,711	14,167
Inventories and prepayments	-	951	951
Total Current Assets	126,593	155,856	282,449
Noncurrent Assets:			
Property, Plant and Equipment:			
Property and equipment	4,118,663	-	4,118,663
Accumulated depreciation	(2,271,527)	-	(2,271,527)
Net pension asset	-	6,337	6,337
Total noncurrent assets	1,847,136	6,337	1,853,473
TOTAL ASSETS	1,973,729	162,193	2,135,922
DEFERRED OUTFLOWS OF RESOURCES			
Pension related amounts	-	11,720	11,720
OPEB related amounts	-	94	94
TOTAL DEFERRED OUTFLOWS OF RESOURCES	-	11,814	11,814
LIABILITIES			
Current Liabilities:			
Accounts payable	2,015	16,849	18,864
Accrued payroll and benefits	1,377	1,734	3,111
Due to other governments	-	4,892	4,892
Unearned revenues	6,401	18,550	24,951
Total Current Liabilities	9,793	42,025	51,818
Noncurrent Liabilities:			
Net OPEB liability	-	870	870
TOTAL LIABILITIES	9,793	42,895	52,688
DEFERRED INFLOWS OF RESOURCES			
Pension related amounts	-	12,475	12,475
OPEB related amounts	-	59	59
Property taxes levied for subsequent year	101,000	40,747	141,747
TOTAL DEFERRED INFLOWS OF RESOURCES	101,000	53,281	154,281
NET POSITION			
Net investment in capital assets	1,847,136	-	1,847,136
Restricted for pension benefits	-	6,337	6,337
Unrestricted	15,800	71,494	87,294
TOTAL NET POSITION	$ 1,862,936	$ 77,831	$ 1,940,767

CITY OF WAUSAU, WISCONSIN
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Year Ended December 31, 2018

	Airport Fund	Animal Control Fund	Total
OPERATING REVENUES			
Charges for services and sales	$ 163,379	$ 132,879	$ 296,258
Intergovernmental	-	17,060	17,060
Total Operating Revenues	163,379	149,939	313,318
OPERATING EXPENSES			
Operating and maintenance	277,085	215,627	492,712
Depreciation	156,742	-	156,742
Total Operating Expenses	433,827	215,627	649,454
Operating income (loss)	(270,448)	(65,688)	(336,136)
NONOPERATING REVENUES			
Property taxes	94,000	50,676	144,676
Income (loss) before Capital Contributions	(176,448)	(15,012)	(191,460)
Capital contributions	54,385	-	54,385
Transfers in	40,000	-	40,000
Transfers out	-	(1,480)	(1,480)
Change in Net Position	(82,063)	(16,492)	(98,555)
Net position - beginning of year, as previously stated	1,944,999	95,079	2,040,078
Cumulative effect of accounting principle	-	(756)	(756)
Net position - as restated	1,944,999	94,323	2,039,322
Net position - end of year	$ 1,862,936	$ 77,831	$ 1,940,767

CITY OF WAUSAU, WISCONSIN
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
Year Ended December 31, 2018

	Airport Fund	Animal Control Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers, users and others	$ 159,371	$ 160,851	$ 320,222
Payments to suppliers	(259,738)	(156,056)	(415,794)
Payments to employees	(21,539)	(45,088)	(66,627)
Net Cash Used by Operating Activities	(121,906)	(40,293)	(162,199)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Property taxes	94,000	50,676	144,676
Transfers in	40,000	-	40,000
Transfers out	-	(1,480)	(1,480)
Net Cash Provided by Noncapital Financing Activities	134,000	49,196	183,196
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital contributions	54,385	-	54,385
Acquisition and construction of capital assets	(54,385)	-	(54,385)
Net Cash Used by Noncapital Financing Activities	-	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	12,094	8,903	20,997
Cash and cash equivalents - beginning of year	8,043	96,544	104,587
Cash and cash equivalents - end of year	$ 20,137	$ 105,447	$ 125,584
Reconciliation of operating loss to net cash used by operating activities:			
Operating loss	$ (270,448)	$ (65,688)	$ (336,136)
Adjustments to reconcile operating loss to net cash used by operating activities:			
Depreciation expense	156,742	-	156,742
Changes in assets and liabilities:			
Accounts receivable	934	10,651	11,585
Inventories and prepayments	-	239	239
Accounts payable	(4,929)	13,123	8,194
Accrued payroll and benefits	737	160	897
Due to other governments	-	175	175
Pension related liabilities and deferred amounts	-	707	707
OPEB related liabilities and deferred amounts	-	79	79
Unearned revenues	(4,942)	261	(4,681)
Net cash used by operating activities	$ (121,906)	$ (40,293)	$ (162,199)

CITY OF WAUSAU, WISCONSIN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
December 31, 2018

	Motor Pool	Insurance Fund	Employee Benefits Fund	Employee HRA/Wellness Fund	Total
ASSETS					
Current Assets:					
Cash and cash equivalents	$ 1,873,670	$ 1,284,940	$ 1,932,080	$ -	$ 5,090,690
Accounts receivable	628	35,734	38,906	-	75,268
Inventories and prepayments	360,818	3,089	-	-	363,907
Total Current Assets	2,235,116	1,323,763	1,970,986	-	5,529,865
Noncurrent Assets:					
Property, Plant and Equipment:					
Property and equipment	14,127,748	-	-	-	14,127,748
Accumulated depreciation	(8,468,383)	-	-	-	(8,468,383)
Net pension asset	82,901	-	-	-	82,901
Total noncurrent assets	5,742,266	-	-	-	5,742,266
TOTAL ASSETS	7,977,382	1,323,763	1,970,986	-	11,272,131
DEFERRED OUTFLOWS OF RESOURCES					
Pension related amounts	155,343	-	-	-	155,343
OPEB related amounts	1,231	-	-	-	1,231
TOTAL DEFERRED OUTFLOWS OF RESOURCES	156,574	-	-	-	156,574
LIABILITIES					
Current Liabilities:					
Accounts payable	141,652	3,223	95	-	144,970
Accrued payroll and benefits	21,171	-	-	-	21,171
Claims payable	-	261,046	364,089	-	625,135
Unearned revenues	-	-	378,164	-	378,164
Total Current Liabilities	162,823	264,269	742,348	-	1,169,440
Noncurrent Liabilities:					
Accrued liability - claims payable	-	663,223	-	-	663,223
Compensated absences payable	23,613	-	-	-	23,613
Net OPEB liability	11,383	-	-	-	11,383
Total Noncurrent Liabilities	34,996	663,223	-	-	698,219
TOTAL LIABILITIES	197,819	927,492	742,348	-	1,867,659
DEFERRED INFLOWS OF RESOURCES					
Pension related amounts	163,209	-	-	-	163,209
OPEB related amounts	769	-	-	-	769
TOTAL DEFERRED INFLOWS OF RESOURCES	163,978	-	-	-	163,978
NET POSITION					
Net investment in capital assets	5,659,365	-	-	-	5,659,365
Restricted for pension benefits	82,901	-	-	-	82,901
Unrestricted	2,029,893	396,271	1,228,638	-	3,654,802
TOTAL NET POSITION	$ 7,772,159	$ 396,271	$ 1,228,638	$ -	$ 9,397,068

CITY OF WAUSAU, WISCONSIN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Year Ended December 31, 2018

	Motor Pool	Insurance Fund	Employee Benefits Fund	Employee HRA/Wellness Fund	Total
OPERATING REVENUES					
Charges for services and sales	$ 3,650,838	$ 796,658	$ 5,546,852	$ -	$ 9,994,348
Other operating revenues	53,775	32,194	-	-	85,969
Total Operating Revenues	3,704,613	828,852	5,546,852	-	10,080,317
OPERATING EXPENSES					
Operating and maintenance	2,208,584	-	-	-	2,208,584
Depreciation	875,725	-	-	-	875,725
Insurance, claims and administration	-	867,284	5,022,662	-	5,889,946
Total Operating Expenses	3,084,309	867,284	5,022,662	-	8,974,255
Operating income (loss)	620,304	(38,432)	524,190	-	1,106,062
NONOPERATING REVENUES					
Gain on sale of capital assets	131,884	-	-	-	131,884
Income (loss) before transfers	752,188	(38,432)	524,190	-	1,237,946
Transfers in	-	-	708,161	-	708,161
Transfers out	(125,000)	-	-	(708,161)	(833,161)
Change in Net Position	627,188	(38,432)	1,232,351	(708,161)	1,112,946
Total net position (deficit) - beginning of year	7,154,859	434,703	(3,713)	708,161	8,294,010
Cumulative effect of change in accounting principle	(9,888)	-	-	-	(9,888)
Total net position (deficit) - beginning of year, as restated	7,144,971	434,703	(3,713)	708,161	8,284,122
Total net position - end of year	$ 7,772,159	$ 396,271	$ 1,228,638	$ -	$ 9,397,068

CITY OF WAUSAU, WISCONSIN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
Year Ended December 31, 2018

	Motor Pool	Insurance Fund	Employee Benefits Fund	Employee HRA/Wellness Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from interfund services provided	$ 3,719,793	$ 854,993	$ 5,498,300	$ -	$ 10,073,086
Payments to suppliers	(1,802,725)	(497,828)	(5,201,478)	(2,107)	(7,504,138)
Payments to employees	(511,104)	-	-	-	(511,104)
Net Cash Provided (Used) by Operating Activities	1,405,964	357,165	296,822	(2,107)	2,057,844
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	-	-	708,161	-	708,161
Transfers out	(125,000)	-	-	(708,161)	(833,161)
Net Cash Provided (Used) by Noncapital Financing Activities	(125,000)	-	708,161	(708,161)	(125,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(1,817,089)	-	-	-	(1,817,089)
Proceeds from sale of capital assets	131,884	-	-	-	131,884
Net Cash Used by Capital and Related Financing Activities	(1,685,205)	-	-	-	(1,685,205)
Net Increase (Decrease) in Cash and Cash Equivalents	(404,241)	357,165	1,004,983	(710,268)	247,639
Cash and cash equivalents - beginning of year	2,277,911	927,775	927,097	710,268	4,843,051
Cash and cash equivalents - end of year	$ 1,873,670	$ 1,284,940	$ 1,932,080	$ -	$ 5,090,690
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	$ 620,304	$ (38,432)	$ 524,190	$ -	$ 1,106,062
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	875,725	-	-	-	875,725
Changes in assets and liabilities:					
Accounts receivable	15,180	26,141	(36,940)	-	4,381
Inventories and prepayments	(24,115)	96,994	-	-	72,879
Accounts payable	(92,491)	(1,529)	95	(107)	(94,032)
Pension related liabilities and deferred amounts	8,625	-	-	-	8,625
OPEB related liabilities and deferred amounts	1,033	-	-	-	1,033
Unearned revenues	-	-	(11,612)	-	(11,612)
Claims payable	-	273,991	(178,911)	(2,000)	93,080
Accrued payroll and compensated absences	1,703	-	-	-	1,703
Net cash provided (used) by operating activities	$ 1,405,964	$ 357,165	$ 296,822	$ (2,107)	$ 2,057,844

CITY OF WAUSAU, WISCONSIN
AGENCY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
December 31, 2018

	Entrepreneurial & Education Center	Wausau Area Events	Wausau River District	Totals
ASSETS				
Cash and cash equivalents	$ 198,402	$ 329,139	$ 109,072	$ 636,613
Accounts receivable	744	-	-	744
TOTAL ASSETS	$ 199,146	$ 329,139	$ 109,072	$ 637,357
LIABILITIES				
Accounts payable	$ 199,146	$ 329,139	$ 109,072	$ 637,357

CITY OF WAUSAU, WISCONSIN
AGENCY FUNDS
COMBINING STATEMENT OF
CHANGES IN ASSETS AND LIABILITIES
Year Ended December 31, 2018

	Balance 1/1/2018	Additions	Deductions	Balance 12/31/2018
Entrepreneurial & Education Center				
ASSETS				
Cash and cash equivalents	$ 189,828	$ 255,797	$ 247,223	$ 198,402
Accounts receivable	17,945	245,338	262,539	744
TOTAL ASSETS	$ 207,773	$ 501,135	$ 509,762	$ 199,146
LIABILITIES				
Accounts payable	$ 207,773	$ 501,135	$ 509,762	$ 199,146
TOTAL LIABILITIES	$ 207,773	$ 501,135	$ 509,762	$ 199,146
Wausau Area Events				
ASSETS				
Cash and cash equivalents	$ 310,843	$ 929,039	$ 910,743	$ 329,139
TOTAL ASSETS	$ 310,843	$ 929,039	$ 910,743	$ 329,139
LIABILITIES				
Accounts payable	$ 310,843	$ 929,039	$ 910,743	$ 329,139
TOTAL LIABILITIES	$ 310,843	$ 929,039	$ 910,743	$ 329,139
Wausau River District				
ASSETS				
Cash and cash equivalents	$ 93,693	$ 267,629	$ 252,250	$ 109,072
TOTAL ASSETS	$ 93,693	$ 267,629	$ 252,250	$ 109,072
LIABILITIES				
Accounts payable	$ 93,693	$ 267,629	$ 252,250	$ 109,072
TOTAL LIABILITIES	$ 93,693	$ 267,629	$ 252,250	$ 109,072
Business Improvement District				
ASSETS				
Cash and cash equivalents	$ -	$ 72,000	$ 72,000	$ -
TOTAL ASSETS	$ -	$ 72,000	$ 72,000	$ -
LIABILITIES				
Accounts payable	$ -	$ 72,000	$ 72,000	$ -
TOTAL LIABILITIES	$ -	$ 72,000	$ 72,000	$ -

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

CITY OF WAUSAU, WISCONSIN
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
December 31, 2018

	Land	Buildings and Improvements	Machinery and Equipment	Infrastructure	Totals
FUNCTION AND ACTIVITY					
General government	$ 37,450,069	$ 6,470,691	$ 1,742,697	$ 1,054	$ 45,664,511
Public safety:					
Police protection	813,377	3,738,639	929,199	-	5,481,215
Fire protection	253,942	1,913,339	5,384,285	-	7,551,566
Public works:					
Maintenance	221,071	2,547,783	671,935	24,915	3,465,704
Sidewalks	-	-	-	11,572,023	11,572,023
Street system	4,575,502	6,571,567	-	129,013,346	140,160,415
Parks and recreation	403,104	17,838,899	3,631,183	30,500	21,903,686
TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	$ 43,717,065	$ 39,080,918	$ 12,359,299	$ 140,641,838	$ 235,799,120

CITY OF WAUSAU, WISCONSIN
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
Year Ended December 31, 2018

	Balance January 1, 2018	Additions	Deletions	Balance December 31, 2018
FUNCTION AND ACTIVITY				
General government	$ 45,774,325	$ 10,000	$ 119,814	$ 45,664,511
Public safety:				
Police protection	5,442,715	38,500	-	5,481,215
Fire protection	7,846,460	5,706	300,600	7,551,566
Public works:				
Maintenance	3,562,213	-	96,509	3,465,704
Sidewalks	11,220,130	351,893	-	11,572,023
Street system	131,489,620	8,788,053	117,258	140,160,415
Parks and recreation	20,340,228	1,875,027	311,569	21,903,686
TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	$ 225,675,691	$ 11,069,179	$ 945,750	$ 235,799,120

STATISTICAL SECTION

CITY OF WAUSAU, WISCONSIN

INDEX TO THE STATISTICAL SECTION
December 31, 2018

CONTENTS

CITY OF WAUSAU

Schedule 1

Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities										
Net investment in capital assets	$ 68,308,631	$ 75,413,530	$ 79,344,570	$ 84,193,691	$ 88,488,799	$ 98,405,399	$ 98,825,542	$ 99,450,028	$ 106,232,341	$ 111,003,022
Restricted	3,635,751	3,711,046	12,789,388	9,729,737	10,610,753	8,818,623	16,311,881	14,156,534	21,414,528	26,236,517
Unrestricted	14,749,802	19,031,751	10,409,561	14,924,479	14,678,918	13,483,982	14,199,650	17,926,268	9,821,545	3,760,051
Total governmental activities net position	$ 86,694,184	$ 98,156,327	$ 102,543,519	$ 108,847,907	$ 113,778,470	$ 120,708,004	$ 129,337,073	$ 131,532,830	$ 137,468,414	$ 140,999,590
Business-type activities										
Net investment in capital assets	$ 83,142,144	$ 84,232,295	$ 88,572,360	$ 93,046,689	$ 93,217,875	$ 93,098,660	$ 92,670,116	$ 91,153,104	$ 89,005,476	$ 90,542,377
Restricted	2,505,824	1,427,932	1,148,802	1,280,921	1,337,308	1,469,203	2,911,504	2,384,534	4,175,498	6,871,363
Unrestricted	2,294,567	1,946,083	4,583,292	4,192,056	4,451,943	3,885,029	5,418,467	7,252,415	6,282,510	3,912,598
Total business-type activities net position	$ 87,942,535	$ 87,606,310	$ 94,304,454	$ 98,519,666	$ 99,007,126	$ 98,452,892	$ 101,000,087	$ 100,790,053	$ 99,463,484	$ 101,326,338
Primary government										
Net investment in capital assets	$ 151,450,775	$ 159,645,825	$ 167,916,930	$ 177,240,380	$ 181,706,674	$ 191,504,059	$ 191,495,658	$ 190,603,132	$ 195,237,817	$ 198,863,786
Restricted	6,141,575	5,138,978	13,938,190	11,010,658	11,948,061	10,287,826	19,223,385	16,541,068	25,590,026	33,107,880
Unrestricted	17,044,369	20,977,834	14,992,853	19,116,535	19,130,861	17,369,011	19,618,117	25,178,683	16,104,055	10,354,262
Total primary government net position	$ 174,636,719	$ 185,762,637	$ 196,847,973	$ 207,367,573	$ 212,785,596	$ 219,160,896	$ 230,337,160	$ 232,322,883	$ 236,931,898	$ 242,325,928

Notes:
The City reclassified the Metro Ride fund as an enterprise fund on January 1, 2011 and transferred the associated capital assets from the governmental activities into the business-type activities. In addition, the Airport Enterprise Fund was created as of January 1, 2012 and the associated capital assets were transferred from the governmental activities to the business-type activities.

