

**PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 30, 2016**

**NEW ISSUES: FULL BOOK-ENTRY**

**Rating:** "Aa3" - Moody's

*In the opinion of Quarles & Brady LLP, Bond Counsel, assuming continued compliance with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), 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. The Notes will be designated by the City as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.*

*Interest on the Bonds is included in gross income for federal income tax purposes. The interest on the Bonds is not exempt from present Wisconsin income or franchise taxes. See "LEGAL MATTERS" and "Forms of Legal Opinions" herein.*

**OFFICIAL STATEMENT**

**City of Marshfield  
Wood and Marathon Counties, Wisconsin**

**\$2,135,000\***  
**General Obligation Promissory Notes,  
Series 2016C**

**\$2,210,000\***  
**Taxable General Obligation Corporate Purpose  
Bonds, Series 2016D**

**Dated:** Date of Delivery

**Delivery:** On or about November 1, 2016

The \$2,135,000\* General Obligation Promissory Notes, Series 2016C (the "Notes") are being issued by the City of Marshfield, Wisconsin (the "City") pursuant to Wisconsin Statutes, Section 67.12(12). The Notes will be issued for public purposes, including financing certain capital projects and refunding outstanding obligations of the City as described in "DESCRIPTION OF THE OBLIGATIONS – Purpose," herein, and to pay the costs of issuing the Notes.

The \$2,210,000\* Taxable General Obligation Corporate Purpose Bonds, Series 2016D (the "Bonds") are being issued by the City pursuant to Section 67.04 of the Wisconsin Statutes. The Bonds will be issued for the public purposes, including financing certain capital projects and refunding outstanding obligations of the City as described in "DESCRIPTION OF THE OBLIGATIONS – Purpose," herein, and to pay the costs of issuing the Bonds.

The Notes and the Bonds (collectively, the "Obligations"), will be issued as fully registered obligations without coupons and, when issued, will be registered in the name of CEDE & Co., as nominee of The Depository Trust Company (the "Depository" or "DTC"). The Depository will act as securities depository of the Obligations. Individual purchases may be made in book-entry form only, in the principal amount of \$5,000 and integral multiples thereof. Purchasers will not receive certificates representing their interest in the Obligations purchased. (See "Book-Entry-Only System" herein.)

The Obligations will be general obligations of the City for which its full faith and credit and unlimited taxing powers are pledged.

Principal, payable on March 1 as set forth on the following page, and interest on the Obligations, payable semiannually on each March 1 and September 1 commencing March 1, 2017, will be paid to the Depository, which will in turn remit such principal and interest to its participants for subsequent disbursement to the beneficial owners of the Obligations. See "Book-Entry-Only System" herein.

The Finance Director of the City will act as Paying Agent and Registrar for the Obligations. The Obligations are not subject to optional redemption prior to maturity.

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**SEE INSIDE COVER PAGE FOR MATURITY AND PRICING SCHEDULE, AND CUSIP NUMBERS**

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**Notes are Bank Qualified:** The Notes are designated as "qualified tax-exempt obligations."

**Financial Advisor:** Public Financial Management, Inc., Milwaukee, Wisconsin

**Bids Received and Opened:** Tuesday, October 11, 2016 at 10:00 A.M. Central Time  
Office of Public Financial Management, Inc., Milwaukee, Wisconsin

**Common Council Consideration:** Tuesday, October 11, 2016 at 7:00 P.M.

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\* Preliminary, subject to change.

*(THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.)*

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold, nor may offers to buy be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This Preliminary Official Statement is in a form deemed final as of its date for purposes of SEC Rule 15c2-12(b) (1), except for the omission of certain information described in the rule, but is subject to revision, amendment, and completion in a Final Official Statement.

**MATURITY, PRICING SCHEDULE, AND CUSIP NUMBERS**

**CITY OF MARSHFIELD, WISCONSIN**

**CUSIP PREFIX: 572852**

**\$2,135,000\* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2016C**

March 1

<u>Year</u>	<u>Amount*</u>	<u>Rate*</u>	<u>Yield*</u>	<u>CUSIP</u>
2017	\$ 100,000	___%	___%	
2018	190,000	___%	___%	
2019	200,000	___%	___%	
2020	205,000	___%	___%	
2021	210,000	___%	___%	
2022	210,000	___%	___%	
2023	345,000	___%	___%	
2024	225,000	___%	___%	
2025	225,000	___%	___%	
2026	225,000	___%	___%	

**\$2,210,000\* TAXABLE GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2016D**

March 1

<u>Year</u>	<u>Amount*</u>	<u>Rate*</u>	<u>Yield*</u>	<u>CUSIP</u>
2018	\$ 140,000	___%	___%	
2019	145,000	___%	___%	
2020	145,000	___%	___%	
2021	145,000	___%	___%	
2022	230,000	___%	___%	
2023	250,000	___%	___%	
2024	240,000	___%	___%	
2025	245,000	___%	___%	
2026	215,000	___%	___%	
2027	220,000	___%	___%	
2028	235,000	___%	___%	

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\* Preliminary, subject to change. Interest rates, reoffering yields or prices will be set forth in the final Official Statement.

No dealer, broker, sales representative or other person has been authorized by the City, the Financial Advisor or the Underwriters to give any information or to make any representations other than those contained in this Official Statement and, if given or made, such information and representations must not be relied upon as having been authorized by the City, the Financial Advisor or the Underwriters. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy, nor shall there be any sale of the Obligations by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the City and other sources which are believed to be reliable, but it is not to be construed as a representation by the Financial Advisor or Underwriters. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made thereafter shall, under any circumstances, create any implication that there has been no change in the affairs of the City or in any other information contained herein, since the date hereof.