CITY OF WAUSAU
Schedule 2
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses - Governmental activities:										
General government	$ 4,069,716	$ 4,230,618	$ 4,071,945	$ 4,376,515	$ 4,250,476	$ 4,670,657	$ 4,804,089	$ 4,998,030	$ 4,598,058	$ 4,739,398
Public safety	15,381,881	15,918,394	16,788,709	15,845,111	16,246,258	16,668,463	16,478,842	18,094,777	19,502,367	19,056,774
Transportation and streets	17,139,868	16,753,873	11,160,237	11,704,756	11,242,010	12,671,152	11,845,960	11,928,609	12,297,895	12,735,068
Sanitation, health and welfare	1,922,031	1,823,980	1,868,410	2,073,673	2,146,465	2,156,309	2,218,162	1,677,239	2,025,650	1,945,411
Natural resources and recreation	2,517,631	2,514,161	2,597,337	2,598,645	2,592,265	2,716,181	3,160,068	3,368,724	3,158,110	3,885,942
Economic development	3,434,146	3,960,765	4,868,292	3,580,425	3,629,494	3,514,056	7,582,129	7,287,952	3,563,890	3,343,524
Interest on long-term debt	2,059,540	1,620,096	1,459,235	1,247,791	1,329,912	1,238,864	1,209,574	1,568,164	1,801,377	1,876,531
Total governmental activities	46,524,813	46,821,887	42,814,165	41,426,916	41,436,880	43,635,682	47,298,824	48,923,495	46,947,347	47,582,648
Expenses - Business-type activities:										
Water	3,373,672	3,393,118	3,450,680	3,364,222	3,258,433	3,764,878	3,775,876	3,919,480	4,054,906	4,307,368
Wastewater	4,000,695	4,019,767	3,887,577	3,765,140	3,847,818	4,023,395	3,686,067	4,151,512	4,709,530	4,705,352
Parking	1,913,347	1,759,984	1,887,449	1,746,004	1,972,388	1,789,677	1,792,090	1,880,606	2,039,701	1,951,390
Metro Ride	-	-	4,049,837	3,557,036	3,613,252	3,895,784	3,594,314	3,648,953	3,518,784	3,770,269
Airport	-	-	-	309,398	378,832	395,171	406,984	397,648	392,523	433,827
Animal Control	-	-	-	-	70,081	191,191	170,038	189,136	195,926	215,627
Total business-type activities	9,287,714	9,172,869	13,275,543	12,741,800	13,140,804	14,060,096	13,425,369	14,187,335	14,911,370	15,383,833
Total primary government	$ 55,812,527	$ 55,994,756	$ 56,089,708	$ 54,168,716	$ 54,577,684	$ 57,695,778	$ 60,724,193	$ 63,110,830	$ 61,858,717	$ 62,966,481
Program revenues - Governmental activities:										
Charges for service:										
Transportation & streets	$ 487,468	$ 297,690	$ 347,545	$ 310,297	$ 471,664	$ 485,025	$ 750,399	$ 1,124,819	$ 1,260,633	$ 915,854
Conservation & development	1,062,703	582,312	2,042,703	955,572	994,072	897,634	1,206,003	2,281,581	540,701	1,210,538
Ambulance	1,154,805	1,271,790	1,442,386	1,521,895	1,330,680	1,396,509	1,440,123	1,576,218	1,612,079	1,796,698
Other activities	6,052,956	6,155,059	3,878,218	3,489,437	2,917,742	2,765,487	2,958,376	3,182,781	3,022,315	3,441,723
Operating grants & contributions	7,821,171	8,372,182	4,930,014	4,724,318	4,259,090	4,049,715	4,294,633	3,605,696	4,309,462	4,853,467
Capital grants & contributions	3,494,387	6,699,662	3,153,287	4,102,154	2,534,980	5,825,175	2,451,032	2,444,731	3,776,241	2,526,235
Total governmental activities	20,073,490	23,378,695	15,794,153	15,103,673	12,508,228	15,419,545	13,100,566	14,215,826	14,521,431	14,744,515
Program revenues - Business-type activities:										
Charges for service										
Water	4,644,707	4,583,056	4,658,894	4,768,408	4,607,291	4,513,955	5,236,584	5,445,096	5,369,904	5,872,093
Wastewater	3,935,667	4,207,392	5,265,216	5,400,672	5,291,328	5,365,411	5,290,542	5,321,043	5,312,985	5,455,972
Parking	973,163	898,413	943,029	971,294	1,088,714	1,139,420	953,884	955,977	1,000,434	956,565
Metro Ride	-	-	484,881	469,915	501,638	497,431	485,620	462,027	434,699	429,393
Airport	-	-	-	115,797	141,018	131,582	140,430	143,425	143,913	163,379
Animal Control	-	-	-	-	71,420	124,645	78,404	134,358	140,129	132,879
Operating grants & contributions	-	-	2,504,065	1,887,934	1,976,766	2,227,192	1,980,409	1,950,219	1,785,979	1,896,213
Capital grants & contributions	458,732	239,944	2,602,532	1,794,853	438,672	54,771	1,220,530	243,243	234,519	288,116
Total business-type activities	10,012,269	9,928,805	16,458,617	15,408,873	14,116,847	14,054,407	15,386,403	14,655,388	14,422,562	15,194,610
Total primary government	$ 30,085,759	$ 33,307,500	$ 32,252,770	$ 30,512,546	$ 26,625,075	$ 29,473,952	$ 28,486,969	$ 28,871,214	$ 28,943,993	$ 29,939,125

CITY OF WAUSAU
Schedule 2 (Continued)
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year 2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Net (expense)/revenue										
Governmental activities	$ (26,451,323)	$ (23,443,192)	$ (27,020,012)	$ (26,323,243)	$ (28,928,652)	$ (28,216,137)	$ (34,198,258)	$ (34,707,669)	$ (32,425,916)	$ (32,838,133)
Business-type activities	724,555	755,936	3,183,074	2,667,073	976,043	(5,689)	1,961,034	468,053	(488,808)	(189,223)
Total primary government net position	$ (25,726,768)	$ (22,687,256)	$ (23,836,938)	$ (23,656,170)	$ (27,952,609)	$ (28,221,826)	$ (32,237,224)	$ (34,239,616)	$ (32,914,724)	$ (33,027,356)
General revenues & other changes in net position										
Governmental activities:										
Taxes										
Property taxes	$ 24,701,712	$ 25,980,766	$ 25,927,605	$ 25,799,254	$ 25,471,313	$ 26,062,523	$ 26,556,543	$ 27,817,518	$ 29,061,374	$ 30,447,761
Other taxes	1,188,455	1,247,031	1,282,138	1,339,550	1,396,225	1,426,281	1,461,604	1,670,665	1,592,500	1,537,585
Intergovernmental revenues not restricted to specific purposes	6,435,883	6,083,605	6,170,550	5,550,727	5,425,951	5,420,811	5,346,313	5,367,413	5,459,575	5,490,434
Investment income (loss)	477,921	314,408	323,802	260,412	(124,187)	531,589	369,673	339,521	386,707	865,988
Miscellaneous	298,070	284,869	111,834	86,492	98,042	107,268	83,091	81,556	93,555	172,290
Gain on sale of capital assets	11,965	48,206	40,676	4,947	24,508	57,336	67,467	69,193	173,153	131,884
Transfers	1,417,655	1,435,046	(2,604,305)	(447,532)	1,523,712	1,539,863	1,565,639	1,557,560	1,594,636	(1,104,222)
Total governmental activities	34,531,661	35,393,931	31,252,300	32,593,850	33,815,564	35,145,671	35,450,330	36,903,426	38,361,500	37,541,720
Business-type activities:										
Taxes	317,785	300,000	898,786	1,090,950	1,047,966	973,289	1,016,883	875,499	741,739	954,582
Investment income	33,684	42,885	11,979	7,127	6,206	3,529	1,613	1,317	8,602	65,981
Gain on sale of capital assets	1,544	-	-	2,530	-	14,500	2,560	2,657	6,534	9,958
Transfers	(1,417,655)	(1,435,046)	2,604,305	447,532	(1,523,712)	(1,539,863)	(1,565,639)	(1,557,560)	(1,594,636)	1,104,222
Total business-type activities	(1,064,642)	(1,092,161)	3,515,070	1,548,139	(469,540)	(548,545)	(544,583)	(678,087)	(837,761)	2,134,743
Total primary government	$ 33,467,019	$ 34,301,770	$ 34,767,370	$ 34,141,989	$ 33,346,024	$ 34,597,126	$ 34,905,747	$ 36,225,339	$ 37,523,739	$ 39,676,463
Change in net position										
Governmental activities	$ 8,080,338	$ 11,950,739	$ 4,232,288	$ 6,270,607	$ 4,886,912	$ 6,929,534	$ 1,252,072	$ 2,195,757	$ 5,935,584	$ 4,703,587
Business-type activities	(340,087)	(336,225)	6,698,144	4,215,212	506,503	(554,234)	1,416,451	(210,034)	(1,326,569)	1,945,520
Total primary government	$ 7,740,251	$ 11,614,514	$ 10,930,432	$ 10,485,819	$ 5,393,415	$ 6,375,300	$ 2,668,523	$ 1,985,723	$ 4,609,015	$ 6,649,107

CITY OF WAUSAU

Schedule 3

Program Revenues by Function/Program

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Function/program										
Governmental activities:										
General government	$ 1,033,772	$ 1,218,871	$ 2,122,953	$ 2,042,080	$ 1,858,919	$ 1,811,314	$ 1,823,146	$ 2,200,024	$ 2,023,189	$ 2,079,839
Public safety	2,127,650	2,390,722	2,581,844	3,058,071	2,811,548	2,753,741	3,050,244	2,526,945	3,072,503	3,501,237
Transportation and streets	13,392,246	16,454,918	4,766,167	6,289,861	4,409,985	4,112,915	4,010,985	4,337,202	4,698,571	4,776,598
Sanitation, health and welfare	265,644	275,953	200,451	238,835	363,358	575,827	572,492	276,082	364,407	313,478
Natural resources and recreation	273,672	238,127	285,894	362,202	396,725	3,920,660	255,666	314,070	411,034	338,851
Economic development	2,980,506	2,800,104	5,836,844	3,112,624	2,667,693	2,245,088	3,388,033	4,561,503	3,951,727	3,734,512
Total governmental activities	20,073,490	23,378,695	15,794,153	15,103,673	12,508,228	15,419,545	13,100,566	14,215,826	14,521,431	14,744,515
Business-type activities:										
Water	4,739,304	4,634,157	4,684,042	4,816,525	4,640,766	4,524,723	5,248,742	5,456,680	5,386,144	5,886,324
Wastewater	4,086,261	4,340,435	5,579,673	5,475,224	5,340,727	5,381,982	5,349,266	5,375,882	5,394,270	5,506,972
Parking	1,186,704	954,213	943,029	1,406,123	1,383,705	1,139,420	1,904,117	1,127,187	1,137,941	956,565
Metro Ride	-	-	5,251,873	2,643,144	2,529,306	2,724,623	2,626,001	2,385,386	2,189,460	2,477,046
Airport	-	-	-	1,067,857	150,923	159,014	140,430	149,035	143,913	217,764
Animal Control	-	-	-	-	71,420	124,645	117,847	161,218	170,834	149,939
Total business-type activities	10,012,269	9,928,805	16,458,617	15,408,873	14,116,847	14,054,407	15,386,403	14,655,388	14,422,562	15,194,610
Total primary government	$ 30,085,759	$ 33,307,500	$ 32,252,770	$ 30,512,546	$ 26,625,075	$ 29,473,952	$ 28,486,969	$ 28,871,214	$ 28,943,993	$ 29,939,125

CITY OF WAUSAU
Schedule 4
Fund Balances - Governmental Funds
(modified accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Nonspendable for:										
Inventories and prepaids	$ 362,790	$ 364,724	$ 68,337	$ 58,959	$ 327,990	$ 415,912	$ 401,836	$ 392,096	$ 309,322	$ 396,259
Noncurrent receivables/advances	1,463,905	1,839,138	2,036,413	2,405,884	2,405,049	3,899,019	3,870,098	3,718,150	3,713,323	3,141,541
Committed to contingencies	500,000	500,000	500,000	460,400	361,900	266,250	163,059	163,059	163,059	163,059
Committed to economic development	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Committed to subsequent year's expenditures	950,000	1,013,496	1,397,958	220,951	209,424	-	57,078	465,100	651,348	501,360
Unassigned	5,548,941	5,045,637	5,215,907	6,335,651	5,837,182	4,362,313	5,032,077	5,788,763	6,566,389	8,185,464
Total General Fund	9,325,636	9,262,995	9,718,615	9,981,845	9,641,545	9,443,494	10,024,148	11,027,168	11,903,441	12,887,683
All Other Governmental Funds										
Nonspendable for:										
Inventories and prepaids	187,052	203,992	-	-	-	-	-	-	-	-
Noncurrent receivables/advances	-	-	-	219,119	1,239,432	1,239,432	1,239,432	-	-	-
Restricted for:										
Debt service	1,847,536	1,818,620	180,536	556,338	666,846	741,269	880,446	1,898,330	1,240,252	1,199,615
Capital improvements	-	-	7,548,985	4,098,922	5,709,269	4,002,210	3,479,012	4,699,527	3,712,726	3,863,788
Special purposes	-	-	5,059,867	5,074,477	4,234,638	4,250,477	6,146,891	8,200,958	17,053,005	17,236,272
Trust purposes	617,919	631,450	-	-	-	-	-	-	-	-
Committed to capital improvements	-	-	-	-	-	-	-	-	-	2,871,167
Committed to special purposes	-	-	661,952	1,087,696	1,063,948	1,624,943	1,586,533	1,428,938	1,263,557	1,286,565
Unassigned, reported in:										
Special revenue funds	3,085,377	3,358,295	-	-	-	-	-	-	-	-
Capital project funds	3,228,926	4,205,327	(4,865,139)	(3,824,641)	(4,285,312)	(5,945,752)	(5,216,529)	(2,425,889)	(2,803,326)	(2,103,963)
Total all other governmental funds	8,966,810	10,217,684	8,586,201	7,211,911	8,628,821	5,912,579	8,115,785	13,801,864	20,466,214	24,353,444
Total governmental funds	$ 18,292,446	$ 19,480,679	$ 18,304,816	$ 17,193,756	$ 18,270,366	$ 15,356,073	$ 18,139,933	$ 24,829,032	$ 32,369,655	$ 37,241,127

CITY OF WAUSAU
Schedule 5
Changes in Fund Balances - Governmental Funds
(modified accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
REVENUES										
Taxes	$ 25,554,003	$ 26,885,969	$ 26,865,199	$ 26,782,764	$ 26,495,169	$ 27,095,207	$ 27,624,018	$ 29,088,356	$ 30,257,088	$ 31,592,944
Special assessments	700,401	876,605	328,135	616,891	596,029	567,718	465,858	278,092	451,384	305,620
Intergovernmental	17,279,636	14,574,198	14,178,400	11,112,225	9,471,826	9,895,929	10,385,813	9,650,881	9,756,519	10,912,340
Licenses and permits	672,926	677,438	668,741	743,971	744,441	889,567	960,451	897,423	1,013,527	992,738
Fines, forfeitures and penalties	321,558	323,783	371,580	387,646	353,662	355,105	337,841	379,671	423,502	376,737
Public charges for services	2,155,563	2,108,028	1,900,605	1,844,875	1,807,857	1,879,793	1,928,922	2,048,807	2,150,635	2,375,019
Intergovernmental charges for services	1,409,005	1,217,706	1,199,461	1,527,173	1,393,301	1,422,142	1,457,809	1,600,706	1,219,719	1,365,462
Miscellaneous revenues	2,067,752	2,249,114	3,421,399	2,556,853	1,516,937	2,575,951	3,176,631	3,612,773	4,730,933	3,826,611
Total revenues	50,160,844	48,912,841	48,933,520	45,572,398	42,379,222	44,681,412	46,337,343	47,556,709	50,003,307	51,747,471
EXPENDITURES										
Current:										
General government	4,023,315	3,899,944	3,663,394	4,113,413	3,908,946	4,112,230	4,324,606	4,393,655	3,856,784	4,293,443
Public safety	15,218,716	15,438,786	16,227,647	15,560,272	15,875,081	15,994,216	16,138,321	16,408,574	17,460,757	17,723,273
Transportation and streets	11,339,567	10,494,061	7,626,927	7,421,412	7,675,360	8,104,483	7,129,835	7,263,021	7,510,543	8,408,670
Sanitation, health and welfare	1,901,434	1,817,462	1,945,996	2,050,598	2,172,294	2,176,076	2,270,417	1,710,876	2,018,894	1,870,044
Natural resources and recreation	2,269,495	2,259,798	2,323,491	2,282,795	2,294,146	2,343,691	2,520,305	2,537,716	2,592,340	2,767,396
Economic development	3,343,577	3,458,377	3,615,689	3,605,277	3,550,250	3,719,899	4,575,246	5,909,568	3,173,390	3,309,573
Capital outlay	10,431,681	7,345,540	12,737,146	10,489,321	9,819,062	10,307,096	12,800,819	18,536,616	16,668,361	13,239,507
Debt service:										
Principal retirement	11,865,474	10,566,792	6,835,896	7,455,729	7,528,344	9,799,708	7,022,550	7,857,778	9,025,985	8,592,006
Interest and debt service charges	2,039,318	1,660,110	1,443,873	1,128,629	1,165,826	1,103,436	994,947	1,268,426	1,896,138	2,048,841
Total expenditures	62,432,577	56,940,870	56,420,059	54,107,446	53,989,309	57,660,835	57,777,046	65,886,230	64,203,192	62,252,753
Excess (deficiency) of revenues over expenditures	(12,271,733)	(8,028,029)	(7,486,539)	(8,535,048)	(11,610,087)	(12,979,423)	(11,439,703)	(18,329,521)	(14,199,885)	(10,505,282)

CITY OF WAUSAU
Schedule 5 (Continued)
Changes in Fund Balances - Governmental Funds
(modified accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
OTHER FINANCING SOURCES (USES)										
Issuance of debt	$ 9,560,000	$ 8,290,000	$ 4,672,480	$ 6,582,239	$ 10,513,000	$ 5,640,000	$ 12,290,000	$ 21,266,779	$ 19,235,000	$ 13,490,000
Issuance of refunding debt	-	-	-	9,678,336	-	2,450,000	-	1,300,000	-	-
Premium on debt issued	-	-	-	453,829	270,185	238,267	192,924	744,281	785,872	184,363
Discount on debt issued	(18,642)	(20,188)	-	(132,631)	(79,425)	-	-	-	-	-
Payment to escrow agents	-	-	-	(10,756,767)	-	-	-	-	-	-
Transfers in	7,156,502	7,162,165	6,917,866	14,135,843	7,022,720	7,276,359	6,304,238	7,655,291	9,714,972	9,810,448
Transfers out	(5,388,847)	(5,727,119)	(5,279,670)	(12,536,861)	(5,302,008)	(5,539,496)	(4,563,599)	(5,947,731)	(7,995,336)	(8,108,057)
Total other financing sources (uses)	11,309,013	9,704,858	6,310,676	7,423,988	12,424,472	10,065,130	14,223,563	25,018,620	21,740,508	15,376,754
Net change in fund balance	(962,720)	1,676,829	(1,175,863)	(1,111,060)	814,385	(2,914,293)	2,783,860	6,689,099	7,540,623	4,871,472
FUND BALANCES - BEGINNING	19,255,166	17,803,850	19,480,679	18,304,816	17,455,981	18,270,366	15,356,073	18,139,933	24,829,032	32,369,655
FUND BALANCES - ENDING	$ 18,292,446	$ 19,480,679	$ 18,304,816	$ 17,193,756	$ 18,270,366	$ 15,356,073	$ 18,139,933	$ 24,829,032	$ 32,369,655	$ 37,241,127
		(*)			(*)					
Debt service as a percentage of noncapital expenditures	26.3%	25.2%	17.8%	18.9%	19.5%	21.7%	16.1%	18.4%	22.0%	21.1%

(*) Beginning balance restated

Note: "Commercial Revenues" reported in Certified Annual Financial Reports and this statistical schedule prior to December 31, 2017 were reclassified and included with "Miscellaneous Revenues", to be consistent with reporting as of and after December 31, 2017.

CITY OF WAUSAU

Schedule 6

Assessed Value and Estimated Actual Value (Equalized Value) of Taxable Property

Levy Year	Fiscal Year	Residential Property	Commercial Property	Manufacturing Property	Agricultural/Forest/ Other Property	Personal Property	Total Taxable Assessed Value [A]	Total Direct Tax Rate [B]	Estimated Actual Taxable Value [C]	Assessed as Percent of Estimated Actual Value
2008	2009	1,555,181,300	893,498,400	102,964,600	1,839,400	116,767,500	2,670,251,200	8.23	2,768,967,000	96.43%
2009	2010	1,565,407,600	918,019,100	115,368,300	1,839,500	110,243,300	2,710,877,800	8.41	2,726,775,100	99.42%
2010	2011	1,568,484,400	930,236,800	113,245,700	2,048,800	115,441,000	2,729,456,700	8.49	2,681,223,200	101.80%
2011	2012	1,573,004,100	930,553,700	114,836,700	1,863,400	114,831,000	2,735,088,900	8.49	2,652,252,200	103.12%
2012	2013	1,574,854,000	919,300,800	114,093,600	1,040,500	114,117,200	2,723,406,100	8.51	2,554,319,700	106.62%
2013	2014	1,573,632,500	936,065,700	108,291,100	1,276,400	118,934,800	2,738,200,500	8.61	2,520,917,800	108.62%
2014	2015	1,575,983,700	945,149,800	103,976,100	1,658,200	121,810,800	2,748,578,600	8.77	2,655,928,800	103.49%
2015	2016	1,479,061,800	941,140,500	102,907,100	1,671,300	122,816,800	2,647,597,500	9.43	2,633,849,300	100.52%
2016	2017	1,485,837,900	980,079,100	106,413,800	1,860,200	122,004,000	2,696,195,000	9.67	2,608,454,600	103.36%
2017	2018	1,493,065,300	989,331,200	105,051,600	1,846,600	127,343,300	2,716,638,000	9.92	2,764,682,800	98.26%
2018	2019	1,506,924,500	992,591,800	107,345,900	1,736,300	104,334,400	2,712,932,900	10.27	2,896,505,400	93.66%

[A] Source: Wisconsin Department of Revenue, Final Statement of Assessment. Values include TIF districts.

[B] Source: City of Wausau Budget document. The rate shown is for properties served by the Wausau School District.

[C] Source: Wisconsin Department of Revenue, County Equalization Report.

Notes:

Property in the City of Wausau is reassessed every five to six years on average, with the goal of assessing property at 100% of market value. Between major reassessments, property values are updated based on sales of comparable properties.

Beginning with the 2018 levy year, the WI Department of Revenue exempted all non-manufacturing personal property from the tax roll resulting in a decrease in assessed personal property values.

CITY OF WAUSAU
Schedule 7
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years

Marathon County/Wausau School District

Per $1,000 of Assessed Value

Levy Year	Collection Year	Basic Rate	G.O. Debt Service	City of Wausau Direct Rate	Wausau School District	NTC	Marathon County	State of Wisconsin	Gross Tax Rate	State Tax Credit	Net Tax Rate
2009	2010	6.76	1.65	8.41	10.48	1.92	5.22	0.17	26.20	1.53	24.67
2010	2011	6.85	1.64	8.49	10.90	1.94	5.10	0.17	26.60	1.54	25.06
2011	2012	6.88	1.61	8.49	10.85	1.96	5.03	0.17	26.50	1.57	24.93
2012	2013	6.89	1.62	8.51	10.37	1.90	4.87	0.16	25.81	1.60	24.21
2013	2014	7.00	1.61	8.61	10.21	1.92	4.78	0.16	25.68	1.57	24.11
2014	2015	7.15	1.62	8.77	10.76	1.18	5.01	0.16	25.88	1.54	24.34
2015	2016	7.87	1.56	9.43	11.41	1.25	5.12	0.17	27.38	1.81	25.57
2016	2017	8.14	1.53	9.67	10.78	1.22	4.90	0.16	26.73	1.78	24.95
2017	2018	8.40	1.52	9.92	11.32	1.29	5.06	-	27.59	1.94	25.65
2018	2019	8.75	1.52	10.27	11.74	1.35	5.15	-	28.51	1.93	26.58

(Continued)

CITY OF WAUSAU
Schedule 7 (Continued)
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years

Marathon County/DC Everest School District

Per $1,000 of Assessed Value

Levy Year	Collection Year	Basic Rate	G.O. Debt Service	City of Wausau Direct Rate	DC Everest School District	NTC	Marathon County	State of Wisconsin	Gross Tax Rate	State Tax Credit	Net Tax Rate
2009	2010	6.76	1.65	8.41	9.58	1.92	5.22	0.17	25.30	1.53	23.77
2010	2011	6.85	1.64	8.49	9.90	1.94	5.10	0.17	25.60	1.54	24.06
2011	2012	6.88	1.61	8.49	10.15	1.96	5.03	0.17	25.80	1.57	24.23
2012	2013	6.89	1.62	8.51	10.08	1.90	4.87	0.16	25.52	1.60	23.92
2013	2014	7.00	1.61	8.61	10.29	1.92	4.78	0.16	25.76	1.57	24.19
2014	2015	7.15	1.62	8.77	10.34	1.18	5.01	0.16	25.46	1.54	23.92
2015	2016	7.87	1.56	9.43	10.73	1.25	5.12	0.17	26.70	1.81	24.89
2016	2017	8.14	1.53	9.67	10.05	1.22	4.90	0.16	26.00	1.78	24.22
2017	2018	8.40	1.52	9.92	10.62	1.29	5.06	-	26.89	1.94	24.95
2018	2019	8.75	1.52	10.27	10.71	1.35	5.15	-	27.48	1.93	25.55

Notes:
Through the State of Wisconsin Expenditure Restraint Program, a pool of money is distributed annually to local governments that meet certain restrictions on the growth of General Fund expenditures. In general, the program limits the growth of General fund expenditures to 60% of the change in equalized value due to net new construction, up to a maximum of 2%, plus the change in the Consumer Price Index.

CITY OF WAUSAU
Schedule 8
Principal Taxpayers, Current Year and Nine Years Prior

		2018			2009		
Taxpayer	Type of Business	Taxable Assessed Value [A]	Percent of Total Assessed Value [B]	Rank	Taxable Assessed Value [A]	Percent of Total Assessed Value [B]	Rank
Ghidorzi	Office/Real Estate Development	$ 82,123,400	3.03%	1	$ 76,611,000	2.83%	1
Aspirus/Wausau Hospital	Medical	40,466,100	1.49%	2	40,687,800	1.50%	3
Marshfield Clinic	Medical	34,594,200	1.28%	3	26,970,600	0.99%	5
Apogee/Wausau Metals	Manufacturing	30,586,800	1.13%	4	31,332,100	1.16%	4
Wausau Benefits/Fiserv	Insurance	28,452,700	1.05%	5	19,711,100	0.73%	8
First Wausau Tower	Office	25,271,100	0.93%	7	19,491,600	0.72%	9
Eastbay	Retail/Distribution	21,464,000	0.79%	6	21,999,200	0.81%	6
L & L Properties LLC	Apartments	18,343,700	0.68%	9			
Kocourek Holdings LLC	Car Dealer	18,088,100	0.67%	8			
Incredible Bank (fka River Valley Bank)	Banking	15,251,400	0.56%	10	16,102,000	0.59%	10
Employers Insurance/Liberty	Insurance				45,175,500	1.67%	2
Wausau Center Mall	Retail				21,937,800	0.81%	7
	TOTAL	$ 314,641,500	11.58%		$ 320,018,700	11.81%	

[A] Per City Assessor records.
[B] Based on the City's total assessed valuation on January 1, 2018 and 2009 of $2,712,932,900 and $2,710,877,800, respectively.

CITY OF WAUSAU
Schedule 9
Property Tax Levies and Collections
Last Ten Fiscal Years

Collection Year	Total Tax Levy	Collections Prior to Transfer of Roll on August 1	Percent of Levy Collected	Total Tax Collections at December 31	Total Collections as Percent of Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as Percent of Levy
2009	20,500,585	19,999,139	97.55%	20,451,137	99.76%	49,448	0.24%
2010	21,142,347	20,509,189	97.01%	21,100,405	99.80%	41,942	0.20%
2011	21,462,314	20,808,718	96.95%	21,434,158	99.87%	28,156	0.13%
2012	21,492,379	20,688,591	96.26%	21,473,246	99.91%	19,133	0.09%
2013	21,517,379	20,970,838	97.46%	21,500,089	99.92%	17,290	0.08%
2014	21,824,002	21,407,308	98.09%	21,806,793	99.92%	17,209	0.08%
2015	22,312,375	21,896,425	98.14%	22,281,568	99.86%	30,807	0.14%
2016	22,927,098	22,524,679	98.24%	22,895,034	99.86%	32,064	0.14%
2017	23,879,534	23,526,350	98.52%	23,851,136	99.88%	28,398	0.12%
2018	24,462,367	24,121,569	98.61%	24,426,778	99.85%	35,589	0.15%

Notes:
The amount of outstanding taxes represents uncollected personal property taxes at the end of each year.
For delinquent taxes that are deemed to be uncollectible, the portions attributable to overlapping districts are charged back to those jurisdictions as allowed per state statutes.

This schedule does not include tax increment.

CITY OF WAUSAU
Schedule 10
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

	City Direct Rate	Marathon County Direct Rate	State of Wisconsin
2009	0.0%	0.5%	5.0%
2010	0.0%	0.5%	5.0%
2011	0.0%	0.5%	5.0%
2012	0.0%	0.5%	5.0%
2013	0.0%	0.5%	5.0%
2014	0.0%	0.5%	5.0%
2015	0.0%	0.5%	5.0%
2016	0.0%	0.5%	5.0%
2017	0.0%	0.5%	5.0%
2018	0.0%	0.5%	5.0%

Note:
Wisconsin counties have the option of levying a 0.5% sales tax.
Cities do no have the option of levying sales tax.

CITY OF WAUSAU

Schedule 11

Water Utility Customer Summary

Last Ten Fiscal Years

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Number of customers										
Residential	13,873	13,891	13,928	13,999	14,195	14,261	14,293	14,330	14,301	14,355
Commercial	1,552	1,541	1,526	1,505	1,337	1,273	1,409	1,372	1,371	1,372
Industrial	82	75	75	75	75	84	90	90	90	91
Public	106	108	108	108	96	120	135	134	135	136
Irrigation 1	-	-	-	-	345	312	318	315	354	368
Total	15,613	15,615	15,637	15,687	16,048	16,050	16,245	16,241	16,251	16,322
Gallons (thousands)										
Residential	645,555	608,771	601,644	638,697	590,309	583,940	579,422	579,102	533,257	568,848
Commercial	349,435	344,147	338,040	356,233	286,914	264,923	270,305	273,716	268,352	271,707
Industrial	217,288	188,518	180,643	177,595	177,088	158,642	166,862	214,386	220,020	245,731
Public	112,634	107,124	113,432	137,678	100,757	109,373	99,569	87,634	83,538	94,629
Irrigation 1	-	-	-	-	59,895	49,524	66,746	57,225	43,228	67,197
Total	1,324,912	1,248,560	1,233,759	1,310,203	1,214,963	1,166,402	1,182,904	1,212,063	1,148,395	1,248,112

[1] Irrigation customers were not required to be tracked separately by the PSC until 2013.
Prior to 2013 irrigation customers were included with commercial customers

Sources: Wisconsin Public Service Commission Annual Reports

CITY OF WAUSAU
Schedule 12
Water Utility Customer Rates
Last Ten Fiscal Years

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Metered Service										
Quarterly Service Charge										
5/8 inch meter	$ 15.00	$ 15.45	$ 15.45	$ 15.45	$ 15.45	$ 15.45	$ 15.60	$ 15.60	$ 16.08	$ 16.56
3/4 inch meter	15.00	15.45	15.45	15.45	15.45	15.45	15.60	15.60	16.08	16.56
1 inch meter	24.00	24.72	24.72	24.72	24.72	24.72	25.50	25.50	26.28	27.06
1 1/4 inch meter	36.00	37.08	37.08	37.08	37.08	37.08	37.20	37.20	38.31	39.45
1 1/2 inch meter	42.00	43.26	43.26	43.26	43.26	43.26	45.00	45.00	46.35	47.73
2 inch meter	63.00	64.89	64.89	64.89	64.89	64.89	66.00	66.00	67.98	70.02
3 inch meter	114.00	117.42	117.42	117.42	117.42	117.42	118.50	118.50	122.07	125.73
4 inch meter	162.00	166.86	166.86	166.86	166.86	166.86	171.00	171.00	176.13	181.41
6 inch meter	306.00	315.18	315.18	315.18	315.18	315.18	318.00	318.00	327.54	337.38
8 inch meter	468.00	482.04	482.04	482.04	482.04	482.04	486.00	486.00	500.58	515.61
10 inch meter	687.00	707.61	707.61	707.61	707.61	707.61	711.00	711.00	732.33	754.29
12 inch meter	906.00	933.18	933.18	933.18	933.18	933.18	936.00	936.00	964.08	993.00
Volume rate (per 100 cubic feet)										
All customers										
First 6,000 cubic feet	$ 1.64	$ 1.69	$ 1.69	$ 1.69	$ 1.69	$ 1.69	$ -	$ -	$ -	$ -
Next 54,000 cubic fe	1.49	1.53	1.53	1.53	1.53	1.53	-	-	-	-
Over 60,000 cubic fe	1.13	1.16	1.16	1.16	1.16	1.16	-	-	-	-
Residential										
All water used	-	-	-	-	-	-	2.10	2.10	2.16	2.22
Non Residential										
First 6,000 cubic feet	-	-	-	-	-	-	2.10	2.10	2.16	2.22
Next 54,000 cubic fee	-	-	-	-	-	-	1.95	1.95	2.01	2.07
Over 60,000 cubic fee	-	-	-	-	-	-	1.65	1.65	1.70	1.75
Irrigation Class										
All water used	-	-	-	-	-	-	3.00	3.00	3.09	3.18

CITY OF WAUSAU
Schedule 12 (Continued)
Water Utility Customer Rates
Last Ten Fiscal Years

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Public Fire Protection										
Quarterly Service Charge										
5/8 inch meter	$ 8.70	$ 8.96	$ 8.96	$ 8.96	$ 8.96	$ 8.96	$ 9.57	$ 9.57	$ 9.87	$ 10.17
3/4 inch meter	8.70	8.96	8.96	8.96	8.96	8.96	9.57	9.57	9.87	10.17
1 inch meter	21.60	22.25	22.25	22.25	22.25	22.25	23.94	23.94	24.66	25.41
1 1/4 inch meter	31.80	32.75	32.75	32.75	32.75	32.75	35.43	35.43	36.48	37.56
1 1/2 inch meter	42.90	44.19	44.19	44.19	44.19	44.19	47.88	47.88	49.32	50.79
2 inch meter	69.00	71.07	71.07	71.07	71.07	71.07	76.62	76.62	78.93	81.30
3 inch meter	129.00	132.87	132.87	132.87	132.87	132.87	144.00	144.00	148.32	152.76
4 inch meter	216.00	222.48	222.48	222.48	222.48	222.48	240.00	240.00	247.20	254.61
6 inch meter	432.00	444.96	444.96	444.96	444.96	444.96	480.00	480.00	494.40	509.22
8 inch meter	684.00	704.52	704.52	704.52	704.52	704.52	765.00	765.00	787.95	811.59
10 inch meter	1,026.00	1,056.78	1,056.78	1,056.78	1,056.78	1,056.78	1,149.00	1,149.00	1,183.47	1,218.96
12 inch meter	1,368.00	1,409.04	1,409.04	1,409.04	1,409.04	1,409.04	1,533.00	1,533.00	1,578.99	1,626.36

Note: Increases in water rates must be approved by the Public Service Commission of Wisconsin
Source: Finance Department - City of Wausau

CITY OF WAUSAU
Schedule 13
Water Utility - Ten Largest Customers
Current Year and Ten Years Prior

	2018			
Customer	Gallons Billed		Amount Billed	% of Total
Linetec	21,784,916	$	124,026	2.21%
Graphic Packaging Corp	7,957,776		61,099	1.09%
Kraft Food Group Inc	5,412,903		46,175	0.82%
Minnesota Mining	6,887,313		45,339	0.81%
Wausau Hospital Center	8,874,738		44,631	0.78%
Marathon County	6,830,761		44,555	0.79%
Wausau School District	3,249,762		23,656	0.42%
Ward Island LLC	2,805,419		19,826	0.35%
Wausau Coated Products	3,360,847		16,640	0.30%
North Central Health Care	2,666,057		13,200	0.24%
Subtotal (ten largest)	69,830,491		439,147	7.82%
All other customers	1,178,281,509		5,177,301	92.18%
Grand Totals	1,248,112,000	$	5,616,448	100.00%

	2011			
Customer	Gallons Billed		Amount Billed	% of Total
Marathon County	6,517,701	$	51,746	1.18%
Linetec	9,341,298		51,194	1.17%
Regal Beloit Corp.	7,422,545		47,472	1.08%
Wausau Hospital Center	4,576,731		41,874	0.95%
Minnesota Mining	6,200,602		38,135	0.86%
Graphic Packaging Corp.	3,857,703		36,700	0.84%
Kraft Foods Group Inc.	3,918,296		34,777	0.79%
North Central Health Care	3,251,781		16,100	0.37%
Wausau Coated Products	2,057,711		10,188	0.23%
St. Michaels Clinic	1,458,252		7,220	0.16%
Subtotal (ten largest)	48,602,620		335,406	7.63%
All other customers	1,185,156,380		4,058,251	92.37%
Grand Totals	1,233,759,000	$	4,393,657	100.00%

Note: The City is required to present the last ten fiscal years of data; however accounting standards allow for the presentation of as many years as are available until ten fiscal years are presented. Due to a software conversion 9 years ago, data from only 8 years ago was available.
Source: Finance Department - City of Wausau

CITY OF WAUSAU
Schedule 14
Sewer Utility Customer Summary
Last Ten Fiscal Years

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Number of customers										
Residential	13,825	13,838	13,870	13,883	14,127	14,105	14,290	14,325	14,304	14,352
Commercial	1,448	1,433	1,417	1,393	1,269	1,276	1,343	1,355	1,352	1,355
Industrial	75	69	69	68	74	77	53	76	76	77
Public	73	73	74	72	92	123	127	127	128	127
Unmetered/Unannexed	40	40	40	45	38	33	33	33	33	33
Total	15,461	15,453	15,470	15,461	15,600	15,614	15,846	15,916	15,893	15,944
Gallons (thousands)										
Residential	535,163	538,745	582,236	616,858	542,969	509,657	578,286	578,701	559,657	584,647
Commercial	294,599	294,993	290,252	289,361	265,832	214,802	248,626	249,448	246,598	249,365
Industrial	28,908	34,893	39,004	41,928	40,078	42,052	51,842	50,226	53,342	50,365
Public	52,278	52,011	50,699	53,779	48,570	49,864	47,547	47,541	47,983	49,916
Unmetered/Unannexed	979	1,524	868	865	784	731	545	524	798	938
Total	911,927	922,166	963,059	1,002,791	898,233	817,106	926,846	926,440	908,378	935,231

Sources: Finance Department - City of Wausau

CITY OF WAUSAU
Schedule 15
Sewer Utility Customer Rates
Last Ten Fiscal Years

General Metered Service	Fiscal Year 2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Quarterly Service Charge										
5/8 inch meter	$ 13.90	$ 15.01	$ 17.00	$ 17.00	$ 17.00	$ 17.00	$ 17.00	$ 17.00	$ 17.00	$ 20.40
3/4 inch meter	15.60	16.85	17.00	17.00	17.00	17.00	17.00	17.00	17.00	20.40
1 inch meter	20.10	21.71	23.00	23.00	23.00	23.00	23.00	23.00	23.00	27.60
1 1/4 inch meter	24.20	26.14	32.00	32.00	32.00	32.00	32.00	32.00	32.00	38.40
1 1/2 inch meter	28.40	30.67	37.00	37.00	37.00	37.00	37.00	37.00	37.00	44.40
2 inch meter	43.00	46.44	62.00	62.00	62.00	62.00	62.00	62.00	62.00	74.40
3 inch meter	72.00	77.76	112.00	112.00	112.00	112.00	112.00	112.00	112.00	134.40
4 inch meter	113.00	122.04	183.00	183.00	183.00	183.00	183.00	183.00	183.00	219.60
6 inch meter	218.00	235.44	361.00	361.00	361.00	361.00	361.00	361.00	361.00	433.20
8 inch meter		371.00	568.00	568.00	568.00	568.00	568.00	568.00	568.00	681.60
Volume rate (per 100 cubic feet)	1.88	2.03	2.59	2.59	2.59	2.59	2.59	2.59	2.59	3.11