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## INTRODUCTION TO THE OFFICIAL STATEMENT

*The following information is furnished solely to provide limited introductory information regarding the City's \$2,135,000\* General Obligation Promissory Notes, Series 2016C (the "Notes"), and \$2,210,000\* Taxable General Obligation Corporate Purpose Bonds, Series 2016D (the "Bonds") (collectively, the "Obligations"), and does not purport to be comprehensive. All such information is qualified in its entirety by reference to the more detailed descriptions appearing in this Official Statement, including the appendices hereto.*

- Issuer:** City of Marshfield, Wisconsin.
- Dated Date:** Date of Delivery.
- Delivery:** The City will deliver the Obligations anywhere in the United States as designated by the purchasers within 45 days against payment in immediately available funds. Delivery is expected on or about November 1, 2016.
- Security:** The Obligations will be general obligations of the City, secured by an unlimited tax levy. The Obligations will be payable from ad valorem taxes levied upon all taxable property in the City which may be levied without limitation of rate or amount.
- Authority:** **The Notes:** The Notes are being issued pursuant to the laws of the State of Wisconsin including Section 67.12(12) of the Wisconsin Statutes, a resolution adopted by the Common Council on September 13, 2016, and an award resolution to be adopted by the Common Council on October 11, 2016.  
**The Bonds:** The Bonds are being issued pursuant to the laws of the State of Wisconsin including Section 67.04 of the Wisconsin Statutes, resolutions adopted by the Common Council on September 13, 2016, and an award resolution to be adopted by the Common Council on October 11, 2016.
- Purpose:** **The Notes:** The Notes will be issued for public purposes, including financing for certain capital projects, the refunding of certain obligations of the City, and to pay the costs of issuing the Notes.  
**The Bonds:** The Bonds will be issued for public purposes, including financing for certain capital projects, the refunding of certain obligations of the City, and to pay the costs of issuing the Bonds.
- Optional Redemption:** **The Notes:** The Notes are not subject to optional redemption.  
**The Bonds:** The Bonds are not subject to optional redemption.
- Denominations:** \$5,000 or integral multiples thereof.
- Record Date:** The 15<sup>th</sup> day of the calendar month preceding the payment date.
- Principal Payments:** **The Notes:** Annually, March 1, 2017 through 2026.  
**The Bonds:** Annually, March 1, 2018 through 2028.
- Interest Payments:** On each March 1 and September 1, commencing March 1, 2017.

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\* Preliminary, subject to change.



**Tax Status:** **The Notes:** Interest on the Notes is excludable from gross income and is not an item of tax preference for federal income tax purposes, see “LEGAL MATTERS - Tax Exemption – The Notes” herein. Interest on the Notes is not exempt from Wisconsin income or franchise taxes.

**The Bonds:** Interest on the Bonds is included in gross income of the owners thereof for federal income tax purposes. Interest on the Bonds is not exempt from Wisconsin income or franchise taxes. See “LEGAL MATTERS – Tax Status – The Bonds” herein.

**Notes are Bank Qualified:** **The Notes:** The Notes will be designated as “qualified tax-exempt obligations.”

**Professional Consultants:** *Financial Advisor:* Public Financial Management, Inc.  
Milwaukee, Wisconsin

*Bond Counsel:* Quarles & Brady LLP  
Milwaukee, Wisconsin

**Paying Agent/Registrar:** The City of Marshfield Finance Director.

**Legal Matters:** Legal matters incident to the authorization and issuance of the Obligations are subject to the opinions of Quarles & Brady LLP, Bond Counsel, as to validity and for the Notes, tax exemption. The opinions will be substantially in the forms set forth in Appendix B attached hereto. Bond Counsel has not assumed responsibility for this Official Statement or participated in its preparation (except with respect to the section entitled “LEGAL MATTERS”, and “Forms of Legal Opinions” attached hereto as Appendix B) and has not performed any investigation as to its accuracy, completeness or sufficiency.

**Conditions Affecting Issuance:** The Obligations are offered when, as and if issued, subject to the approving legal opinions of Quarles & Brady LLP, Milwaukee, Wisconsin.

**Book-Entry Only:** The Obligations will be issued as book-entry-only securities through The Depository Trust Company.

**No Litigation:** There is no litigation now pending or, to the knowledge of City officials, threatened, which questions the validity of the Obligations or of any proceedings of the City taken with respect to the issuance or sale thereof.

**Continuing Disclosure:** In the resolutions awarding the sale of the Obligations, the City will covenant and agree, for the benefit of the holders of the Obligations from time to time, to comply with the provisions of Securities and Exchange Commission Regulations, 17 C.F.R. Section 240, Paragraph (b)(5) of 15c2-12, (the “Rule”); and, for this purpose, to provide certain financial information and operating data relating to the City annually to the Municipal Securities Rulemaking Board (the “MSRB”), and to provide notices of the occurrence of certain events enumerated in the Rule electronically or in the manner otherwise prescribed by the MSRB to the MSRB. The City is the only “obligated person” in respect of the Obligations within the meaning of the Rule. A description of the undertaking is in Appendix C.

Questions regarding the Obligations or the Official Statement can be directed Public Financial Management, Inc., 115 South 84th Street, Suite 315, Milwaukee, Wisconsin 53214, (414) 771-2700, the City’s Financial Advisor, or the Finance Director of the City of Marshfield, Wisconsin.

\* \* \* \* \*

## DESCRIPTION OF THE OBLIGATIONS

### *Authorization*

The Notes are being issued pursuant to the laws of the State of Wisconsin including Section 67.12(12) of the Wisconsin Statutes, a resolution adopted by the Common Council on September 13, 2016, and an award resolution to be adopted by the Common Council on October 11, 2016.

The Bonds are being issued pursuant to the laws of the State of Wisconsin including Section 67.04 of the Wisconsin Statutes, resolutions adopted by the Common Council on September 13, 2016, and an award resolution to be adopted by the Common Council on October 11, 2016.

### *Purpose*

The Notes will be issued for public purposes, including financing certain capital projects as described in Table 1, the refunding of certain obligations of the City as described in Table 2, and to pay the costs of issuing the Notes.

**Table 1**  
**Project List – The Notes**

<u>Project</u>	<u>Amount</u>
UW Extension	\$ 1,000,000
Utility Extension (TID 11)	611,000
Total Projects	<u><u>\$ 1,611,000</u></u>

**Table 2**  
**Refunded Obligations – The Notes**

<u>Dated</u>	<u>Issue</u>	<u>Maturities</u> <u>Outstanding</u>	<u>Maturities</u> <u>Refinanced</u>	<u>Amount</u> <u>Refinanced</u>	<u>Redemption</u> <u>Date</u>
11/07/2012	State Trust Fund Loan	2017-2022	2017-2022	\$ 279,974.41	01/03/2017
02/17/2016	State Trust Fund Loan	2017-2035	2017-2035	173,500.00	01/03/2017

The Bonds will be issued for public purposes of providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, located within Tax Incremental Districts of the City as described in Table 3, the refunding of certain obligations of the City as described in Table 4, and to pay the costs of issuing the Bonds.