Note: Increases in sewer rates must be approved by the Public Service Commission of Wisconsin
Source: Finance Department - City of Wausau

CITY OF WAUSAU
Schedule 16
Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities			Business-type Activities						
Fiscal Year	General Obligation Debt	Anticipation Notes	Capital Leases	General Obligation Debt	Water Utility Revenue Bonds	Wastewater Utility Revenue Bonds	Anticipation Notes	Total Primary Government	Percentage of Personal Income	Per Capita
2009	48,016,991	-	-	4,317,084	-	1,630,000	-	53,964,075	6.30%	1,326
2010	45,938,199	-	-	3,816,478	-	-	-	49,754,677	5.71%	1,222
2011	43,774,783	-	-	6,328,392	-	-	-	50,103,175	5.57%	1,280
2012	42,800,635	-	-	5,544,940	-	-	-	48,345,575	5.10%	1,235
2013	45,785,291	-	-	4,688,284	-	-	-	50,473,575	5.22%	1,288
2014	44,726,705	-	-	3,827,992	-	-	-	48,554,697	4.90%	1,241
2015	50,123,282	-	-	6,995,542	-	-	-	57,118,824	5.27%	1,462
2016	66,304,178	-	-	10,173,320	-	-	-	76,477,498	7.03%	1,966
2017	70,409,753	6,733,782	-	9,309,006	5,116,227	6,636,699	-	98,205,467	8.93%	2,541
2018	67,294,408	14,743,782	-	1,124,640	4,749,644	6,087,638	5,055,000	99,055,112	N/A	2,538

CITY OF WAUSAU
Schedule 17
General Obligation Debt
Last Ten Fiscal Years

Fiscal Year	General Obligation Debt [A]	Less Assets Restricted for Debt Service	Total Net Debt	Percentage of Actual Taxable Property Value [B]	Per Capita [C]
2009	48,016,991	92,479	47,924,512	1.76%	1,178
2010	45,938,199	57,045	45,881,154	1.71%	1,127
2011	43,774,783	180,536	43,594,247	1.64%	1,114
2012	42,800,635	556,338	42,244,297	1.65%	1,079
2013	45,785,291	666,846	45,118,445	1.79%	1,152
2014	44,726,705	741,269	43,985,436	1.66%	1,124
2015	50,123,282	880,446	49,242,836	1.87%	1,261
2016	66,304,178	1,898,330	64,405,848	2.47%	1,655
2017	70,409,753	8,902,778	61,506,975	2.22%	1,591
2018	82,038,190	679,147	81,359,043	2.81%	2,085

[A] Total amount includes general obligation debt to be repaid by government resources. This does not include business-type activities debt.

[B] Actual Taxable Property Values can be found in Schedule 6.

[C] Population data can be found in Schedule 16.

CITY OF WAUSAU
Schedule 18
Computation of Direct and Overlapping General Obligation Debt
December 31, 2018

Taxing Jurisdiction	Debt Outstanding [B]	Percentage Applicable to City of Wausau	Amount Applicable to City of Wausau
City of Wausau - Governmental Activities	$ 80,013,293	100.00%	$ 80,013,293
Overlapping Debt:			
Wausau School District	66,605,000	59.94%	39,923,037
DC Everest School District	101,815,000	5.28%	5,375,832
Northcentral Technical College	41,040,000	15.75%	6,463,800
Marathon County	11,145,000	26.20%	2,920,323
Total Overlapping Debt			54,682,992
Total Direct and Overlapping Debt			$ 134,696,285

[A] Overlapping debt percentages are based on actual taxable property values contained within each entity.

[B] Total amount includes general obligation debt to be repaid by government resouces. This does not include business-type activities debt.

CITY OF WAUSAU
Schedule 19
Legal Debt Margin Calculation
Fiscal Year Ended December 31, 2018

Legal Debt Margin at December 31, 2018

Equalized Value of Real & Personal Property	$ 2,896,505,400
Legal Debt Limit (5% of equalized value)	$ 144,825,270
Total Debt Applicable to Debt Limitation	66,527,933
Less: Available funds reserved for debt retirement	(679,147)
Net Amount Applicable to Debt Limitation	65,848,786
Remaining Legal Debt Margin	$ 78,976,484

Fiscal Year	Total Equalized Value	Debt Limit	Net debt applicable to limit	Legal Debt Margin	Net debt applicable to limit as percent of Debt Limit
2009	2,726,775,100	136,338,755	52,241,596	84,097,159	38.32%
2010	2,681,223,200	134,061,160	49,697,632	84,363,528	37.07%
2011	2,652,252,200	132,612,610	49,922,639	82,689,971	37.65%
2012	2,554,319,700	127,715,985	47,789,237	79,926,748	37.42%
2013	2,520,917,800	126,045,890	49,806,729	76,239,161	39.51%
2014	2,655,928,800	132,796,440	47,197,306	85,599,134	35.54%
2015	2,633,849,300	131,692,465	55,493,129	76,199,336	42.14%
2016	2,608,454,600	130,422,730	73,181,274	76,199,336	56.11%
2017	2,764,682,800	138,234,140	68,921,527	69,312,613	49.86%
2018	2,896,505,400	144,825,270	65,848,786	78,976,484	45.47%

CITY OF WAUSAU
Schedule 20
Mortgage Revenue Bond Coverage - Water Utility
Last Ten Fiscal Years

Fiscal Year	Gross Revenues [1]	Direct Operating Expenses [2]	Net Revenue Available for Debt Service	Debt Service Requirements: Principal	Interest	Total	Coverage
2009	4,648,554	2,308,633	2,339,921	-	-	-	n/a
2010	4,587,302	2,317,467	2,269,835	-	-	-	n/a
2011	4,661,349	2,380,701	2,280,648	-	-	-	n/a
2012	4,769,443	2,315,388	2,454,055	-	-	-	n/a
2013	4,607,865	2,211,938	2,395,927	-	-	-	n/a
2014	4,514,046	2,562,127	1,951,919	-	-	-	n/a
2015	5,236,584	2,594,898	2,641,686	-	-	-	n/a
2016	5,445,178	2,710,126	2,735,052	-	-	-	n/a
2017	5,372,924	2,682,577	2,690,347	-	-	-	n/a
2018	5,894,211	2,926,502	2,967,709	345,000	143,997	488,997	6.07

(Continued)

[1] Includes Total Operating Revenues and Investment Income.
[2] Includes Total Operating Expenses less Depreciation.

CITY OF WAUSAU
Schedule 20 (Continued)
Mortgage Revenue Bond Coverage - Wastewater Utility
Last Ten Fiscal Years

Fiscal Year	Gross Revenues [1]	Direct Operating Expenses [2]	Net Revenue Available for Debt Service	Debt Service Requirements Principal	Interest	Total	Coverage
2009	3,965,504	2,748,388	1,217,116	790,000	121,000	911,000	1.34
2010	4,246,031	2,878,361	1,367,670	-	-	-	n/a
2011	5,274,740	2,761,714	2,513,026	-	-	-	n/a
2012	5,406,764	2,628,577	2,778,187	-	-	-	n/a
2013	5,296,960	2,597,587	2,699,373	-	-	-	n/a
2014	5,368,849	2,782,434	2,586,415	-	-	-	n/a
2015	5,292,155	2,462,792	2,829,363	-	-	-	n/a
2016	5,322,278	2,874,713	2,447,565	-	-	-	n/a
2017	5,318,567	3,132,714	2,185,853	-	-	-	n/a
2018	5,499,835	3,228,465	2,271,370	515,000	177,908	692,908	3.28

[1] Includes Total Operating Revenues and Investment Income.
[2] Includes Total Operating Expenses less Depreciation.

CITY OF WAUSAU
Schedule 21
Demographic Statistics
Last Ten Fiscal Years

Fiscal Year	City of Wausau Population [1]	Personal Income [2]	AGI Per Return [3]	School System Enrollment [4]	Unemployment Rate [5]
2009	40,700	856,501,154	40,535	8,522	12.8%
2010	39,106	870,788,312	40,691	8,546	10.1%
2011	39,142	899,556,630	41,620	8,574	9.0%
2012	39,160	947,821,670	43,570	8,623	8.7%
2013	39,180	967,741,170	43,250	8,663	7.4%
2014	39,131	990,629,330	44,140	8,637	4.1%
2015	39,063	1,083,114,031	47,906	8,628	3.7%
2016	38,909	1,087,133,073	48,541	8,454	3.2%
2017	38,652	1,099,704,069	48,604	8,405	2.5%
2018	39,024	n/a	n/a	8,311	2.6%

[1] Source: Wisconsin Department of Administration estimates.
[2] Source: Wisconsin Department of Revenue. Adjusted Gross Income for all tax returns filed for City of Wausau residents.
[3] Source: Wisconsin Department of Revenue. Average Adjusted Gross Income for returns filed.
[4] Source: Wisconsin Department of Public Instruction.
[5] Source: Wisconsin Department of Workforce Development. Annual rates not seasonally adjusted.

CITY OF WAUSAU
Schedule 22
Principal Employers
Current Year and Nine Years Prior

Employer	Type of business	2018 Number of Employees*	2018 Percentage of Total City Employment	2018 Rank	2009 Number of Employees*	2009 Percentage of Total City Employment	2009 Rank
Aspirus/Wausau Hospital	Medical	3,634	18.91%	1	2,700	15.30%	1
United Health Care/UMR/Optum	Benefits Administration	1,354	7.04%	2	969	5.49%	7
Wausau School District	Education	1,271	6.61%	3	1,160	6.57%	4
Eastbay/Footlocker.com	Retail/distribution	1,125	5.85%	4	1,065	6.04%	5
Apogee-Linetec	Metal coating/window manufacturing	977	5.07%	5			
Kolbe & Kolbe	Window/door manufacturing	871	4.53%	6	1,400	7.93%	2
Marathon County	Government	787	4.09%	7	750	4.25%	8
Employers Insurance/Liberty	Insurance	750	3.90%	T-8	1,250	7.08%	3
North Central Health Care	Health care/medical	750	3.90%	T-8	1,000	5.67%	6
Marshfield Clinic	Health care/medical	566	2.94%	10			
Total		12,085	62.87%		10,294	58.34%	
Total City Employment		19,221			17,646		

*Includes full- and part-time employees.

Source: Employer contacts and information provided by Wisconsin Department of Workforce Development.

CITY OF WAUSAU

Schedule 23

Budgeted Full-Time Equivalent Personnel Positions

Last Ten Fiscal Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government										
Mayor's office	3.50	2.50	2.50	3.00	2.50	2.50	2.00	2.00	2.00	2.00
Customer service	13.20	11.20	11.20	11.46	11.46	11.46	11.84	11.84	11.84	11.84
Assessment	6.50	6.50	6.50	6.50	6.50	7.00	7.00	7.00	7.00	6.00
Human resources	2.00	2.00	2.00	3.00	2.50	2.50	3.00	3.00	3.00	3.00
City attorney	3.25	3.25	3.25	3.25	3.75	3.75	3.75	3.75	3.75	3.75
Municipal court	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Total General Government	29.95	26.95	26.95	28.71	28.21	28.71	29.09	29.09	29.09	28.09
Public Safety										
Police department	77.50	75.50	75.50	76.50	79.00	81.00	84.00	84.00	84.00	87.00
Fire department	59.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	61.00
Inspections and electrical	11.00	10.00	6.00	-	-	-	-	-	-	-
Total Public Safety	147.50	145.50	141.50	136.50	139.00	141.00	144.00	144.00	144.00	148.00
Public Works	63.50	60.85	67.00	67.50	67.50	70.00	69.50	68.50	68.50	68.50
Community Development	11.75	11.75	11.75	12.00	12.00	12.75	12.75	13.75	13.75	14.00
Metro Ride	33.00	33.00	33.00	30.50	31.50	31.50	31.50	31.50	31.50	31.00
Water & Sewer Utilities	26.50	26.50	26.50	26.50	26.50	26.50	26.50	27.50	27.50	28.50
Total Regular Employees	312.20	304.55	306.70	301.71	304.71	310.46	313.34	314.34	314.34	318.09

Source: Finance and Human Resource Departments.

Beginning in 2012, employees originally reported in the Inspections and electrical category were transferred to Public Works.

CITY OF WAUSAU
Schedule 24
Operating Indicators by Function/Program

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government										
Building permits issued										
Residential	600	943	827	842	920	1,161	1,180	1,416	1,417	1,791
Non-residential	142	140	170	178	196	214	211	274	305	467
Total construction value ($000)										
Residential	10,953	14,848	15,085	12,772	9,811	12,365	13,384	11,878	21,429	18,013
Non-residential	21,018	16,506	18,599	44,076	51,571	44,456	71,950	73,203	116,221	81,248
Police										
Calls for service *	50,148	50,580	51,996	55,065	31,121	30,024	36,024	39,439	41,692	40,140
Parking tickets issued	10,907	6,970	6,781	9,112	16,774	16,196	11,873	13,022	15,417	13,685
Total arrests	3,255	3,047	3,159	3,262	3,412	3,305	3,223	3,537	3,570	3,187
Fire										
Fire responses **	1,285	1,333	1,493	1,618	2,100	2,117	2,097	2,212	2,222	642
Emergency responses	4,074	4,161	4,224	4,311	4,436	4,491	4,999	5,457	5,353	5,578
Inspections	3,951	4,004	3,919	3,922	4,105	4,193	4,144	4,141	3,809	3,890
Public works										
Miles of street swept	6,304	5,419	4,614	5,151	5,986	5,035	4,731	6,139	5,073	5,006
Cu. yds. of debris - sweeping	3,817	2,833	2,935	4,986	3,761	3,398	3,539	2,630	2,868	3,963
Tons of asphalt used (potholes)	719	1,381	475	614	423	694	646	578	387	1,135
Water										
Ave. daily consumption (000 gal.)	4,979	5,125	5,205	5,322	4,158	4,672	4,196	3,944	3,815	4,110
Peak daily consumption (000 gal.)	7,510	7,033	6,855	7,921	6,345	6,656	6,218	7,263	6,156	7,888
Number of customers	15,613	15,675	15,719	15,839	15,722	15,815	15,950	15,719	16,041	16,181
Wastewater										
Ave. daily sewage treatment (000 gal.)	3,900	3,842	4,335	4,258	4,462	5,539	5,188	5,260	5,300	4,710
Metro Ride										
Total route miles	573,876	573,105	571,175	401,126	439,668	436,435	402,905	403,720	406,344	401,607
Total passengers	794,121	774,081	788,748	631,360	672,224	654,078	577,044	529,831	498,902	503,359
Cost per passenger	$3.88	$4.02	$4.24	$4.28	$4.23	$4.48	$4.56	$4.94	$5.37	$6.07

Source: Finance, Inspections, Police, Fire, Public Works, and Metro Ride Departments - City of Wausau

* Prior to 2013, calls for service included total number of officers responding to each call.

** Prior to 2018, fire responses included all situations requiring EMS/Ambulance.

CITY OF WAUSAU
Schedule 25
Capital Asset Statistics by Function/Program

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Fire										
Stations	3	3	3	3	3	3	3	3	3	3
Fire suppression units	8	8	8	8	8	8	8	8	8	8
Public works										
Miles of streets	233.8	239.0	245.0	250.8	250.9	252.5	258.8	259.6	260.2	261.9
Parks & recreation										
Parks	36	36	37	37	39	40	40	41	42	42
Acreage	342	342	342	342	433	434	436	436	437	437
Swimming pools	3	3	3	3	3	3	3	3	3	3
Water										
Miles of main	231.9	232.3	232.3	232.3	233.3	233.4	233.3	233.3	233.6	234.3
Storage capacity (000 gal.)	5,550	5,550	5,550	5,550	5,550	5,550	5,550	5,550	5,550	5,550
Fire hydrants	1,602	1,606	1,607	1,612	1,619	1,627	1,624	1,627	1,628	1,638
Wastewater										
Miles of main	226.2	226.4	226.6	226.6	228.3	228.7	228.7	229.3	229.3	231.1
Stormwater										
Miles of main	129.7	129.9	130.4	130.8	132.5	133.4	133.8	134.1	134.5	134.5

Source: Finance, Police, Fire, Engineering, Parks, and Public Works Departments - City of Wausau

FORM OF LEGAL OPINION

(See following pages)

Quarles & Brady LLP
411 East Wisconsin Avenue
Milwaukee, WI 53202

March 26, 2020

Re: City of Wausau, Wisconsin ("Issuer")
$5,120,000 Water System and Sewer System Revenue Bond Anticipation Notes, Series 2020A, dated March 26, 2020 ("Notes")

We have acted as bond counsel to the Issuer in connection with the issuance of the Notes. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

The Notes are issued pursuant to Section 66.0621, Wisconsin Statutes, and a resolution adopted by the Common Council of the Issuer on March 10, 2020 (the "Resolution"). The Notes are issued in anticipation of the sale of Water System Revenue Bonds and Sewer System Revenue Bonds of the Issuer (collectively, the "Bonds") which the Issuer has covenanted to issue. In the Resolution, the Issuer pledged the revenues (the "Revenues") of the Water System and Sewer System (collectively, the "System") to the payment of the Notes; provided, however, that the pledge of Revenues of the Water System shall be on a basis junior and subordinate to the Water System Revenue Bonds, Series 2017C, dated December 5, 2017 and Water System Revenue Bonds, Series 2019D, dated October 1, 2019 and any bonds issued in the future on a parity with the Water Parity Bonds and that the pledge of Revenues of the Sewer System shall be on a basis junior and subordinate to the Sewer System Revenue Bonds, Series 2017D, dated December 5, 2017 and Sewer System Revenue Bonds, Series 2019C, dated October 1, 2019 and any bonds issued on a parity with the Sewer Parity Bonds.

The Notes are numbered R-1; bear interest at the rate of _____% per annum; and mature on April 1, 2022. Interest is payable semi-annually on April 1 and October 1 of each year commencing on October 1, 2020.

The Notes are subject to redemption prior to maturity, at the option of the Issuer, on any date. Said Notes are redeemable [as a whole or in part, and if in part by lot,] at the principal amount thereof, plus accrued interest to the date of redemption.

We further certify that we have examined a sample of the Notes and find the same to be in proper form.

Based upon and subject to the foregoing, it is our opinion under existing law that:

1. The Resolution has been duly adopted by the Issuer and constitutes a valid and binding obligation of the Issuer enforceable upon the Issuer.

2. The Notes have been lawfully authorized and issued pursuant to the laws of the State of Wisconsin now in force and are valid and binding special obligations of the Issuer in accordance with their terms.

3. The Notes do not constitute a general obligation of the Issuer, and no lien is created upon the System or any property of the Issuer as a result of the issuance of the Notes.

4. The Notes are payable solely from:

(a) any proceeds of the Notes set aside for payment of interest on the Notes as it becomes due;

(b) proceeds to be derived from the issuance and sale of the Bonds, which proceeds have been declared by the Issuer to constitute a special trust fund to be expended solely for the payment of principal of and interest on the Notes; and

(c) a pledge of the Revenues.