**Table 3**  
**Project List – The Bonds**

<u>Project</u>	<u>Amount</u>
Mall Project (TID 10)	\$ 529,800
Industrial Park Projects (TID 7)	400,000
Total Projects	<u><u>\$ 929,800</u></u>

**Table 4**  
**Refunded Obligations – The Bonds**

<u>Dated</u>	<u>Issue</u>	<u>Maturities Outstanding</u>	<u>Maturities Refinanced</u>	<u>Amount Refinanced</u>	<u>Redemption Date</u>
04/30/2009	State Trust Fund Loan	2017-2019	2017-2019	\$ 61,587.60	01/03/2017
01/14/2014	State Trust Fund Loan	2017-2033	2017-2033	644,778.27	01/03/2017
12/30/2014	State Trust Fund Loan	2017-2034	2017-2034	68,103.77	01/03/2017
02/17/2016	State Trust Fund Loan	2017-2029	2017-2029	405,000.00	01/03/2017

***Sources and Uses***

The estimated sources and uses for the Obligations are presented in the table below.

**Table 5**  
**Estimated Sources and Uses**

<u>Estimated Sources</u>	<u>The Notes</u>	<u>The Bonds</u>	<u>Total</u>
Par Amount	\$ 2,135,000	\$ 2,210,000	\$ 4,345,000
Total Sources	<u>\$ 2,135,000</u>	<u>\$ 2,210,000</u>	<u>\$ 4,345,000</u>
 <u>Estimated Uses</u>			
Project Fund	\$ 1,611,000	\$ 929,800	\$ 2,540,800
Refunded Obligations - Principal	453,474	1,179,470	1,632,944
Refunded Obligations - Interest	11,924	41,291	1,686,159
Estimated Cost of Issuance	58,602	60,439	119,041
Total Uses	<u>\$ 2,135,000</u>	<u>\$ 2,211,000</u>	<u>\$ 5,978,944</u>

***Security Provisions***

*Direct, Annual Irrepealable Tax.* As security for the Obligations, the City pledges its full faith, credit and taxing powers and there will be levied on all of the taxable property in the City a direct, annual irrepealable tax in an amount and at the times sufficient to pay the principal of and interest on the Obligations.

The resolutions provide that the taxes will be, from year to year, carried onto the tax rolls of the City and collected as other taxes are collected and that the City shall not repeal such levies or obstruct the collection of the taxes. Provision is made for reducing the amount of taxes carried onto the tax rolls by the amount of any surplus money in the respective Debt Service Funds for the Obligations.

***Redemption Provisions***

**The Notes:** The Notes are not subject to optional redemption.

**The Bonds:** The Bonds are not subject to optional redemption.

***Interest Payments and Computation***

Interest on the Obligations will be computed on a 360-day year, 30-day month basis. Payments coming due on a non-business day will be paid the following business day. Interest will be payable semiannually on March 1 and September 1, commencing March 1, 2017.

## **Registration**

The City has initially designated the City's Finance Director to serve as Registrar and Paying Agent for the Obligations. The City may, at any time, at its option replace the City's Finance Director as Registrar for the Obligations with a bank, trust company or national banking association designated by the City to serve as fiscal agent.

The Obligations will be initially registered in the name of Cede & Co., as nominee of the Depository. The Depository will act as securities depository for the Obligations. Individual purchases may be made in book-entry-only form, in the principal amount of \$5,000 or integral multiples thereof. Purchasers will not receive certificates representing their interest in the Obligations purchased. See "Book-Entry-Only System."

## **Book-Entry-Only System**

*The information contained in the following paragraphs of this subsection "Book-Entry-Only System" has been extracted from a schedule prepared by Depository Trust Company ("DTC") entitled "SAMPLE OFFERING DOCUMENT LANGUAGE DESCRIBING BOOK-ENTRY-ONLY ISSUANCE." The City makes no representation as to the completeness or the accuracy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.*

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Obligations. The Obligations 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 certificate will be issued for each annual maturity of each series of the Obligations, each in the aggregate principal amount of such annual maturity, and such certificates will be deposited with DTC.

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 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](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of Obligations under the DTC system must be made by or through Direct Participants, which will receive a credit for the Obligations 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 Obligations 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 Obligations, except in the event that use of the book-entry system for the Obligations is discontinued.

To facilitate subsequent transfers, all Obligations 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 Obligations 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 Obligations; DTC's records reflect only the identity of the Direct Participants to whose accounts such Obligations 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.

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.

Redemption notices shall be sent to DTC. If less than all of the Obligations 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.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Obligations unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the 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 Obligations are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and interest payments on the Obligations 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 paying agent ("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.

DTC may discontinue providing its services as depository with respect to the Obligations 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, certificates for the Obligations are required to be printed and delivered.

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, certificates for the Obligations will be printed and delivered to DTC.

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.

**NEITHER THE CITY, NOR THE UNDERWRITERS WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, TO INDIRECT PARTICIPANTS OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT; (2) THE PAYMENT BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE OBLIGATIONS; (3) ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO CERTIFICATEHOLDERS; (4) ANY CONSENT GIVEN BY DTC OR OTHER ACTION TAKEN BY DTC AS CERTIFICATEHOLDER; OR (5) THE SELECTION BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT OF ANY BENEFICIAL OWNER TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE OBLIGATIONS.**

## Continuing Disclosure

In order to assist the Underwriters in complying with SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission, pursuant to the Securities Exchange Act of 1934 (the “Rule”), the City shall covenant pursuant to resolutions adopted by the Governing Body to enter into an undertaking (the “Undertaking”) for the benefit of holders including beneficial holders of the Obligations to provide certain financial information and operating data relating to the City annually to the Municipal Securities Rulemaking Board (the “MSRB”), and to provide notices of the occurrence of certain events enumerated in the Rule electronically or in the manner otherwise prescribed by the MSRB to the MSRB. The details and terms of the Undertaking, as well as the information to be contained in the annual report or the notices of material events, are set forth in the Continuing Disclosure Certificates to be executed and delivered by the City at the time the Obligations are delivered. Such Certificates will be substantially in the forms attached hereto as Appendix C.

During the past five years, there have been instances where the City has failed to file its annual financial information as required in accordance with the Rule. Specifically, under previously executed continuing disclosure certificates, the City was and is obligated to file annual reports containing financial information and operating data no later than 270 days after the end of each fiscal year, as well as notice of any inability or failure to file such annual reports by the required date.

The below table summarizes the City’s annual disclosure filings for the past five years for the City’s general obligation pledge (Base CUSIP 572852).

Fiscal Year Ended	Date Due (within 270 days)	City's Financial Statements		City Operating Data	
		Date Filed	On Time / Days Late	Date Filed	On Time / Days Late
12/31/2015	09/26/2016	05/12/2016	on time	08/30/2016	on time
12/31/2014	09/27/2015	05/15/2015	on time	07/01/2015	on time
12/31/2013	09/27/2014	04/23/2014	on time	09/11/2014	on time
12/31/2012	09/27/2013	04/24/2013	on time	09/25/2013	on time
12/31/2011	09/26/2012	07/24/2012	on time	09/26/2012	on time

Moody’s Investors Service (“Moody’s”) changed the underlying rating on the general obligation pledge of the City to “Aa2” from “Aa3” on April 16, 2010. The rating change was part of a Moody’s recalibration of its long-term U.S. municipal ratings to its global rating scale. This recalibration did not reflect an improvement in credit quality or a change in Moody’s credit opinion for rated municipal debt issuers. Instead, the recalibration was to align Moody’s municipal ratings with their global scale equivalent. Because of the global nature of the rating change the City did not file a material events notice on EMMA within ten business days after the occurrence of the rating change. The City filed the associated material event notice on September 11, 2014.

A failure by the City to comply with the Undertaking will not constitute an event of default on the Obligations (although holders will have the right to obtain specific performance of the Obligations under the Undertaking). Nevertheless, such a 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 Obligations in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Obligations and their market price.

## THE CITY

### *Introduction*

The City is a regional center with a population of 19,201. The City is located near the geographic center of the State, with portions of its territory in Wood and Marathon Counties. The City is part of a cluster of central Wisconsin cities with an urban population of over 120,000 and regional trade area of 300,000. The City is located approximately 160 miles from the Twin Cities and 285 miles from Chicago.

The City was incorporated in 1883, under the provisions of Chapter 280, Laws of Wisconsin, 1883. The City provides the following services to its residents: public safety, highways and streets, sanitation, health and human services, culture/recreation, education, public improvements, planning and zoning, and general administrative services.

Historically, the City grew and developed as a railroad community. Today, the strongest sectors of the economy are medical services and manufactured wood products. Other strong industries in the area of the City are metalworking, machinery, distribution, and processed dairy products.

### *City Government*

The City operates under the mayor-council form of government. The common council members are elected to two-year staggered terms, with five elected every year. The mayor is elected to serve a two-year term. All ten common council members are elected by district, and the mayor is elected at large. The common council meets in regular session twice monthly and performs the legislative and policymaking functions of city government. By statute, the mayor presides at common council meetings and serves as the chief executive officer. Since 1989, the administrative functions of the city government have been delegated to a city administrator, who is hired by and reports to the mayor and common council. The current common council members and elected officials are listed in the tables below.

#### Common Council

<u>Name</u>	<u>District</u>	<u>Term Expiration Dates</u>
Michael Feirer	1 <sup>st</sup> District	2018
Alanna Feddick-Goodwin	2 <sup>nd</sup> District	2017
Chris Jockheck	3 <sup>rd</sup> District	2018
Gordon Earll	4 <sup>th</sup> District	2017
Ed Wagner	5 <sup>th</sup> District	2018
Tom Witzel	6 <sup>th</sup> District	2018
Jason Zaleski	7 <sup>th</sup> District	2018
Rebecca Spiros	8 <sup>th</sup> District	2017
Tom Buttke	9 <sup>th</sup> District	2018
Peter Hendler	10 <sup>th</sup> District	2017

#### Elected and Appointed Officials

<u>Name</u>	<u>Title</u>
Chris L. Meyer	<i>Mayor</i>
Steve Barg	<i>Administrator</i>
Keith R. Strey, CPA	<i>Finance Director</i>
Deb M. Hall	<i>Clerk</i>
Harold C. Wolfgram	<i>Attorney</i>
Joan Spencer	<i>Assessor</i>

## ***Employee Relations and Collective Bargaining***

The City employs 194 full-time equivalent employees. The Marshfield Police Department has 40 officers and eight staff employees. The Marshfield Fire Department provides fire protection and employs 37 fire fighters and one support staff on a full-time basis. The fire insurance rating is a Class 3. The list of the bargaining units is provided in Table 6. Relations between labor and management are best described as cooperative on most issues.

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 right of public employees in Wisconsin.

As a result of the amendments to MERA, the City is prohibited from bargaining collectively with municipal employees with respect to any factor or condition of employment except total base wages. Even then, the City is limited to increasing the base wages only by any increase in the previous year’s consumer price index (unless the 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.

**Table 6**  
**Bargaining Units**

<u>Union/Association</u>	<u>Contract Expiration</u>	<u>Number of Members</u>
Fire Fighters	12/31/2016	32
Police Officers	12/31/2016	34

## ***Pension and Retirement Plan***

All eligible City of Marshfield employees participate in the Wisconsin Retirement System (WRS), a cost-sharing, multiple-employer, defined benefit public employee retirement system (PERS). Additional details regarding this are presented in Note C.7 —Defined Benefit Pension Plans in the Notes to Financial Statements. The City does not have an outstanding pension liability with the Wisconsin Retirement System.

## ***Education***

The City has 16 different schools (seven are private) providing education to students in elementary through high school classes. The Marshfield Public School District, a unified school district, has approximately 4,046 students. It employs 266 teachers, 19 administrators, and 159 support personnel. The kindergarten through twelfth grade structure involves six elementary schools within the City limits, one rural school, one middle school for grades seven and eight, and one senior high school for grades nine through twelve. The senior high school offers students the opportunity to participate in up to 22 different advanced placement classes to receive college credit. Enrollment for the Marshfield Public School District for the past five academic years is presented in Table 7 which follows.