5. The interest on the Notes is excludable for federal income tax purposes from the gross income of the owners of the Notes. The interest on the Notes is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals. The Code contains requirements that must be satisfied subsequent to the issuance of the Notes in order for interest on the Notes to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Notes to be included in gross income retroactively to the date of issuance of the Notes. The Issuer has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the Issuer comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Notes.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or any other offering material relating to the Notes. Further, we express no opinion regarding tax consequences arising with respect to the Notes other than as expressly set forth herein.

We express no opinion regarding the creation, perfection or priority of any security interest in the Revenues or other funds created by the Resolution or on the sufficiency of the Revenues.

The rights of the owners of the Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and may be subject to the exercise of judicial discretion in accordance with general principles of equity, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

QUARLES & BRADY LLP

APPENDIX C

BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

FORM OF CONTINUING DISCLOSURE CERTIFICATE

(See following pages)

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Wausau, Marathon County, Wisconsin (the "Issuer") in connection with the issuance of $5,120,000 Water System and Sewer System Revenue Bond Anticipation Notes, Series 2020A, dated March 26, 2020 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on March 10, 2020 (the "Resolution") and delivered to _________________ (the "Purchaser") on the date hereof. Pursuant to the Resolution, the Issuer has covenanted and agreed to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. In addition, the Issuer hereby specifically covenants and agrees as follows:

Section 1(a). Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders of the Securities in order to assist the Participating Underwriters within the meaning of the Rule (defined herein) in complying with SEC Rule 15c2-12(b)(5). References in this Disclosure Certificate to holders of the Securities shall include the beneficial owners of the Securities. This Disclosure Certificate constitutes the written Undertaking required by the Rule.

Section 1(b). Filing Requirements. Any filing under this Disclosure Certificate must be made solely by transmitting such filing to the MSRB (defined herein) through the Electronic Municipal Market Access ("EMMA") System at www.emma.msrb.org in the format prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by the identifying information prescribed by the MSRB.

Section 2. Definitions. In addition to the defined terms set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any annual report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Audited Financial Statements" means the Issuer's annual financial statements, which are currently prepared in accordance with generally accepted accounting principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and which the Issuer intends to continue to prepare in substantially the same form.

"Final Official Statement" means the Final Official Statement dated March 11, 2020 delivered in connection with the Securities, which is available from the MSRB.

"Financial Obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the fiscal year of the Issuer.

"Governing Body" means the Common Council of the Issuer or such other body as may hereafter be the chief legislative body of the Issuer.

"Issuer" means the City of Wausau, Marathon County, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the Finance Director/Treasurer of the Issuer who can be contacted at 407 Grant Street, Wausau, Wisconsin 54403, phone (715) 261-6645, fax (715) 261-6626.

"Listed Event" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board.

"Participating Underwriter" means any of the original underwriter(s) of the Securities (including the Purchaser) required to comply with the Rule in connection with the offering of the Securities.

"Rule" means SEC Rule 15c2-12(b)(5) promulgated by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time, and official interpretations thereof.

"SEC" means the Securities and Exchange Commission.

Section 3. Provision of Annual Report and Audited Financial Statements.

(a) The Issuer shall, not later than 365 days after the end of the Fiscal Year, commencing with the year ended December 31, 2019, provide the MSRB with an Annual Report filed in accordance with Section 1(b) of this Disclosure Certificate and which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report and that, if Audited Financial Statements are not available within 365 days after the end of the Fiscal Year, unaudited financial information will be provided, and Audited Financial Statements will be submitted to the MSRB when and if available.

(b) If the Issuer is unable or fails to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall send in a timely manner a notice of that fact to the MSRB in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 4. Content of Annual Report. The Issuer's Annual Report shall contain or incorporate by reference the Audited Financial Statements and updates of the following sections of the Final Official Statement to the extent such financial information and operating data are not included in the Audited Financial Statements:

1. DEBT - Direct Debt
2. DEBT - Debt Limit
3. VALUATIONS - Current Property Valuations
4. DESCRIPTION OF THE WATER SYSTEM
5. DESCRIPTION OF THE SEWER SYSTEM

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on the MSRB's Internet website or filed with the SEC. The Issuer shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Listed Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events with respect to the Securities:

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Securities, or other material events affecting the tax status of the Securities;

7. Modification to rights of holders of the Securities, if material;

8. Securities calls, if material, and tender offers;

9. Defeasances;

10. Release, substitution or sale of property securing repayment of the Securities, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the Issuer;

13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;

15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect holders of the Securities, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

For the purposes of the event identified in subsection (a)12. above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

(b) When a Listed Event occurs, the Issuer shall, in a timely manner not in excess of ten business days after the occurrence of the Listed Event, file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Securities pursuant to the Resolution.

(c) Unless otherwise required by law, the Issuer shall submit the information in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

<u>Section 6. Termination of Reporting Obligation</u>. The Issuer's obligations under the Resolution and this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all the Securities.

Section 7. Issuer Contact; Agent. Information may be obtained from the Issuer Contact. Additionally, the Issuer may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under the Resolution and this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of the Resolution or this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if the following conditions are met:

(a)(i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer, or the type of business conducted; or

(ii) This Disclosure Certificate, as amended or waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) The amendment or waiver does not materially impair the interests of beneficial owners of the Securities, as determined and certified to the Issuer by an underwriter, financial advisor, bond counsel or trustee.

In the event this Disclosure Certificate is amended for any reason other than to cure any ambiguities, inconsistencies, or typographical errors that may be contained herein, the Issuer agrees the next Annual Report it submits after such amendment shall include an explanation of the reasons for the amendment and the impact of the change, if any, on the type of financial statements or operating data being provided.

If the amendment concerns the accounting principles to be followed in preparing financial statements, then the Issuer agrees that it will give an event notice and that the next Annual Report it submits after such amendment will include a comparison between financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. (a) Except as described in the Final Official Statement, in the previous five years, the Issuer has not failed to comply in all material respects with any previous undertakings under the Rule to provide annual reports or notices of events.

(b) In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any holder of the Securities may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under the Resolution and this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default with respect to the Securities and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Participating Underwriters and holders from time to time of the Securities, and shall create no rights in any other person or entity.

IN WITNESS WHEREOF, we have executed this Certificate in our official capacities effective the 26th day of March, 2020.

____
Robert B. Mielke
Mayor

(SEAL)

____
Leslie Kremer
City Clerk

APPENDIX E

NOTICE OF SALE

$5,120,000* WATER SYSTEM & SEWER SYSTEM REVENUE BOND ANTICIPATION NOTES, SERIES 2020A
CITY OF WAUSAU, WISCONSIN

Bids for the purchase of $5,120,000* Water System & Sewer System Revenue Bond Anticipation Notes, Series 2020A (the "Notes") of the City of Wausau, Wisconsin (the "City") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, municipal advisors to the City, until 10:30 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 10:30 A.M. Central Time, on March 10, 2020, at which time they will be opened, read and tabulated. The bids will be presented to the Common Council for consideration for award by resolution at a meeting to be held at 6:30 P.M., Central Time, on the same date. The bid offering to purchase the Notes upon the terms specified herein and most favorable to the City will be accepted unless all bids are rejected.

PURPOSE

The Notes are being issued pursuant to Section 66.0621(4)(L), Wisconsin Statutes, to refund the Water System and Sewer System Revenue Bond Anticipation Notes, Series 2018B. The Notes are special obligations of the City, issued in anticipation of the sale of Water System Revenue Bonds and Sewer System Revenue Bonds (collectively, the "Bonds") of the City, which Bonds, the City has covenanted in the Resolution, will be issued as soon as practicable. The Notes do not constitute a general obligation of the City, and no lien is created upon the respective Water System or Sewer System (collectively, the "System") as result of the issuance of the Notes. The Notes are payable only from (a) any proceeds from the issuance and sale of the Notes which are set aside to pay interest on the Notes; (b) proceeds to be derived from the issuance and sale of the Bonds, which proceeds are pledged for the payment of the principal of and interest on the Notes; and (c) a pledge of the income and revenues of the System on a basis junior and subordinate to the pledge granted to the owners of the Prior Bonds.

DATES AND MATURITIES

The Notes will be dated March 26, 2020, will be issued as fully registered Notes in the denomination of $5,000 each, or any integral multiple thereof, and will mature on April 1 as follows:

Year	Amount*
2022	$5,120,000

ADJUSTMENT OPTION

* The City reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of $5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per $1,000.

INTEREST PAYMENT DATES AND RATES

Interest will be payable on April 1 and October 1 of each year, commencing October 1, 2020, to the registered owners of the Notes appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board. The rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

BOOK-ENTRY-ONLY FORMAT

Unless otherwise specified by the purchaser, the Notes will be designated in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Notes, and will be responsible for maintaining a book-entry system for recording the interests of its participants and the transfers of interests between its participants. The participants will be responsible for maintaining records regarding the beneficial interests of the individual purchasers of the Notes. So long as Cede & Co. is the registered owner of the Notes, all payments of principal and interest will be made to the depository which, in turn, will be obligated to remit such payments to its participants for subsequent disbursement to the beneficial owners of the Notes.

PAYING AGENT

The City has selected Bond Trust Services Corporation, Roseville, Minnesota, to act as paying agent (the "Paying Agent"). Bond Trust Services Corporation and Ehlers are affiliate companies. The City will pay the charges for Paying Agent services. The City reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the City, the Notes shall be subject to optional redemption prior to maturity on any date, in whole or in part, at a price of par plus accrued interest.

Redemption may be in whole or in part of the Notes subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Notes to be redeemed shall be at the discretion of the City. If only part of the Notes having a common maturity date are called for redemption, then the City or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of such call shall be given by sending a notice by registered or certified mail, facsimile or electronic transmission, overnight delivery service or in any other manner required by DTC, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Note to be redeemed at the address shown on the registration books.

DELIVERY

On or about March 26, 2020, the Notes will be delivered without cost to the winning bidder at DTC. On the day of closing, the City will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Notes is then pending or, to the best knowledge of officers of the City, threatened. Payment for the Notes must be received by the City at its designated depository on the date of closing in immediately available funds.

LEGAL OPINION

An opinion as to the validity of the Notes and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the City, and will be available at the time of delivery of the Notes. The legal opinion will be issued on the basis of existing law and will state that the Notes are valid and binding special obligations of the City; provided that the rights of the owners of the Notes and the enforceability of the Notes may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding).

STATEMENT REGARDING COUNSEL PARTICIPATION

Bond Counsel has not assumed responsibility for this Preliminary Official Statement or participated in its preparation (except with respect to the section entitled "TAX EXEMPTION" in the Preliminary Official Statement and the "FORM OF LEGAL OPINION" found in Appendix B of the Preliminary Official Statement).

SUBMISSION OF BIDS

Bids must not be for less than $5,094,400, nor more than $5,427,200, plus accrued interest on the principal sum of $5,120,000 from date of original issue of the Notes to date of delivery. Prior to the time established above for the opening of bids, interested parties may submit a bid as follows:

1) Electronically to bondsale@ehlers-inc.com; or

2) Electronically via **PARITY** in accordance with this Notice of Sale until 10:30 A.M. Central Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact Ehlers or i-Deal LLC at 1359 Broadway, 2nd Floor, New York, New York 10018, Telephone (212) 849-5021.

Bids must be submitted to Ehlers via one of the methods described above and must be received prior to the time established above for the opening of bids. Each bid must be unconditional except as to legality. Neither the City nor Ehlers shall be responsible for any failure to receive a facsimile submission.

A good faith deposit ("Deposit") in the amount of $102,400 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The City reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith. The Deposit will be deducted from the purchase price at the closing for the Notes.

The City and the winning bidder who chooses to so wire the Deposit hereby agree irrevocably that Ehlers shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: 1) All income earned thereon shall be retained by the escrow holder as payment for its expenses; 2) If the bid is not accepted, Ehlers shall, at its expense, promptly return the Deposit amount to the winning bidder; 3) If the bid is accepted, the Deposit shall be returned to the winning bidder at the closing; 4) Ehlers shall bear all costs of maintaining the escrow account and returning the funds to the winning bidder; 5) Ehlers shall not be an insurer of the Deposit amount and shall have no liability hereunder except if it willfully fails to perform or recklessly disregards, its duties specified herein; and 6) FDIC insurance on deposits within the escrow account shall be limited to $250,000 per bidder.

No bid can be withdrawn after the time set for receiving bids unless the meeting of the City scheduled for award of the Notes is adjourned, recessed, or continued to another date without award of the Notes having been made.

AWARD

The Notes will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The City's computation of the interest rate of each bid, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Notes will be awarded by lot. The City reserves the right to reject any and all bids and to waive any informality in any bid.

BOND INSURANCE

If the Notes are qualified for any bond insurance policy, the purchase of such policy shall be at the sole option and expense of the winning bidder. Any cost for such insurance policy is to be paid by the winning bidder, except that, if the City requested and received a rating on the Notes from a rating agency, the City will pay that rating fee. Any rating agency fees not requested by the City are the responsibility of the winning bidder.

Failure of the municipal bond insurer to issue the policy after the Notes are awarded to the winning bidder shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Notes.

CUSIP NUMBERS

The City will assume no obligation for the assignment or printing of CUSIP numbers on the Notes or for the correctness of any numbers printed thereon, but will permit such numbers to be printed at the expense of the winning bidder, if the winning bidder waives any delay in delivery occasioned thereby.

NON-QUALIFIED TAX-EXEMPT OBLIGATIONS

The City will NOT designate the Notes as "qualified tax-exempt obligations" pursuant to Section 265 of the Internal Revenue Code of 1986, as amended, which permits financial institutions to deduct interest expenses allocable to the Notes to the extent permitted under prior law.

CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 the City will enter into an undertaking for the benefit of the holders of the Notes. A description of the details and terms of the undertaking is set forth in Appendix D of the Official Statement.

NEW ISSUE PRICING

The winning bidder will be required to provide, in a timely manner, certain information necessary to compute the yield on the Notes pursuant to the provisions of the Internal Revenue Code of 1986, as amended, and to provide a certificate which will be provided by Bond Counsel upon request.

(a) The winning bidder shall assist the City in establishing the issue price of the Notes and shall execute and deliver to the City at closing an "issue price" or similar certificate satisfactory to Bond Counsel setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Notes, together with the supporting pricing wires or equivalent communications. All actions to be taken by the City under this Notice of Sale to establish the issue price of the Notes may be taken on behalf of the City by the City's municipal advisor identified herein and any notice or report to be provided to the City may be provided to the City's municipal advisor.

(b) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the "competitive sale requirements") because:

(1) The City shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential investors;

(2) all bidders shall have an equal opportunity to bid;

(3) the City may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

(4) the City anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Notes, as specified in this bid.

(c) If all of the requirements of a "competitive sale" are not satisfied, the City shall advise the winning bidder of such fact prior to the time of award of the sale of the Notes to the winning bidder. In such event, any bid submitted will not be subject to cancellation or withdrawal and the City agrees to use the rule selected by the winning bidder on its bid form to determine the issue price for the Notes. On its bid form, each bidder must select one of the following two rules for determining the issue price of the Notes: (1) the first price at which 10% of a maturity of the Notes (the "10% test") is sold to the public as the issue price of that maturity or (2) the initial offering price to the public as of the sale date as the issue price of each maturity of the Notes (the "hold-the-offering-price rule").

(d) <u>If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the hold-the-offering-price rule</u>, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Notes to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Notes, that the underwriters will neither offer nor sell unsold Notes of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth (5^{th}) business day after the sale date; or

(2) the date on which the underwriters have sold at least 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the City promptly after the close of the fifth (5^{th}) business day after the sale whether it has sold 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

The City acknowledges that in making the representation set forth above, the winning bidder will rely on:

(i) the agreement of each underwriter to comply with requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-price rule, if applicable to the Notes, as set forth in an agreement among underwriters and the related pricing wires,

(ii) in the event a selling group has been created in connection with the initial sale of the Notes to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, as set forth in a selling group agreement and the related pricing wires, and

(iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Notes to the public, the agreement of each broker-dealer that is party to such agreement to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price rule of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule as applicable to the Notes.

(e) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the 10% test, the winning bidder agrees to promptly report to the City, Bond Counsel and Ehlers the prices at which the Notes have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all Notes of that maturity have been sold or (ii) the 10% test has been satisfied as to each maturity of the Notes, provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the City or bond counsel.

(f) By submitting a bid, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is party to such third-party distribution agreement, as applicable, to:

(A) report the prices at which it sells to the public the unsold Notes of each maturity allocated to it, whether or not the Closing Date has occurred until either all securities of that maturity allocated to it have been sold or it is notified by the winning bidder that either the 10% test has been satisfied as to the Notes of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the City or bond counsel.

(B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group and each broker dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Notes to the public to require each broker-dealer that is a party to such third-party distribution agreement to:

(A) to promptly notify the winning bidder of any sales of Notes that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Notes to the public (each such term being used as defined below), and

(B) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(g) Sales of any Notes to any person that is a related party to an underwriter participating in the initial sale of the Notes to the public (each term being used as defined below) shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

(i) "public" means any person other than an underwriter or a related party,

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Notes to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the public),

(iii) a purchaser of any of the Notes is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "sale date" means the date that the Notes are awarded by the City to the winning bidder.

PRELIMINARY OFFICIAL STATEMENT

Bidders may obtain a copy of the Preliminary Official Statement relating to the Notes prior to the bid opening by request from Ehlers at www.ehlers-inc.com by connecting to the Bond Sales link. The Syndicate Manager will be provided with an electronic copy of the Final Official Statement within seven business days of the bid acceptance. Up to 10 printed copies of the Final Official Statement will be provided upon request. Additional copies of the Final Official Statement will be available at a cost of $10.00 per copy.

Information for bidders and bid forms may be obtained from Ehlers at 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, Telephone (651) 697-8500.

By Order of the Common Council

Maryanne Groat, Finance Director / Treasurer
City of Wausau, Wisconsin

BID FORM

The Common Council **March 10, 2020**
City of Wausau, Wisconsin

RE: $5,120,000* Water System & Sewer System Revenue Bond Anticipation Notes, Series 2020A (the "Notes")
DATED: March 26, 2020

For all or none of the above Notes, in accordance with the Notice of Sale and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you $__________________ (not less than $5,094,400, nor more than $5,427,200) plus accrued interest to date of delivery for fully registered Notes bearing interest rates and maturing in the stated years as follows:

_______________ % due 2022

* The City reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of $5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per $1,000. The rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

A good faith deposit ("Deposit") in the amount of $102,400 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The City reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Notice of Sale. The Deposit will be deducted from the purchase price at the closing for the Notes. This bid is for prompt acceptance and is conditional upon delivery of said Notes to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about March 26, 2020.

This bid is subject to the City's agreement to enter into a written undertaking to provide continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 as described in the Preliminary Official Statement for the Notes.

We have received and reviewed the Official Statement, and any addenda thereto, and have submitted our requests for additional information or corrections to the Final Official Statement. As Syndicate Manager, we agree to provide the City with the reoffering price of the Notes within 24 hours of the bid acceptance.

This bid is a firm offer for the purchase of the Notes identified in the Notice of Sale, on the terms set forth in this bid form and the Notice of Sale, and is not subject to any conditions, except as permitted by the Notice of Sale.

By submitting this bid, we confirm that we are an underwriter and have an established industry reputation for underwriting new issuances of municipal bonds. YES: ____ NO: ____.

If the competitive sale requirements are not met, we elect to use the (circle one): 10% test / hold-the-offering-price rule to determine the issue price of the Notes.

Account Manager: ______________________________ By: ______________________________
Account Members:

Award will be on a true interest cost basis. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from March 26, 2020 of the above bid is $_______________and the true interest cost (TIC) is __________%.

The foregoing offer is hereby accepted by and on behalf of the Common Council of the City of Wausau, Wisconsin, on March 10, 2020.