**Table 7**  
**Public School Enrollment**<sup>1</sup>

<u>Year</u>	<u>Public Enrollment</u>	<u>Private Enrollment</u>	<u>Total Enrollment</u>
2015 / 2016	4,046	650	4,696
2014 / 2015	4,051	687	4,738
2013 / 2014	4,014	671	4,685
2012 / 2013	4,067	639	4,706
2011 / 2012	4,038	615	4,653

The area is also home to the Mid-State Technical College-Marshfield Campus and the University of Wisconsin Center Marshfield/Wood County campus. Mid-State Technical College-Marshfield Campus offers technical training in over 49 careers by granting one and two-year technical diplomas and two-year associate degrees in three program areas: agribusiness & urban forestry, business and information technology, and health. Apprenticeship opportunities are also available as well as adult and continuing education courses and seminars, career-awareness workshops, academic support services, pre-employment training and personal enrichment courses. The number of students enrolled in undergraduate courses during the 2014-2015 academic year was approximately 4,953. The number of students enrolled in both college degree programs and apprenticeships is 7,692.

The University of Wisconsin-Marshfield/Wood County, a two-year campus in the University of Wisconsin System, offers freshman/sophomore level programs leading to an Associate of Arts degree, a collaborative bachelor's degree program in Nursing with the UW-Eau Claire, bachelor's degrees in General Studies, Business Administration or Web and Digital Media Development with UW-Stevens Point, continuing education courses and a quality program of performing and visual arts events for the community. Credits are transferable to all institutions in the UW System. The Performing Arts Series offers new programs yearly.

### ***Health Care***

Medical services provide approximately 38% of the City's industrial employment. Top-notch specialists, state-of-the-art facilities and equipment, combined with the largest medical research institution in Wisconsin have brought Marshfield national recognition.

Marshfield Clinic is one of the largest private group medical practices in Wisconsin and the United States, with about 755 physicians representing 86 medical specialties. The Clinic also has more than 550 dentists, optometrists, podiatrists, nurse practitioners, physician assistants, physical therapists and research scientists in its system. Marshfield Clinic employs about 6,800 non-physician staff and about half of these are based in the City of Marshfield.

Marshfield Clinic was founded in 1916 in Marshfield. Its Marshfield Center, located at 1000 North Oak Avenue, is the largest center in the Clinic system. The Clinic system also includes Marshfield Clinic Research Foundation; Marshfield Clinic Education Foundation; and Security Health Plan of Wisconsin, Inc., a health maintenance organization.

During 2015, Marshfield Clinic announced significant remodeling and expansion plans to the Marshfield campus. Remodeling efforts started in 2015 and have continued in the East Wing related to these plans with issuance of building permits in July. Ministry Health Care, Inc. and Saint Joseph's Hospital of Marshfield, Inc. appealed the July issuance of building permits to Marshfield Clinic for remodeling of the East Wing to the City of Marshfield Zoning Board of appeals and later to Wood County Circuit Court where it is pending action.

In January 2016, Marshfield Clinic requested approval from the City of two Conditional Use Permits to allow for construction of a new Large Scale Indoor Institutional Hospital building, a Central Utility Plant and an on-site Parking Ramp. This request is part of Marshfield Clinic's effort to create a new "Hospital of the Future" to serve and support the healthcare needs of the City, Marshfield Clinic's service area and Central Wisconsin.

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<sup>1</sup> Source: Wisconsin Department of Public Instruction

Marshfield Clinic announced in March 2016 a nonbinding agreement was reached for the purchase of Ministry St. Joseph's Hospital. This development suspended plans by Marshfield Clinic to build a hospital that was approved for construction and scheduled to open in 2018. Marshfield Clinic plans to evaluate the St. Joseph's hospital before moving forward with construction plans for a new facility, while stating a new hospital is still needed in Marshfield. In August 2016, it was reported that Marshfield Clinic plans to borrow \$1.1 billion to fund the purchase of Ministry St. Joseph's Hospital in Marshfield and upgrade medical facilities throughout central and northern Wisconsin. This includes \$800 million for the purchase and renovation of St. Joseph's Hospital, construction of a new hospital and cancer center in the City of Eau Claire, Wisconsin, and facility changes or improvements in other locations.

Saint Joseph's Hospital is a 500-plus bed tertiary-care teaching institution. One of the largest rural referral medical centers in Wisconsin and the only Level II verified trauma center in the north-central part of the state, it provides health care, including all major medical and surgical specialties and subspecialties, to a service area in Wisconsin and Upper Michigan. About 400 Marshfield Clinic physicians are on its medical staff, with more than 2,200 quality caregivers providing round-the-clock support. Saint Joseph's Hospital, a member of Ministry Health Care, was founded more than 110 years ago by the Sisters of the Sorrowful Mother. Their mission is to continually improve the health and well-being of all people, especially the poor, in the communities it serves. In 2006, the comprehensive pediatric services at the hospital were awarded the recognition of "children's hospital" by the National Association of Children's Hospitals and Related Institutions. At the same time, the hospital revealed a new name for these services – Saint Joseph's Children's Hospital. It joins only two other hospitals in the state with this honor.

Marshfield Clinic Research Foundation ("MCRF") was established by Clinic physicians in 1959 and merged into the Clinic in 1990. MCRF is the largest private medical research foundation in Wisconsin and one of the largest in the nation. Many research projects are conducted by Clinic physicians in collaboration with MCRF scientists. Areas of focus within MCRF include clinical research, rural and agricultural health and safety, epidemiology, human genetics, personalized medicine, health services research and biomedical informatics. Though research is conducted throughout the Clinic system, two buildings on the Marshfield Clinic campus in Marshfield – Lawton Center and Laird Center for Medical Research – are dedicated to research.

The Laird Center for Medical Research, a world-class diagnostic laboratory and research facility, is a 112,300 square-foot \$40 million addition to the Melvin R. Laird Center. The building was dedicated in October 2008.

Marshfield Labs, a division of Marshfield Clinic, is one of the largest full-service private practice laboratory systems in the nation, reporting more than 25 million test results a year. Marshfield Labs serves as a reference laboratory for more than 500 health care facilities, 3,000 veterinary practices, workplace drug-testing clients and many research and Food Safety clients across the nation.

Established in 1986 from the Greater Marshfield Community Health Plan, Security Health Plan ([www.securityhealth.org](http://www.securityhealth.org)) is a health plan sponsored by Marshfield Clinic that serves more than 220,000 members in a 40-county area in Wisconsin and has more than 400 employees. Security Health Plan offers health insurance options for employer groups, individuals of all ages and families. Security Health Plan has earned "Excellent" accreditation from the National Committee for Quality Assurance each year it has been accredited, since 2002. In the NCQA's Health Insurance Plan Rankings 2013-14, each of Security Health Plan's family of plans ranked among the top 10 percent nationally. In addition, Security Health Plan's Advocare Medicare Advantage plans received an overall rating of 4.5 out of 5 stars from the Centers for Medicare and Medicaid Services (CMS) for 2014. Plan performance star ratings are assessed each year and may change from one year to the next.

## ***Services and Enterprises***

Marshfield Utilities (the "Utility") is a municipal-owned utility that provides electric services to the City and surrounding area, water services to the City, and communications services to the Utility, City, and other agencies. The Electric System accounts for approximately 76% of the assets and 88% of the revenues of the Utility. The Water System accounts for approximately 23% of the assets and 11% of the revenues of the Utility. The communications system accounts for less than one-percent of the assets and revenues of the Utility.

The Utility purchases all of its power supply from the Wisconsin Public Service Corporation ("WPSC"). During 2011 the Utility finished construction of a 60MW natural-gas-fired electric generating plant (the "M-1") within the City's boundaries. The purposes of constructing the M-1 electric generating plant were (1) to increase the reliability

of electric service in the Utility's service territory, (2) to extend from the year 2018 to the year 2028 the current power supply contract with WPSC, (3) to hedge against rising demand-related costs, and (4) to hedge against future market energy costs. The service area for the Electric System includes the City and surrounding areas for a total service area of approximately 125 square miles. Of the approximately 13,750 customers of the Electric System, roughly 80% are located within the City.

The Water System has 14 wells with a maximum daily capacity of 4.69 million gallons, a pumping capacity of 3,260 gallons/minute, and a peak daily usage of 3.0 million gallons/day during 2014.

The City also provides wastewater services to the City's residents. The peak design flow at the wastewater treatment plant is 30 million gallons/day with an average daily design flow of 4.63 million gallons/day.

### ***Economic Development***

2015 was a year that saw a number of business expansions in the City. The following is a summary of some of the more notable commercial development projects that occurred during 2015.

- Gross Motors of Marshfield (a full service General Motors dealership), recently opened its new showroom and associate center. This 13,250 square foot addition was part of a major remodel and update to their facility located on North Central Avenue.
- Counter-Form LLC continues to experience growth in the countertop manufacturing industry, and recently expanded their office area by 2,600 square feet to accommodate additional employees.
- Quality Tank Solutions completed a 4,600 square foot addition to its manufacturing facilities during 2015. Quality Tank Solutions is a full service tank manufacturer serving the craft brewing, beverage, food, dairy and pharmaceutical industries.
- In an effort to continue to provide the highest level of health care, and meet the change in market demands, Marshfield Clinic completed approximately 50,000 square feet of remodeling within its existing facilities. Over half of the remodeling was for the addition of a skilled nursing facility.
- Ministry St. Joseph's Hospital continues to make investments at its Marshfield facility. In early 2016 the hospital is scheduled to complete a building addition that will expand its mobile docking area. With this 6,600 square foot addition, St. Joseph's will now be able to host two mobile MRI (magnetic resonance imaging) units.

Residential growth continues to show promise, with the demand for rental units remaining strong. The two residential development projects that broke ground in late 2015 are near completion with both complexes leasing units as quickly as they are ready for occupancy. In fact, both complexes are currently maintaining waiting list for rental units. East McMillan Estates consists of five 8-plexes. Rents in these units are considered to be in the high end of the local market, with rates of \$1,100 - \$1,200 per month. Heritage Drive Estates a seven building apartment complex, consisting of 84 units, is the first multi-family development to be located on the south end of the community. With rents in the \$750 range, these units have been a welcomed addition to the area, with many young professionals working in the Mill Creek Business Park choosing to reside here.

## ECONOMIC AND DEMOGRAPHIC INFORMATION

### *Population*

The January 1, 2015 population estimate for the City by the State of Wisconsin Department of Administration is 19,201. The populations of the City, Wood and Marathon Counties for the past four censuses are presented in the following table.

**Table 8**  
**Population Estimates**

<u>Year</u>	<u>City of Marshfield</u>	<u>Wood County</u>	<u>Marathon County</u>
2010	19,118	74,749	134,063
2000	18,800	75,555	125,834
1990	19,293	73,605	115,400
1980	18,290	72,799	111,270

### *Unemployment*

The Department of Workforce Development provides estimates of the unemployment rate for Wood County, Marathon County, and the State of Wisconsin. Table 9 provides the average annual unemployment rate for the last five years of available data.

**Table 9**  
**Unemployment Rate**

<u>Year</u>	<u>Wood County</u>	<u>Marathon County</u>	<u>State of Wisconsin</u>
2015	5.5%	4.1%	4.6%
2014	6.7%	5.1%	5.4%
2013	7.3%	6.7%	6.7%
2012	7.5%	7.3%	7.0%
2011	8.3%	7.9%	7.8%

### *Construction*

Table 10 presents construction activity within the City for the past five years.

**Table 10**  
**Building Permits**

<u>Year</u>	<u>Commercial / Industrial</u>		<u>Residential</u>	
	<u># of Units</u>	<u>Value</u>	<u># of Units</u>	<u>Value</u>
2015	5	\$ 2,613,600	12	\$ 2,030,985
2014	6	3,367,384	11	2,154,280
2013	3	1,570,000	11	2,213,700
2012	9	6,433,818	14	2,581,000
2011	10	1,552,200	8	1,235,000

## ***Major Employers***

The Marshfield economy is diversified with 62 manufacturing firms; 13 industrial distribution firms; four transport firms; 26 utility, communication, and printing firms; and several medical service firms. A representative list of the major employers in the City is presented in Table 11 below.