By: ______________________________ By: ______________________________

Title: ______________________________ Title: ______________________________

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION OF THE FINANCE COMMITTEE

Approving Municode's Full Service Supplementation services to host and codify the City of Wausau's code

Committee Action:	Pending
Fiscal Impact:	One time costs $8,750 and annual costs of $1,200 to $2,000
File Number:	**Date Introduced:** March 10, 2020

FISCAL IMPACT SUMMARY				
COSTS	*Budget Neutral*	Yes☐ No☒		
	Included in Budget:	Yes☒ No☐	*Budget Source: CityAttorney legal budget and Promotions professional services*	
	One-time Costs:	Yes☒ No☐	*Amount: $8,750*	
	Recurring Costs:	Yes☒ No☐	*Amount: $1,200 to $2,000 depending on quantity of ordinance changes*	
SOURCE	*Fee Financed:*	Yes☐ No☒	*Amount:*	
	Grant Financed:	Yes☐ No☒	*Amount:*	
	Debt Financed:	Yes☐ No☒	*Amount*	*Annual Retirement*
	TID Financed:	Yes☐ No☒	*Amount:*	
	TID Source: Increment Revenue ☐ *Debt* ☐ *Funds on Hand* ☐ *Interfund Loan* ☐			

RESOLUTION

WHEREAS, Municode and the City of Wauau wish to enter into a contract where Municode will convert and host the City of Wausau's code online; and

WHEREAS, Municode will convert the City of Wausau's current code to the Municode data base for a one time cost of $1,000.00; and

WHEREAS, Municode will conduct a complete legal review of the City of Wausau's entire current code to check for conflicts, outdated provisions, and issues of concerns for a one time cost of $7,750.00; and

WHEREAS, the City of Wausau will use Municode's Supplementation Service to amend, edit, and add new ordinances to the code at $19.00 per page, single column; and

WHEREAS, the City of Wausau will enter into the MyMunicode Bundle which includes MunicodeNEXT, which will host the City of Wausau's code online; OrdBank, which is a library of approved but not yet codified code; CodeBank, which is a permanent online collection of previous versions of the City of Wausau's code; CodeBank Compare + eNotify, which allows the comparison between two versions of code and notifications to users of updates to the code; and MuniPRO, which allows searches of Municode's entire database of code, for an annual cost of $1,195.00; and

WHEREAS, the project will be funded $7,750 from the City Attorney legal services budget and $2,195 from City promotions professional services budget; and

WHEREAS, your Finance Committee, on March 10, 2020, discussed and recommended entering into a contract with Municode and funding the project as noted.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Wausau that the proper city officials are hereby authorized and directed to execute the necessary contract with Municode.

Approved:

____
Robert B. Mielke, Mayor

FINANCE COMMITTEE
Date and Time: Tuesday, February 25, 2020 @ 5:15 pm., Council Chambers
Members Present: Rasmussen, Smith, Martens, Nutting, Lawrence
Others Present: Splinter, Bliven, Barteck, Jacobson, Mielke, Kujawa, Lindman, Rubow, Miller, Hanson, Neal

Discussion and possible action on adopting Municode's self-publishing or full service supplementation services to host and codify the City of Wausau's code and related budget modification
Rasmussen stated the Attorney's Office has been doing research and cost benefit analysis on finding a more user-friendly way for people to work with the city's code and to search the code.

Nathan Miller, Assistant City Attorney, explained the code is currently in a pdf that must be downloaded and if searching for something, you basically need to know where it is in the code. Updating the code is a somewhat tedious process and can be delayed up to a month or two after an ordinance is passed.

Miller stated the vendor, Municode, would take our current code and put it online in a fully searchable format, ADA compliant, and will translate to 90 different languages from Google translate. There is an initial one-time cost of $1,000 to get it from our current pdf to this searchable database. The cost to add an ordinance is $19 per page and they can choose how often they would like Municode to codify the ordinances. The Attorney's Office is also recommending a legal review of the entire code, which has never been done with Wausau's code. Municode will look within the code for inconsistencies, outdated provisions, check state statutes listed and ensure it is federally compliant. After our review of their findings the fixes will be sent to them and they will recodify the code. The legal review is $7,750, which is recommended to be done every 8 to 10 years. There will be an annual fee of $1,200 which covers the online searchable database and putting ordinances that are recently passed but not yet codified online to show what is coming. He reviewed other benefits that are available with Municode, as well as Munidocs.

Lawrence questioned where the money would come from. This information was not available due to illness of the Finance Director, so the consensus of the committee was to direct staff to prepare a resolution for Municode with the estimated total costs as well as the fund source. This resolution will be brought back to the next Finance meeting.

Office of the City Attorney

TEL: (715) 261-6590
FAX: (715) 261-6808

Anne L. Jacobson
City Attorney

Tara G. Alfonso
Assistant City Attorney

Nathan Miller
Assistant City Attorney

Comments, features, and recommendations on using Municode to modernize the City of Wausau's Ordinances.

Currently, the City of Wausau makes its Code available via a PDF document on its webpage. It requires a citizen to download the document to examine the Code. The Code is not searchable. The user either needs to have a general sense of where in the Code the specific provision is located, or needs to read the entire Code to locate the pertinent provision. There are currently no other associated features that will be described below available to any users. The City Attorney's Office looked into a number of providers that convert and host municipalities' code online and were most impressed with Municode, based on the features it offered, the price, the ease of use, and the number of other municipalities both in Wisconsin and throughout the U.S. that use Municode.

Municode Total Code Administrator

- Municode will first convert our current Code to the Municode database including:
    - Removal of supplement numbers
    - Updating preliminary pages (title page, officials' page, and preface)
    - New page numbers
    - Creation of consistent style
    - Indexing
    - Incorporation of graphics and tabular matter
    - 5 printed copies of the new code with divider tabs (can be adjusted)
    - Inclusion of adopted legislation
        - $1,000, one time cost
- Supplementation Service when amendments, edits, and new ordinances need to be added to the Code:
    - Acknowledgement of material
    - Data conversion
    - Editorial work
    - Proofreading
    - Updating the index
    - The schedule is set by Wausau
    - Updating electronic versions and online code
    - Printing 5 copies (can set this separately)
        - $19 per page, single column

- Legal Review of entire Code to check for conflicts, outdated provisions, and issues of concern
    - Chapter by chapter legal review. Provides snapshot of possible conflicts and issues of concern
    - State law citations are checked
        - $7,750
- MyMunicode Bundle (first 6 months of service at no charge) $1,195 annually
    - MunicodeNEXT
        - Standard Web Hosting that allows full functionality on all devices
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    - OrdBank
        - Library of individual ordinances that have been approved of but not officially codified yet.
        - Applies to amendatory ordinances only
    - CodeBank
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    - MuniPRO
        - Search Municode's database of over 3,600 online codes
    - Custom Banner
        - Customize Municode to match the look of Wausau's website
- MuniDocs
    - Host other municipal documents in a fully searchable format including minutes, agendas, resolutions, budgets, etc.
        - $350 annually

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Planning, Community and Economic Development

MEMO

TO: Finance Committee members

FROM: Michelle Van Krey, Community Development

DATE: March 4, 2020

RE: 2020 Community Development Block Grant Program

The Citizen's Advisory Committee for Community Development held three public hearings to receive comments on community needs, public performance and the proposed 2020 Community Development Block Grant (CDBG) program funds. On Wednesday, November 13, 2019, the Committee held its working session meeting to develop a proposed statement of objectives and use of projected funds for the 2020 Block Grant program. On February 14, 2020 the City of Wausau received notification as to what the actual allocation amount will be. Since the actual allocation was less than 10% of our anticipated planning amount, staff made the final decision as to where the additional $51,717 allocation would go.

Enclosed are the summary pages for all the applications we received for the 2020 funding round. Also enclosed is the breakdown sheet that reflects the funding requests, the initial Citizens Advisory Committee's recommendation based on the planning amount of $580,000 and then the final recommendations as of the actual funding amount of $631,717. As you evaluate the recommendations and funding requests, there are a number of items to consider. This year we had funding requests totaling $888,610. The City of Wausau's 2020 Block Grant allocation will be $631,717. When reviewing the attached proposed program, please remember that public service activities cannot be funded for more than 15% of the $631,717 – or a maximum of $94,758. The recommended allocation of $87,000 equals 13.8%

The primary purpose of the Housing and Community Development Act is to develop a viable community by providing decent housing and suitable living environments, expanding economic opportunities primarily for low and moderate income persons, and provide a safe community. All activities must have been rated as a high priority in our 5-year Consolidated Plan in order to be considered for funding. All activities the Community Development Citizens Advisory Committee has recommended meet these criteria. In addition, each activity carried out with CDBG funds must meet one of the three broad national objectives:

* Benefit low and moderate income persons
* Aid in the prevention or elimination of slum and blight
* Meet other community development needs having a particular urgency because existing conditions pose a serious or immediate threat to health.

The City of Wausau's 2020 Final Action Plan for spending the Community Development Block Grant funds has been completed and can be found on our website at:
https://www.ci.wausau.wi.us/Portals/0/Departments/ComDev/Documents/2020_Action_Plan_Draft.pdf

The 2020-2024 Consolidated Plan can be found here: https://www.ci.wausau.wi.us/Portals/0/Departments/ComDev/Documents/2020-2024_ConsolidatedPlan.pdf

Please feel free to review the above plans and let us know if you have any questions/concerns. As a part of the Action Plan, there are several certifications in which the municipality agrees to in operating the CDBG program. Those certification pages are also attached for your review. The final plan should be submitted to HUD no later than April 14, 2020.

If you have any questions regarding the process, the proposals or funding recommendations, please call me at 715-261-6679. Thank you for your input and your continued support of this program.

2020 CDBG Program

Activity Code	Applicant/Agency	Requested	Cit. Adv. Recommended	Finance Recommend	Common Council Approval
A - 570.206	CD Administration	$ 116,000	$ 116,000	$ 121,000	
ED - 570.203 (b)	McDevco - Economic Development	$ 100,000	$ 70,000	$ 70,000	
H - 570.202	Homeowner Rehabilitation	$ 65,000	$ 45,000	$ 45,000	
PF - 570.201 (c)	Sidewalk Installation Project	$ 125,000	$ 125,000	$ 125,000	
PF - 570.201 (c)	Parks Dept - Marathon Park Playground	$ 180,000	$ 97,000	$ 126,717	
PF - 570.201 (c)	Bridge Community - Community Garden	$ 74,110	$ 40,000	$ 57,000	
PS - 570.201 (e)	Adaptive Communities, Inc	$ 18,000	$15,000	$ 15,000	
PS - 570.201 (e)	Big Brothers Big Sisters	$ 16,500	$0	$ -	
PS - 570.201 (e)	Cath. Charitites - Beyond Shelter	$ 10,000	$10,000	$ 10,000	
PS - 570.201 (e)	Childcaring, Inc.	$ 25,000	$0	$ -	
PS - 570.201 (e)	Childrens Hospital - Triple P	$ 25,000	$0	$ -	
PS - 570.201 (e)	Faith in Action - Support for Seniors	$ 25,000	$15,000	$ 15,000	
PS - 570.201 (e)	Hmong American Center - Youth programs	$ 25,000	$0	$ -	
PS - 570.201 (e)	Keep Area Teens Safe (KATS)	$ 25,000	$15,000	$ 15,000	
PS - 570.201 (e)	North Central CAP - Hand in Hand Housing	$ 20,000	$15,000	$ 15,000	
PS - 570.201 (e)	Open Door - One-on-Ones	$ 15,000	$0	$ -	
PS - 570.201 (e)	WI Institute for Public Policy - LENA	$ 24,000	$17,000	$ 17,000	
	Total	$ 888,610	$ 580,000	$ 631,717	$ -
					$ 631,717

Note: Public Service funding cannot exceed 15% of grant amount $ 94,758

P.S. - Public Service Cap 15% — Left to Fund $ -
Administration Cap 20% $126,343.40 — PS Left to Fund $ 7,758

Code Definitions:

A	Administration/Planning
C	Clearance
ED	Economic Development
H	Housing
PF	Public Facility
PS	Public Service
SB	Slum & Blight

TO: Mayor Robert Mielke
Mayor, City of Wausau

FROM: Tammy Stratz

RE: Block Grant Administration Funds

DATE: October 24, 2019

The planning process has begun for the 2020 Community Development Block Grant program. The program has specific regulations which define how these funds may be utilized. Administration is an approved activity according to the regulations for block grant programs and we are requesting $116,000 for the purpose of administration and operation of the 2020 Block Grant Program. This amount represents 20% of the anticipated grant allocation amount of $580,000.

Should you have any questions regarding this activity, please contact me. Thank you.

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Planning, Community and Economic Development

2020 COMMUNITY DEVELOPMENT BLOCK GRANT

PUBLIC HEARING SUMMARY PAGE

Name of Organization: MCDEVCO

Name of Proposed Program __Economic Development Loan Program

Person(s) Speaking Vicki Resech

Amount Requesting: $ 100,000

Number of persons/households to be served: ___Job creation/New business/Expanding Small Businesses

Brief summary of proposal:

MCDEVCO, Inc. administers the City of Wausau's CDBG funds as GAP financing partnering area financial institutions to complete loan packages to new small businesses, expanding business, and assisting with inquiries of established businesses from outside of the City of Wausau. The funds assist with the creation of jobs, improvement of underserved and/or distressed areas and development of community services. This is an on-going processes aimed at taking a proactive approach to attract and retain businesses and the jobs they create.

Public Hearing dates are:

October 24, 2019 at 4:30 PM in the 2nd floor Board Room at City Hall

October 28, 2019 at 4:30 PM in the 2nd floor Board Room at City Hall

Presenting your proposal at one of these public hearings is mandatory.

This summary page must be faxed or delivered to the Community Development Department, 407 Grant Street, Wausau, by **12:00 pm on October 24, 2019** in order to present your proposal at either of the public hearing dates. Fax number (715) 261-4192 or E-mail tammy.stratz@ci.wausau.wi.us.

Any questions regarding the Block Grant program or process please call Tammy Stratz at 715-261-6682.

Planning, Community and Economic Development

2020 COMMUNITY DEVELOPMENT BLOCK GRANT

PUBLIC HEARING
SUMMARY PAGE

Name of Organization:____City of Wausau, Community Development______________________

Name of Proposed Program ____Housing Rehabilitation Program__________________________

Person(s) Speaking:____________Tammy Stratz______________________________________

Amount Requesting: $__65,000______________________________

Number of persons/households to be served: ___5-6 households___________

Brief summary of proposal:

The Housing Rehabilitation Loan Program assists income qualified, City of Wausau, homeowners with a low interest loan for the necessary rehabilitation needs of the home. The loan charges 2% simple interest with a maximum loan amount of $25,000. As loans are repaid the proceeds are placed in a Revolving Loan Fund to be used towards the next rehabilitation project. These new funds are combined with loan proceeds that are received throughout the year as loans are paid off or receive payments.

These program funds can also assist with the rehabilitation of city-owned properties that will then be sold to new income-qualified homeowners.

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Planning, Community and Economic Development

2020 COMMUNITY DEVELOPMENT BLOCK GRANT

PUBLIC HEARING SUMMARY PAGE

Name of Organization: City of Wausau - Department of Public Works, Engineering Division

Name of Proposed Program 2020 3rd Street Sidewalk Project

Person(s) Speaking: T.J. Niksich, P.E., Project Engineer

Amount Requesting: $125,000

Number of persons/households to be served: Approximately 219 Prop.

Brief summary of proposal:

The City of Wausau is proposing to add sidewalk on the east side of N. 3rd Street, from E. Wausau Avenue, approximately 500 feet to the north. The added sidewalk will extend the walk to the north on 3rd Street, where it currently dead ends at the E. Wausau intersection, and will connect sidewalk that currently runs parallel along E. Wausau. Overall, this project will substantially improve the walkability of the area. In addition to the sidewalk, a retaining wall and stormwater improvements will be included in the project.

Public Hearing dates are:

October 24, 2019 at 4:30 PM in the 2nd floor Board Room at City Hall

October 28, 2019 at 4:30 PM in the 2nd floor Board Room at City Hall

Presenting your proposal at one of these public hearings is <u>mandatory</u>.

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WAUSAU
WISCONSIN

Planning, Community and Economic Development

2020 COMMUNITY DEVELOPMENT BLOCK GRANT

PUBLIC HEARING SUMMARY PAGE

Name of Organization: Wausau/Marathon County Park, Recreation & Forestry Department

Name of Proposed Program Playground Replacement – Marathon Park

Person(s) Speaking: Jamie Polley

Amount Requesting: $ 180,000

Number of persons/households to be served: 2500

Brief summary of proposal:

Marathon Park is a 78 acre County park located in the middle of the City of Wausau. The park was deeded to the County by the Agricultural Society in 1921. The park has many historic structures mixed with modern structures and facilities for resident of the City of Wausau, Marathon County and countless visitors to enjoy. The park currently has 4 playgrounds all built between 1991-1999. The expected life of a playground is 15 years. The playgrounds are now 20-28 years old, are very worn and the replacement parts are becoming harder to find. Three of the playgrounds in the center of the park are also very small and provide little play value to the community. The plan is to eliminate the three small playgrounds and replace them with one larger playground, centrally located within the park. Marathon Park serves the immediate neighborhood and also the entire community and county. The park is host to family gatherings, campers, community events and daily use. Replacing the playgrounds will provide a safe space for children and adults to be active and socialize with their neighbors. The playground will also meet all ADA requirements. Attachments include two pages from the current County Comprehensive Outdoor Recreation Plan and pictures of the current playgrounds.