**Table 11**  
**Major Employers**

<u>Name</u>	<u>Product/Service</u>	<u>Employees</u>
Marshfield Clinic	Health Care	4,000
Roehl Transport, Inc.	Transportation	2,544
Saint Joseph's Hospital	Health Care	2,100
Masonite (Marshfield Door Systems)	Wood Products	504
Marshfield School District	Education	439
A&B Process Systems Corp (Stratford, WI)	Manufacturing	426
De Boer Transportation, Inc.	Transportation	400
Land O' Lakes	Food Products	360
Figi's, Inc.	Food Products	200
Felker Bros. Corp.	Manufacturing	200
City of Marshfield, WI	Public Service	192
Marshfield Clinic Research Foundation (MCRF)	Private Medical Research	181
Marshfield Care Center	Health Care	180
V&H Heavy Trucks Inc.	Transportation	150
H&S Manufacturing Co. Inc.	Manufacturing	149
Stratford Homes	Manufacturing	140
Wisconsin Homes, Inc.	Manufacturing	139
Dental Clinic	Health Care	120
Weinbrenner Shoe	Manufacturing	120
Prince Corp.	Agriculture	100
Nelson Jameson	Dairy Products	98
PreventionGenetics	Health Care	97
Automated Products	Wood Products	86
Innovative Machine Specialists	Manufacturing	65

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**CITY OF MARSHFIELD FINANCIAL SUMMARY**

*The following financial summary presents pertinent statistics relating to property valuations as assessed in 2016 for taxes collectible in 2017, indebtedness, population and area, and the indebtedness of overlapping governmental units to the City. The information provided in the Financial Summary is subject in all respects to more complete information contained in this Official Statement.*

Equalized Value (January 1, 2016)		
Marathon County portion	\$ 112,706,600	
Wood County portion	<u>\$ 1,348,607,700</u>	\$ 1,461,314,300
General Obligation Debt (includes the Obligations)		\$ 42,830,000
Overlapping Debt		\$ 21,222,487
Population (2016 State estimate)		19,201

<u>Debt Statistics</u>	<u>Amount</u>	<u>Debt Per Capita</u>	<u>Debt as % of Equalized Value</u>
Direct Debt (Levy Supported)	\$ 42,830,000	\$ 2,231	2.93%
Overlapping Debt	<u>21,222,487</u>	<u>1,105</u>	<u>1.45%</u>
Total	<u>\$ 64,052,487</u>	<u>\$ 3,336</u>	<u>4.38%</u>

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## INDEBTEDNESS

### *General Obligation Debt*

Table 18 and Table 19 present the City's general obligation long-term debt as of the issuance of the Obligations.

**Table 12**  
**Outstanding General Obligation Long-Term Debt by Issue**

Date of Issue	Obligation	Amount Issued	Final Maturity	Interest Rates Outstanding	Principal Outstanding
04/30/2009	State Trust Fund Loan <sup>2</sup>	\$ 178,220	03/15/2019	4.50%	--
05/01/2009	Promissory Notes	6,450,000	03/01/2019	3.25% - 3.50%	\$ 2,575,000
11/15/2009	Taxable Fire Station BABs	5,000,000	03/01/2029	4.10% - 6.00%	4,710,000
04/15/2010	Taxable Corporate BABs	3,150,000	03/01/2029	3.75% - 5.80%	2,965,000
06/01/2011	Promissory Notes	6,575,000	03/01/2021	1.85% - 2.70%	3,640,000
11/15/2011	Refunding Bonds	1,570,000	05/01/2022	2.00% - 2.40%	1,570,000
11/15/2011	Taxable Notes	605,000	05/01/2016	1.60%	--
04/12/2012	Promissory Notes	5,440,000	03/01/2022	2.00% - 2.10%	2,020,000
11/07/2012	State Trust Fund Loan <sup>3</sup>	400,000	03/15/2022	2.75%	--
04/09/2013	Promissory Notes	3,105,000	03/01/2023	2.00%	1,855,000
04/09/2013	Bonds	3,030,000	03/01/2030	2.00% - 2.75%	2,930,000
01/14/2014	State Trust Fund Loan <sup>2</sup>	688,650	03/15/2033	4.50%	--
04/01/2014	Promissory Notes	4,010,000	03/01/2024	1.50% - 2.30%	2,790,000
12/30/2014	State Trust Fund Loan <sup>2</sup>	70,000	03/15/2034	4.25%	--
04/14/2015	Promissory Notes	2,820,000	03/01/2025	2.00%	2,390,000
04/14/2015	Bonds	3,435,000	03/01/2030	2.00% - 2.50%	3,335,000
02/17/2016	State Trust Fund Loan <sup>2</sup>	405,000	03/15/2029	3.75%	--
02/17/2016	State Trust Fund Loan <sup>3</sup>	173,500	03/15/2035	3.75%	--
03/01/2016	Promissory Notes	3,865,000	03/01/2026	1.00% - 2.00%	3,865,000
03/01/2016	Bonds	3,840,000	03/01/2036	2.00% - 3.00%	3,840,000
	Existing G.O. Debt				<u>38,485,000</u>
11/01/2016	Promissory Notes	2,135,000	03/01/2026	TBD	2,135,000
11/01/2016	Taxable Bonds	2,210,000	03/01/2028	TBD	2,210,000
	The Obligations				<u>4,345,000</u>
	Total G.O. Debt				<u>\$ 42,830,000</u>

*(The remainder of this page has been left blank intentionally.)*

<sup>2</sup> Principal Outstanding reflects refunding by the Bonds.

<sup>3</sup> Principal Outstanding reflects refunding by the Notes.