Public Hearing dates are:

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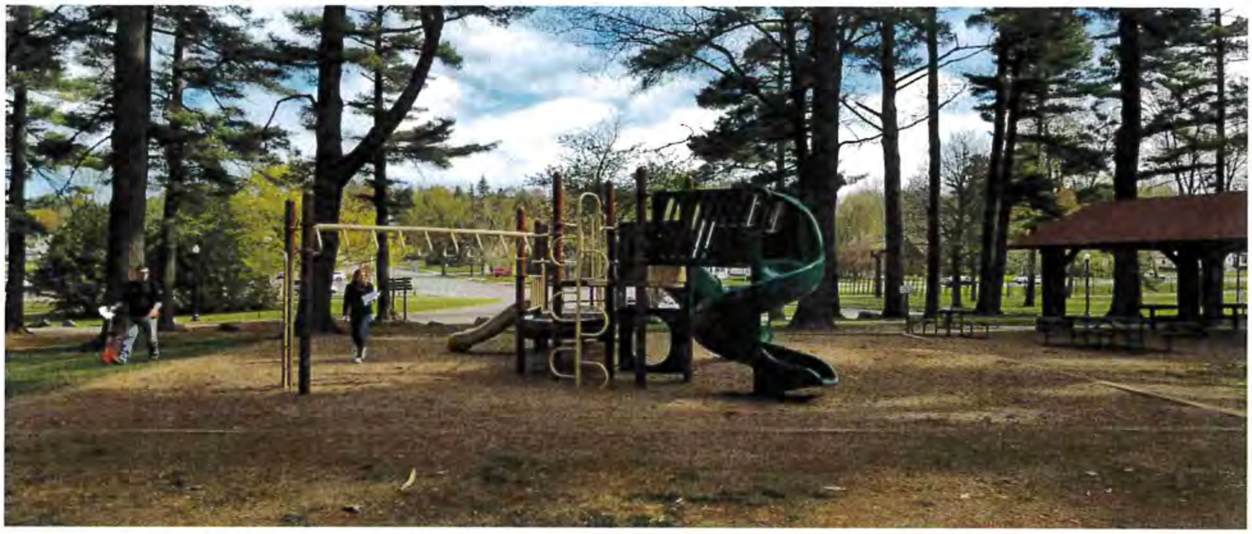
Marathon Park Playgrounds 2019



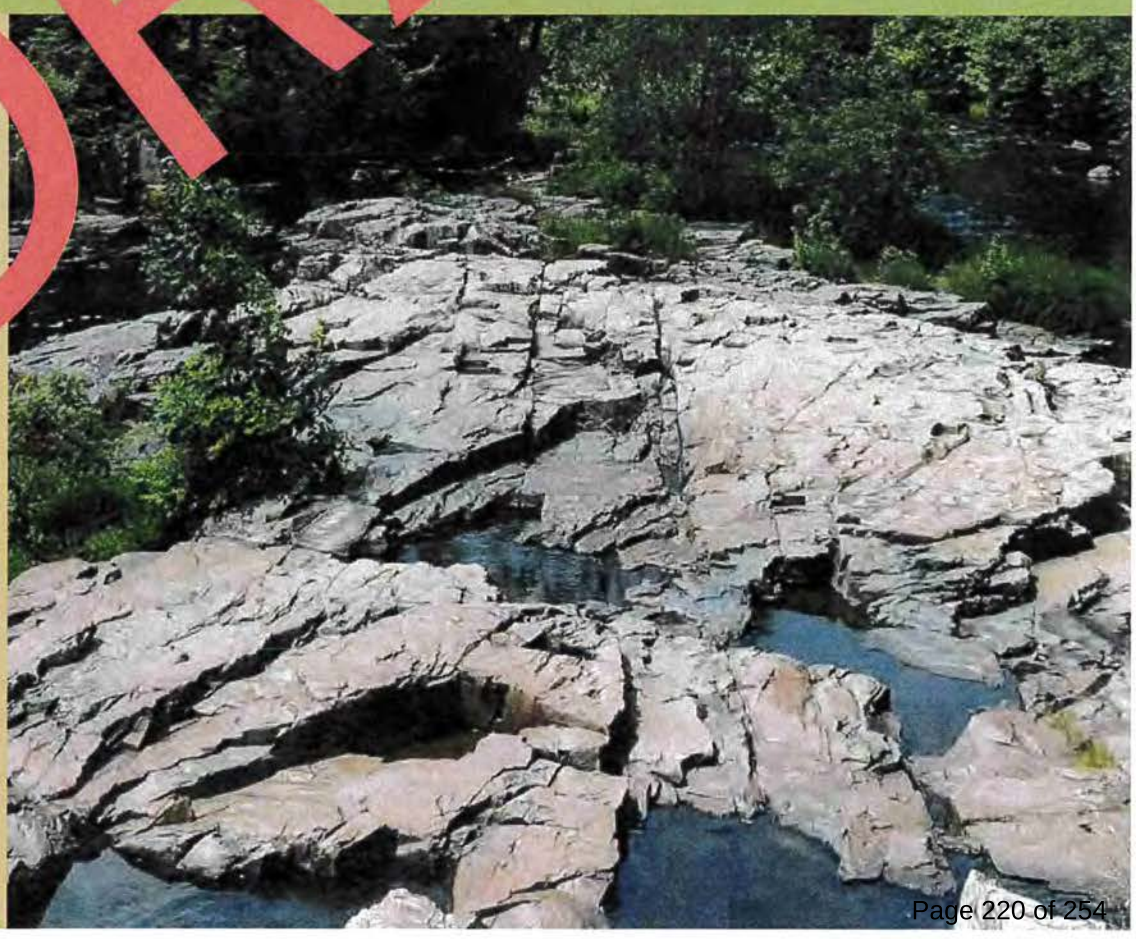
Above: Stewart entrance playground, Below: Northwest Playground

Below: Marathon Junction Playground

2020-2024

MARATHON COUNTY

Comprehensive Outdoor Recreation Plan



Marathon Park

RECOMMENDATIONS

IMPROVEMENT	PRIORITY (LOW-MED-HIGH)
Continue rehabilitation of historic structures*	High (1-3 Years)
Prepare park master plan	High (1-3 Years)
Replace Campground Playground	High (2021)
Playground replacement	High (2021)
Park road repairs	Medium (3-5 Years)
MPB roof replacement/renovation	High (1-3 Years)
MPB sound system	High (1-3 Years)
Campground improvements (electrical)	Medium (3-5 Years)

Planning, Community and Economic Development

2020 COMMUNITY DEVELOPMENT BLOCK GRANT

PUBLIC HEARING SUMMARY PAGE

Name of Organization: Bridge Community Health Clinic

Name of Proposed Program Community Garden Relocation

Person(s) Speaking: Jennifer Smith

Amount Requesting: $ 74,110.00

Number of persons/households to be served: 20-40 persons annually, and their related households

Brief summary of proposal:
This proposal is for portions of the clinic's multi-phase garden relocation/clinic expansion project. We are seeking funds to support adding elements that will improve garden yield, enhance safety/security/aethetics, and improve accessibility/walkability. These include the use of funds for:
1) Poured concrete walkways to provide accessible gardening for gardeners with mobility concerns
2) The addition of water hose bids throughout the garden to improve yield
3) The addition of safety/security fencing which is also aesthetically pleasing

Public Hearing dates are:

October 24, 2019 at 4:30 PM in the 2nd floor Board Room at City Hall

October 28, 2019 at 4:30 PM in the 2nd floor Board Room at City Hall

Presenting your proposal at one of these public hearings is mandatory.

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Any questions regarding the Block Grant program or process please call Tammy Stratz at 715-261-6682.

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City of Wausau

Planning, Community and Economic Development

2020 COMMUNITY DEVELOPMENT BLOCK GRANT

PUBLIC HEARING SUMMARY PAGE

Mon

Name of Organization: Adaptive Communities Inc.

Name of Proposed Program Rent assistance for Adaptive

Person(s) Speaking: Katie Normand & Anissa Walters

Amount Requesting: $ 18,000

Number of persons/households to be served: 55

Brief summary of proposal: Adaptive Communities is a non-profit social activity center for adults with special needs. We started in January of 2017 and since then we have grown immensely. Our focus is to help adults in our community grow independently by working on goals and skills, as well as; provide a safe building for them to use so they can meet new, appropriate friends, under the supervision of Adaptive Communities staff.

Public Hearing dates are:

October 24, 2019 at 4:30 PM in the 2nd floor Board Room at City Hall

October 28, 2019 at 4:30 PM in the 2nd floor Board Room at City Hall

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Planning, Community and Economic Development

2020 COMMUNITY DEVELOPMENT BLOCK GRANT

PUBLIC HEARING SUMMARY PAGE

Name of Organization: Big Brothers Big Sisters of Northcentral Wisconsin

Name of Proposed Program: Big with Badges

Person(s) Speaking: Linda Koepke

Amount Requesting: $ 15,000

Number of persons/households to be served: 10 children

Brief summary of proposal:

Big with Badges is a mentoring program that matches volunteers who wear a badge: Wausau Police Department, Marathon Co. Sheriff's Office, and Wausau Fire Department with at-risk youth, that reside in Wausau, who are struggling socially, emotionally, academically, and behaviorally.

Public Hearing dates are:

October 24, 2019 at 4:30 PM in the 2nd floor Board Room at City Hall

October 28, 2019 at 4:30 PM in the 2nd floor Board Room at City Hall

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Planning, Community and Economic Development

2020 COMMUNITY DEVELOPMENT BLOCK GRANT

PUBLIC HEARING SUMMARY PAGE

Name of Organization: Catholic Charities of the Diocese of La Crosse

Name of Proposed Program: Beyond Shelter

Person(s) Speaking: Dan Mills

Amount Requesting: $ 10,000

Number of persons/households to be served: 10

Brief summary of proposal:
In 2016, Catholic Charities embraced the 'housing first' model in housing long-term homeless individuals. In Wausau, the first Beyond Shelter facility opened to house single homeless men, and with the support of the community has grown to three homes; there is also hope for the future to expand the program to include chronically homeless women and families. These facilities offer housing and case management to those who are in need in our communities. Staff work with residents to set and achieve life, health, and financial goals. Staff is available to connect them with local resources and work with them on overcoming their barriers to a more sustainable living situation. These facilities, while offering the chronically homeless a place to call home, also take the financial strain off of our community public services.

Public Hearing dates are:

October 24, 2019 at 4:30 PM in the 2nd floor Board Room at City Hall

October 28, 2019 at 4:30 PM in the 2nd floor Board Room at City Hall

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Planning, Community and Economic Development

2020 COMMUNITY DEVELOPMENT BLOCK GRANT

PUBLIC HEARING
SUMMARY PAGE

Name of Organization: Childcaring, Inc

Name of Proposed Program Good Start Grants

Person(s) Speaking: Micki Krueger, Kelly Borchardt

Amount Requesting: $25,000

Number of persons/households to be served: 3

Brief summary of proposal:

The purpose of the Good Start Grants (GSG) program is to ensure families have access to quality, affordable child care. GSG provides financial assistance to help meet the funding gap, between what providers need to charge to offer a quality program and what families can afford to pay.

Public Hearing dates are:

October 24, 2019 at 4:30 PM in the 2nd floor Board Room at City Hall

October 28, 2019 at 4:30 PM in the 2nd floor Board Room at City Hall

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Planning, Community and Economic Development

2020 COMMUNITY DEVELOPMENT BLOCK GRANT

PUBLIC HEARING SUMMARY PAGE

Name of Organization: Children's Hospital of Wisconsin (CSSW d/b/a Children's Hospital of Wisconsin)

Name of Proposed Program Triple P - Positive Parenting Program

Person(s) Speaking: Erica Huffman

Amount Requesting: $25,000 - 16 families

Number of persons/households to be served: 16 households (minimum of 32 people)

Brief summary of proposal:

Triple P is a parenting and family support system designed to prevent and treat behavioral and emotional problems in children and teenagers. Program participants will receive 10 sessions of parenting support and one-to-one intervention in their home. They will learn a range or parenting strategies to promote and develop positive behavior. This program would achieve positive outcomes including reduced emotional and behavior problems in children, reduced child maltreatment and placement, improved parent/child relationships and enhanced parental well-being. Participants served will be low to moderate income residents of the city of Wausau.

Public Hearing dates are:

October 24, 2019 at 4:30 PM in the 2nd floor Board Room at City Hall

October 28, 2019 at 4:30 PM in the 2nd floor Board Room at City Hall

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Planning, Community and Economic Development

2020 COMMUNITY DEVELOPMENT BLOCK GRANT

PUBLIC HEARING SUMMARY PAGE

Name of Organization: Faith in Action Marathon County, Inc

Name of Proposed Program 2020 Support for Seniors

Person(s) Speaking: Ruth Hebbe, Program Director

Amount Requesting: $ 25,000.00

Number of persons/households to be served: 260+

Brief summary of proposal:

Faith in Action of Marathon County, FIAMC, is a Non-Profit Organization connecting compassionate volunteers with senior neighbors (60+) by building strong relationships based on empathy; offering quality services at NO COST for seniors to live enjoyable home lives as long as feasibly possible. All services are provided regardless of income, religious belief, or ethnic background.

FIAMC provides transportation for medical appointments, grocery shopping, friendly visits to combat Isolationism, food delivery, and home safety installs. Presently, 60% of FIAMC's Care-Receivers live below the poverty line.

As the senior population grows, FIAMC's services are in demand. Offering FIAMC's services will allow seniors to enjoy a quality home life; which also saves substantial taxpayer dollars. FIAMC continues to be indispensable and unprecedented in serving residents within the city of Wausau, as well as, Marathon County.

Therefore, funding is requested to help FIAMC's sustainability while reaching more of our senior neighbors. FIAMC is honored and humbled to help those within this very vulnerable, socioeconomic population; only made possible by the generous donations of the caring patrons of our community.

Public Hearing dates are:

October 24, 2019 at 4:30 PM in the 2nd floor Board Room at City Hall

October 28, 2019 at 4:30 PM in the 2nd floor Board Room at City Hall

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Planning, Community and Economic Development

2020 COMMUNITY DEVELOPMENT BLOCK GRANT

PUBLIC HEARING SUMMARY PAGE

Name of Organization:__________ The Hmong American Center, Inc.___________________

Name of Proposed Program _________HMONG & YES Program______________________

Person(s) Speaking:_____ John Xiong, Payeng Yang Xiong (Both Volunteers and Mentors), and Lisa Berry (Board Member)

Amount Requesting: $____25,000.00________________________

Number of persons/households to be served: ___30-60_______

Brief summary of proposal:

The Hmong American Center, Inc. is requesting for funding for to help fund our HMONG & YES Program Youth Programs. Currently, the Hmong American Center, Inc. has a tentative plan to find funding to fund the program, but need some time to work out the details. An approval of funding for one, or even two more years, will help ensure the continuation of success of this program and will continue to ensure at youths and young adults in the Hmong community continue to be a contributing member in the community.

The Youth Program, H.M.O.N.G. and YES Program at the Hmong American Center provides services to help steer youth and young adults towards a committed, and successful life. This is possible through mentorship and positive reinforcement and steering youths of all back grounds out of trouble. The YES program provides space, computers, supplies, and tutoring support to help ensure good GPAs, and educational success.

The H.M.O.N.G. Youth Program provides incentive and opportunities for many youth and young adults to engage in community projects and activities. In addition, the program provides opportunities and innovated initiatives to help develop their leadership and communication skills. The H.M.O.N.G. Youth Program provides opportunities for many of the youth and young adults to build their resumes and confidence through the support of art and music, whether it's performing on stage. In addition, youths and young adults help assist with coordinating, planning and executing events that are community orientated such as the Hmong Wausau Festival, Hmong Heritage Month, and so much more.

In order for the youth or young adults to be able to participate with the H.M.O.N.G. Youth Program, they need keep a certain GPA. If students' GPA begins to drop, they will be referred to participate in the YES Program in order to raise their GPA. These two programs are coordinated and overseen by the Youth Program Coordinator. The Youth Program Coordinator provides mentoring, counseling, helps resolves misunderstanding within parents and their children, provides transportation and facilitates support groups and assists with job development.

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Planning, Community and Economic Development

2020 COMMUNITY DEVELOPMENT BLOCK GRANT

PUBLIC HEARING SUMMARY PAGE

Name of Organization: Childcaring, Inc

Name of Proposed Program: Good Start Grants

Person(s) Speaking: Micki Krueger, Kelly Borchardt

Amount Requesting: $25,000

Number of persons/households to be served: 3

Brief summary of proposal:

KATS is seeking this grant to hire on a full time executive director (min. $60,000.00/yr + benefits). This staff

Public Hearing dates are:

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Planning, Community and Economic Development

2020 COMMUNITY DEVELOPMENT BLOCK GRANT

PUBLIC HEARING
SUMMARY PAGE

Name of Organization: North Central CAP

Name of Proposed Program Hand in Hand Housing Program

Person(s) Speaking: Diane Sennholz

Amount Requesting: $ 20,000.00

Number of persons/households to be served: 32-40

Brief summary of proposal:

This request will allow North Central Community Action Program, Inc. along with The Salvation Army and Catholic Charities to continue to assist homeless or near homeless families to become self-sufficient. This program uses a transitional housing model (up to six months of housing) that incorporates intensive case management to ensure a successful outcome. We work with these families to develop their short/long term plans, including financial education, to better their situation so they are able to maintain/secure permanent housing. Through the pilot portion of this program we have learned it is critical for our participants to receive follow-up services and case management for at least one year to ensure success. This funding would assist in case management with staff. The goal is to successfully transition families from homelessness or near homelessness to stable, permanent housing.

October 24, 2019 at 4:30 PM in the 2nd floor Board Room at City Hall

October 28, 2019 at 4:30 PM in the 2nd floor Board Room at City Hall

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Planning, Community and Economic Development

2020 COMMUNITY DEVELOPMENT BLOCK GRANT

PUBLIC HEARING SUMMARY PAGE

Name of Organization:__The Open Door of Marathon County______________________________

Name of Proposed Program __One-one-Ones____

Person(s) Speaking: Anne Drow & Sarah Westberg______________________________________

Amount Requesting: $_15,000______________________________

Number of persons/households to be served: _100_____________

Brief summary of proposal:

We will offer our guests an opportunity for one-on-one time with a trained resource specialist and/or a case manager to identify and apply for resources as well as get answers to questions or concerns about health related issues.

Public Hearing dates are:

October 24, 2019 at 4:30 PM in the 2nd floor Board Room at City Hall

October 28, 2019 at 4:30 PM in the 2nd floor Board Room at City Hall

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Planning, Community and Economic Development

2020 COMMUNITY DEVELOPMENT BLOCK GRANT

PUBLIC HEARING SUMMARY PAGE

Name of Organization: Wisconsin Institute for Public Policy and Service

Name of Proposed Program LENA Start Marathon County

Person(s) Speaking: Corina Norrbom

Amount Requesting: $ 24,000

Number of persons/households to be served: 40 households

Brief summary of proposal:
Exposure to language during early childhood is important in brain development and can be used to predict future literacy skills, school and life success. Parents and caregivers are key in creating optimal early learning environments. LENA Start is a parent group model that utilizes LENA's "talkpedometer" to support interventions that improve early language exposure.

Offering the program in locations that are convenient for parents and where parents are comfortable and have developed trust is important. To capture more low income families, we propose to run 2 parent groups at Head Start Barrington Center and one at WIC. The grant would cover allowable expenses to run the program at these sites.

Public Hearing dates are:

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CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing --The jurisdiction will affirmatively further fair housing.

Uniform Relocation Act and Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR Part 24. It has in effect and is following a residential anti-displacement and relocation assistance plan required under 24 CFR Part 42 in connection with any activity assisted with funding under the Community Development Block Grant or HOME programs.

Anti-Lobbying --To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction --The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan --The housing activities to be undertaken with Community Development Block Grant, HOME, Emergency Solutions Grant, and Housing Opportunities for Persons With AIDS funds are consistent with the strategic plan in the jurisdiction's consolidated plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR Part 135.

______________________________ __________

Signature of Authorized Official Date

____

Title

Specific Community Development Block Grant Certifications

The Entitlement Community certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan -- Its consolidated plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that that have been developed in accordance with the primary objective of the CDBG program (i.e., the development of viable urban communities, by providing decent housing and expanding economic opportunities, primarily for persons of low and moderate income) and requirements of 24 CFR Parts 91 and 570.

Following a Plan -- It is following a current consolidated plan that has been approved by HUD.

Use of Funds -- It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include CDBG-assisted activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available (see Optional CDBG Certification).

2. Overall Benefit. The aggregate use of CDBG funds, including Section 108 guaranteed loans, during program year(s) __________________________ [a period specified by the grantee of one, two, or three specific consecutive program years], shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period.

3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

In addition, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Compliance with Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, Subparts A, B, J, K and R.

Compliance with Laws -- It will comply with applicable laws.

______________________________ ____________
Signature of Authorized Official Date

____
Title

OPTIONAL Community Development Block Grant Certification

Submit the following certification only when one or more of the activities in the action plan are designed to meet other community development needs having particular urgency as specified in 24 CFR 570.208(c):

The grantee hereby certifies that the Annual Plan includes one or more specifically identified CDBG-assisted activities which are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.

______________________________ __________
Signature of Authorized Official Date

____
Title

Specific HOME Certifications

The HOME participating jurisdiction certifies that:

Tenant Based Rental Assistance -- If it plans to provide tenant-based rental assistance, the tenant-based rental assistance is an essential element of its consolidated plan.

Eligible Activities and Costs -- It is using and will use HOME funds for eligible activities and costs, as described in 24 CFR §§92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in §92.214.

Subsidy layering -- Before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing;

______________________________ ______________
Signature of Authorized Official Date

____
Title

Emergency Solutions Grants Certifications

The Emergency Solutions Grants Program recipient certifies that:

Major rehabilitation/conversion/renovation – If an emergency shelter's rehabilitation costs exceed 75 percent of the value of the building before rehabilitation, the recipient will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed rehabilitation.

If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the recipient will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed conversion.

In all other cases where ESG funds are used for renovation, the recipient will maintain the building as a shelter for homeless individuals and families for a minimum of 3 years after the date the building is first occupied by a homeless individual or family after the completed renovation.

Essential Services and Operating Costs – In the case of assistance involving shelter operations or essential services related to street outreach or emergency shelter, the recipient will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure, so long the recipient serves the same type of persons (e.g., families with children, unaccompanied youth, disabled individuals, or victims of domestic violence) or persons in the same geographic area.

Renovation – Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

Supportive Services – The recipient will assist homeless individuals in obtaining permanent housing, appropriate supportive services (including medical and mental health treatment, victim services, counseling, supervision, and other services essential for achieving independent living), and other Federal State, local, and private assistance available for these individuals.

Matching Funds – The recipient will obtain matching amounts required under 24 CFR 576.201.

Confidentiality – The recipient has established and is implementing procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

Homeless Persons Involvement – To the maximum extent practicable, the recipient will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under the ESG program, in providing services assisted under the ESG program, and in providing services for occupants of facilities assisted under the program.

Consolidated Plan – All activities the recipient undertakes with assistance under ESG are consistent with its consolidated plan.

Discharge Policy – The recipient will establish and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, mental health facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent this discharge from immediately resulting in homelessness for these persons.

________________________________ _______________
Signature of Authorized Official Date

____
Title

Housing Opportunities for Persons With AIDS Certifications

The HOPWA grantee certifies that:

Activities -- Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building -- Any building or structure assisted under that program shall be operated for the purpose specified in the consolidated plan:

1. For a period of not less than 10 years in the case of assistance involving new construction, substantial rehabilitation, or acquisition of a facility,

2. For a period of not less than 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

______________________________ ______________
Signature of Authorized Official Date

____
Title

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING CERTIFICATION:

Lobbying Certification
This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION OF THE FINANCE COMMITTEE

Approving the 2020 Community Development Block Grant Program Action Plan and the Community Development Block Grant Program 5 Year Consolidated Plan.

Committee Action:

Fiscal Impact: +$631,717 in Community Development Block Grant Funds

File Number:	**Date Introduced:**

FISCAL IMPACT SUMMARY				
COSTS	*Budget Neutral*	Yes ☒ No ☐		
	Included in Budget:	Yes ☐ No ☐	*Budget Source:*	
	One-time Costs:	Yes ☐ No ☐	*Amount:*	
	Recurring Costs:	Yes ☐ No ☐	*Amount:*	
SOURCE	*Fee Financed:*	Yes ☐ No ☐	*Amount:*	
	Grant Financed:	Yes ☐ No ☐	*Amount:*	
	Debt Financed:	Yes ☐ No ☐	*Amount*	*Annual Retirement*
	TID Financed:	Yes ☐ No ☐	*Amount:*	
	TID Source: Increment Revenue ☐ *Debt* ☐ *Funds on Hand* ☐ *Interfund Loan* ☐			

RESOLUTION

WHEREAS, the City has drafted a new 5 Year Consolidated Plan (2020-2024) as required by the US Dept of Housing and Urban Development for the use of Community Development Block Grant (CDBG) funds, and

WHEREAS, the Citizens Advisory Committee for Community Development held public hearings and working sessions and has prepared a proposed 2020 Community Development Block Grant program funding recommendation.

BE IT RESOLVED, by the Common Council of the City of Wausau that the proposed 2020 Action Plan in the amount of $631,717 for the Community Development Block Grant (CDBG) Program be approved and authorize the Mayor and appropriate City staff to complete filings and execute documents with the appropriate agencies to implement said Action Plan, and

BE IT FURTHER RESOLVED, that that Community Development Block Grant Program 5 Year Consolidated Plan (2020-2024) be approved and authorize the Mayor and appropriate City staff to complete filings and execute documents with the appropriate agencies to implement said Consolidated Plan.

Approved:

____

Robert B. Mielke, Mayor

The Wausau Police Department briefed the Public Health and Safety Committee regarding safety and staffing concerns at special events held in the City of Wausau. The Public Health and Safety Committee agreed that the concerns outlined were valid, and voted in support of four suggestions. Three of those suggestions include additional costs to the city of Wausau. The suggestions/requests include the following:

- **$25,000 for additional CSO staffing and associated equipment. The current budget allows for the hiring of approximately 12 CSOs. The additional $25,000 would allow for the hiring of up to 20 total CSOs.**
- **$35,000 of additional funding for the hiring of part time officers to work directly with the CSOs at special events and throughout the city.**
- **$75,000 of additional funding to pay the cost of additional overtime to adequately staff special events with law enforcement officers. These funds would be used to pay Wausau police officers overtime, and the cost to hire other jurisdictions police officers on overtime to work Wausau special events.**

Please see the attached document provided to the Public Health and Safety Committee regarding the need for these additional funds. Also included below is an estimated cost to staff the identified special events with the appropriate quantity of law enforcement officers. The estimated cost for the events outlined below is approximately $69,000. The Wausau Police Department is requesting $75,000 to pay for officer overtime at special events and feels confident that the additional $6000 will allow us to staff the events not outlined below.

4th of July Fair:

32 Officer hours per day X 5 days

160 hours @ $50.00 per hour = $8,000

Wisconsin Valley Fair

64 officer hours per day X 6 days

384 hours @ $50.00 per hour = $19,200

(Note: Marathon County Sheriff's Office historically provides several Reserve Deputies each day at no cost to the City of Wausau. This could reduce the estimated cost)

Wausau Hmong Festival

120 officer hours per day X 2 days

240 hours @ $50.00 per hour = $12,000

Rib/Balloon Fest

Thursday 39 Officer hours

Friday 168 Officer hours

Saturday 102 Officer hours

309 hours @ $60.00 per hour = $18,540

(Note: the cost per hour was raised due to the likelihood we will need to hire officers from other jurisdictions at an expected cost of $70.00 per hour)

Chalk Fest

48 Officer Hours @ $50.00 per hour = $2400

Thursday After Dark

10 Officer Hours X 3 events

30 hours @ $50.00 = $1500

Wednesday Night Concerts

12 Officer Hours X 12 events

144 hours @ $50.00 per hour = $7,200

Total estimated cost for Sworn Officers for these events is $68,840.00

Total hours for the listed events is 1350.

Other events occur within the City not included in the above list. Some of those events could require police staffing.

Wausau Police Department
515 Grand Ave Wausau, WI 54403 Ph. 715-261-7800

Public Health and Safety Committee Memo

Topic: Special Event Staffing and Public Safety

Deputy Chief Barnes will be present on 02/24/2020 to discuss several different issues relating to Police staffing of special events. Specifically we will discuss the following topics:

CONCERNS:

- **The growth in number and size of events and the need for police presence at those events. The specific events to be highlighted include the Wisconsin Valley Fair, 4th of July Fair, 400 Block Concerts, Rib Fest, Chalk Fest, and the Hmong Wausau Festival.**
- **Discussion of changes to the special events application process and the use of Emergency Management Plans.**
- **Parking and emergency access to events is creating emergency response concerns.**
- **The historical amount of police staffing at some of these type events is no longer sufficient. Additional police officers are necessary if we are to be prepared for emergency situations.**
- **The use of CSOs at special events positively impacts the events and safety, but does not eliminate the need for additional officers.**
- **We have experienced a reduction in the amount of Emergency Police Officers available.**
- **The Wausau PD may not have enough officers to appropriately staff all the special events.**
- **The Wausau Police Department funding source for officer overtime at special events (BEAT Grant) has been eliminated. The current police budget does not allow for funding of overtime for the quantity of officer overtime needed to staff our special events.**

Benjamin Bliven
Chief

Matthew Barnes
Deputy Chief

Todd Baeten
Patrol Captain

Benjamin Graham
Detective Captain

RECOMMENDATIONS/POSSIBLE SOLUTIONS:

- **Require the submission of an Emergency Management Plan for all special events of a certain size.**
- **Require appropriate police staffing at all special events of a certain size.**
- **Increase the CSO budget to allow for additional hires and hours. Historically we have hired a staff of summer CSOs of approximately 12. Increasing the budget to allow for the expansion of the staff to 20 CSOs would allow the Wausau PD to backfill traffic control positions not filled by Emergency Police and provide a more robust WPD presence at events. Although not related to special events, an increased CSO staff would allow for increased duties, including regular patrol of the River Walk, City of Wausau Parks, and parking structures. (Estimated $20,000 - $25,000 in wages and $2,000 in additional operating expenses)**
- **Fund the hiring of two part time summer Police Officers to serve as trainers and mentors and officers working directly with the CSO staff. As we continue to raise our expectations of the CSO staff, we recognize a need to have oversight and mentoring available to them. Currently we struggle to provide sufficient supervision. Two additional officers would allow for staffing officers at events without negatively impacting our primary patrol duties. We would recruit retired officers with a desire to lead and mentor CSOs, while possessing a careers worth of institutional law enforcement knowledge. (Estimated cost $30,000 to $35,000)**
- **Contract with other Law Enforcement Agencies for additional police staff when needed.**

COUNCIL POLICY QUESTION:

If the City Council agrees to the need for police staffing at special events, how should it be funded?

CITY OF WAUSAU PURCHASE ORDER COVER SHEET

DEPARTMENT: Electrical Dept	CONTACT NAME: Rick Pergolski
VENDOR: Lighting Design Solutions Inc	COST: $30,640.00
PURCHASE DESCRIPTION: Holophane aluminum poles and receptacles	

WAUSAU WISCONSIN

COMPETITIVE PURCHASING PROCESS DOCUMENTATION

PLEASE INDICATE YOUR QUOTE AND BID EFFORTS BELOW. THIS IS A MANDATORY FORM FOR ANY PURCHASES IN EXCESS OF $5,000 AND SHOULD ACCOMPANY THE PURCHASE ORDER DOCUMENTATION AND BE REMITTED TO FINANCE

GOODS OR SERVICES REQUIRING CENTRALIZED PURCHASING INCLUDE: COPIERS, COMPUTER HARDWARE/SOFTWARE, INTERNET SERVICES, CELL PHONES, SECURITY CAMERAS, FURNITURE, PLOWING SERVICES, VEHICLES AND ROLLING STOCK; FACILITY MAINTENANCE

☐ **PURCHASE OF GOODS OR CONTRACT SERVICES $5,000 TO $25,000** – *WRITTEN QUOTES REQUIRED*
- ☐ QUOTE SUMMARY AND AT LEAST 3 QUOTES (ATTACHED)
- ☐ SOLE SOURCE JUSTIFICATION – APPROVED BY DEPT HEAD AND FINANCE DIRECTOR (ATTACHED)

☒ **PURCHASE OF GOODS OR CONTRACT SERVICES GREATER THAN $25,000** - *FORMAL BID PROCESS REQUIRED*
- ☐ PUBLIC CONSTRUCTION – FOLLOW STATE STATUTES
- ☐ BIDS FORMALLY NOTICED
- ☐ SEALED BIDS RECEIVED
- ☐ BIDS OPENED AT BOARD OF PUBLIC WORKS
- ☐ BID SUMMARY AND BIDS (ATTACHED)
- ☐ SOLE SOURCE JUSTIFICATION APPROVED BY FINANCE COMMITTEE (ATTACHED)

☐ **PURCHASE OF VOLATILE PRICING COMMODITIES $5,000 TO $50,000** – *REQUIRES WRITTEN QUOTES*
- ☐ QUOTE SUMMARY AND QUOTES (ATTACHED)
- ☐ APPROVED SOLE SOURCE JUSTIFICATION (ATTACHED)

☐ **PURCHASE OF COMBINED GOODS AND SERVICES OR PROFESSIONAL SERVICES UNDER $25,000** - *COMPETITIVE PROCESS ENCOURAGED*
- ☐ QUOTE SUMMARY (ATTACHED)
- ☐ QUOTES (ATTACHED)
- ☐ OTHER PROCUREMENT DESCRIBE ____________________

☐ **PURCHASE OF COMBINED GOODS AND SERVICES OR PROFESSIONAL SERVICES OVER $25,000** – *FORMAL RFP PROCESS REQUIRED*
- ☐ FORMAL RFP (ATTACHED)
- ☐ RFP FORMALLY NOTICED
- ☐ PROPOSALS OPENED AT BOARD OF PUBLIC WORKS
- ☐ PROPOSAL SUMMARY AND PROPOSALS (ATTACHED)
- ☐ SOLE SOURCE JUSTIFICATION APPROVED BY FINANCE COMMITTEE (ATTACHED)

☐ **PURCHASING EXEMPTION – SOFTWARE MAINTENANCE AND SUPPORT PROCURED FROM PROPRIETARY OWNER, ORIGINAL MANUFACTURER MAINTENANCE AND PARTS, INSURANCE SERVICES AND PRODUCTS FROM CVMIC, TMIC AND LGPIF**

ADDTL INFO:

Revised 4/28/2015

CITY OF WAUSAU
SOLE SOURCE PURCHASE JUSTIFICATION
REQUIRED FORM PURCHASE OF GOODS OR SERVICES EXCEEDING $5,000

Purchase of goods or services for no more than $25,000 may be made without competition when it is agreed ***in advance*** between the Department Head and the Finance Director. Sole source purchasing allows for the procurement of goods and services from a single source without soliciting quotes or bids from multiple sources. Sole source procurement cannot be used to avoid competition, rather it is used in certain situations when it can be documented that a vendor or contractor holds a unique set of skills or expertise, that the services are highly specialized or unique in character or when alternate products are unavailable or unsuitable from any other source. Sole source purchasing should be avoided unless it is clearly necessary and justifiable. The justification must withstand public and legislative scrutiny. The Department Head is responsible for providing written documentation justifying the valid reason to purchase from one source or that only one source is available. Sole source purchasing criteria include: urgency due to public safety, serious injury financial or other, other unusual and compelling reasons, goods or service is available from only one source and no other good or service will satisfy the City's requirements, legal services provided by an attorney, lack of acceptable bids or quotes, an alternate product or manufacturer would not be compatible with current products resulting in additional operating or maintenance costs, standardization of a specific product or manufacturer will result in a more efficient or economical operation or aesthetics, or compatibility is an overriding consideration, the purchase is from another governmental body, continuity is achieved in a phased project, the supplier or service demonstrates a unique capability not found elsewhere, the purchase is more economical to the city on the basis of time and money of proposal development.

1. Sole source purchase under $5,000 shall be evaluated and determined by the Department Head.
2. Sole source purchase of $5,000 to $25,000 a formal written justification shall be forwarded to the Finance Director who will concur with the sole source or assist in locating additional competitive sources.
3. Sole source purchase exceeding $25,000 must be approved by the Finance Committee.

[X] **Ongoing Sole Source – 365 days** [ ] **One Time Sole Source Request**

1. Provide a detailed explanation of the good or service to be purchased and vendor.

   The vendor is Lighting Design Solutions, Inc. They are already providing all of our holophane brand products as they won the bid for a previous RFP process for these decorative street lights.

2. Provide a brief description of the intended application for the service or goods to be purchased.

   These decorative street lights will be used for an extension of lights on 1st Avenue, replacing the existing brown decorative lighting with the new gray style to match the south side lighting in that area. The existing brown lights will go into inventory for damaged pole replacement from accidents.

3. State why other products or services that compete in the market will not or do not meet your needs or comply with your specifications.

   Lighting Design Solutions, Inc is already providing these products, and continued purchases are need in order to match the project already started.

4. Describe your efforts to identify other vendors to furnish the product or services.

   The RFP process was completed in 2016 for the new gray poles, and have actually lowered the pricing on the new poles.

5. How did you determine that the sole source vendor's price was reasonable?

   We looked at what the contractor paid for the same product, and they were able to purchase the poles at a lower price than we did because of their bulk purchase. They ordered 70, we ordered 8, justifying a resonable price given to us by this vendor.

6. Which of the following best describes this sole source procurement? Select all that apply.

- [ ] Product or vendor is uniquely qualified with capability not found elsewhere.
- [ ] Urgency due to public safety, serious financial injury or other. (explain)
- [ ] The procurement is of such a specialized nature that by virtue of experience, expertise, proximity or ownership of intellectual property
- [ ] Lack of acceptable quotes or bids.
- [x] Product compatibility or the standardization of a product.
- [x] Continuation of a phased project.
- [ ] Proposal development is uneconomical.

Department: Electrical Department

Preparer: Rick Pergolski/Denise Pody

Vendor Name: Lighting Design Solutions, Inc.

Expected amount of purchase or contract: Current Invoice $21,920.00 Sales Order is for $30,640.00 Additional purchases may be needed.

Department Head Signature: Eric Lindman *Date:* 3-5-20

Finance Director Signature: *Date:*

Sales Order

01/22/2020

Lighting Design Solutions

PO Box 375
Schofield WI 54476
Email:ashley@lightingdesignsolutions.com
Phone:715-693-2690
Fax:715-693-2594

58159

Bill To:

Wausau Public Works Department
Inspections and Electrical Systems
407 Grant Street
Wausau, WI 54401

Customer: Wausau Public Works Department

Ship To:

Wausau Public Works Department
Inspections and Electrical Systems
407 Grant Street
Wausau, WI 54401

Contact: Wausau Public Works Department
PO Number: PER RICK 1/21/2020

Seller	Payment Terms	Shipping Terms	Ship Via	Customer PO
Ashley Thomer	1% 10 Net 30	Prepaid	Drop Ship/Prepaid	PER RICK 1/21/2020

Item #	Item / Description	Unit Price	Qty Ordered	Total Price
1	Holophane CHA10L5J16P07RAL7037R114B - Charleston Aluminum Pole (CHA) RAL7037: Charleston, Aluminum Pole, 10 feet, L5J SiteLink 5.25 inch Fluted, .25 wall, 16 inch Round Base for Sitelink, 3 X 3 Tenon, galvanized steel		8 ea	
2	Holophane FGIUS-SRAL7037 - Tiger Drylac Finish Weatherproof Receptacle (FG) RAL7037: Small, In-Use Wet Location Cover, Custom Select RAL Colors Height:114in. Orientation:90 deg.		8 ea	
3	Holophane PUCL2P2040KASRAL7037L3NDERFD311599 - Utility Postop FCO LED (PUCL2) RAL7037: PUCL2, LED Performance Package P20, 4000 series CCT, Auto-sensing voltage (120 thru 277), RAL Color, Type 3 Full Cutoff LED distribution, None MODIFIED WITH ROAM CONCIERGE DIMMING CONTROL SYSTEM		8 ea	
4	Holophane AB31-4 - Holophane Anchor bolts AB31-4		8 ea	
5	Subtotal			$ 30,640.00
6	Marathon Cty sales tax - Marathon County Sales Tax	$ 0.00	1 ea	$ 0.00

January 22, 2020 4:31:18 PM CST

Approval Initials: ______________

Sales Order

01/22/2020

58159

Lighting Design Solutions

PO Box 375
Schofield WI 54476
Email:ashley@lightingdesignsolutions.com
Phone:715-693-2690
Fax:715-693-2594

Subtotal:	**$ 30,640.00**
Sales Tax:	**$ 0.00**
Total:	**$ 30,640.00**

Receipt of LDS sales estimate(s) via email, fax or other means indicates acceptance of the above LDS Terms and Conditions.
Approval Signature:________________________________
Date:________________

January 22, 2020 4:31:18 PM CST