**Table 13**  
**Annual Maturity Schedule**

<u>Year</u>	<u>Existing G.O. Debt</u>		<u>The Obligations</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2016	\$ 4,097,911	\$ 1,057,193	--	--	\$ 5,155,104
2017	4,035,000	1,099,338	\$ 100,000	\$ 68,254	5,302,592
2018	3,995,000	925,841	330,000	79,420	5,330,261
2019	4,275,000	822,916	345,000	74,984	5,517,900
2020	3,790,000	723,071	350,000	70,038	4,933,109
2021	3,795,000	628,536	355,000	64,563	4,843,099
2022	3,185,000	539,234	440,000	57,755	4,221,989
2023	2,625,000	462,169	595,000	48,208	3,730,376
2024	2,405,000	391,519	465,000	37,743	3,299,261
2025	2,070,000	324,933	470,000	27,698	2,892,630
2026	1,890,000	262,288	440,000	17,509	2,609,796
2027	1,510,000	203,246	220,000	9,550	1,942,796
2028	1,550,000	144,698	235,000	3,290	1,932,988
2029	1,460,000	83,623	--	--	1,543,623
2030	770,000	42,963	--	--	812,963
2031	180,000	30,750	--	--	210,750
2032	185,000	25,725	--	--	210,725
2033	190,000	20,100	--	--	210,100
2034	190,000	14,400	--	--	204,400
2035	190,000	8,700	--	--	198,700
2036	195,000	2,925	--	--	197,925
Total	<u>\$ 42,582,911</u>	<u>\$ 7,814,166</u>	<u>\$ 4,345,000</u>	<u>\$ 559,009</u>	<u>\$ 55,301,086</u>
Less Payments made by 11/1/16	<u>(4,097,911)</u>	<u>(1,057,193)</u>	<u>--</u>	<u>--</u>	<u>(5,155,104)</u>
Total	<u>\$ 38,485,000</u>	<u>\$ 6,756,973</u>	<u>\$ 4,345,000</u>	<u>\$ 559,009</u>	<u>\$ 50,145,982</u>

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### ***Short-Term Debt***

The City does not issue short-term debt for operational purposes.

### ***Overlapping Debt***

Four taxing jurisdictions' boundaries overlap the City's boundaries. Table 14 sets forth the general obligation debt for those jurisdictions and the amount of their debt allocable to the City as of the issuance of the Obligations.

**Table 14**  
**Overlapping Debt**

<u>Taxing District</u>	2015 Equalized Value	Percent Allocable to The City	Total G.O. Debt	Portion Allocable to the City
School District of Marshfield	\$ 2,130,041,222	67.03%	\$ 21,585,000	\$ 14,467,520
Marathon County	9,852,982,500	1.11%	11,125,000	123,350
Wood County	4,832,607,500	27.28%	13,280,000	3,623,048
Mid-State Technical College	12,719,491,355	10.37%	29,025,000	3,008,569
Total				<u>\$ 21,222,487</u>

### ***Legal Debt Limit***

Wisconsin Statutes, Section 67.03, and Section III, Article XI, of the Wisconsin Constitution, limit the City's indebtedness to 5% of the equalized value of taxable property located within the City. In general, such indebtedness may be in the form of bonds and promissory notes for various public purposes.

The City's unused borrowing capacity as of the issuance of the Obligations will be as follows:

2016 Equalized Value	\$ 1,461,314,300
Legal Debt Limit (5% of Equalized Value)	73,065,715
Debt Outstanding (58.6% of Capacity)	<u>42,830,000</u>
Remaining borrowing capacity (41.4% of Capacity)	<u>\$ 30,235,715</u>

### ***No Default on City Indebtedness***

The City has never defaulted on any of its prior or outstanding indebtedness.

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## Revenue Debt

Table 15 presents the City's revenue debt by issue as of the issuance of the Obligations.

**Table 15**  
**Revenue Debt by Issue**

### Sewerage Revenue Debt

<u>Date</u>	<u>Obligation</u>	<u>Original Issue Size</u>	<u>Final Maturity</u>	<u>Interest Rates Outstanding</u>	<u>Principal Outstanding</u>
03/25/1998	Clean Water Fund Loan	\$ 3,483,825	05/01/2017	2.76%	\$ 220,002
09/09/1998	Clean Water Fund Loan	20,685,998	05/01/2018	2.76%	2,701,365
12/01/2006	Sewer Revenue Bonds	1,530,000	05/01/2021	3.85% - 4.00%	650,000
07/01/2009	Sewer Revenue Bonds	1,350,000	05/01/2022	4.00% - 4.50%	1,200,000
	Long-Term Sewerage Revenue Debt				<u>\$ 4,771,367</u>
11/03/2014	Sewer Revenue BANs	2,025,000	11/01/2018	1.25%	<u>2,025,000</u>
	Total Sewerage Revenue Debt				<u>\$ 6,796,367</u>

### Water Revenue Debt

<u>Date</u>	<u>Obligation</u>	<u>Original Issue Size</u>	<u>Final Maturity</u>	<u>Interest Rates Outstanding</u>	<u>Principal Outstanding</u>
10/01/2006	Water Revenue Bonds	\$ 1,590,000	12/01/2026	4.05% - 4.50%	\$ 1,055,000
06/01/2009	Water Revenue Bonds	3,150,000	12/01/2028	4.00% - 4.60%	2,595,000
10/14/2014	Water Revenue Bonds	3,845,000	12/01/2033	2.00% - 3.50%	3,845,000
09/15/2015	Water Revenue Bonds	3,180,000	12/01/2034	3.00% - 3.40%	3,180,000
	Total Water Revenue Debt				<u>\$ 10,675,000</u>

### Electric Revenue Debt

<u>Date</u>	<u>Obligation</u>	<u>Original Issue Size</u>	<u>Final Maturity</u>	<u>Interest Rates Outstanding</u>	<u>Principal Outstanding</u>
07/15/2008	Tax. Electric Ref. Bonds	\$ 3,880,000	12/01/2018	6.125%	\$ 1,855,000
11/30/2010	Electric Ref. Bonds	28,090,000	12/01/2030	3.00% - 5.50%	25,415,000
	Total Electric Revenue Debt				<u>\$ 27,270,000</u>

### Total Revenue Debt

\$ 44,741,367

## Future Financings

The City does not have plans to issue additional debt during 2016.

## FINANCIAL INFORMATION

### *Financial Reports*

The City's accounts are independently audited. The auditors have not performed any additional review and have not consented to the inclusion of the audit report or extracts from the audit report in this Official Statement. The City did not seek the consent of the auditors. A comparative Statement of Revenues, Expenditures and Changes in Fund Balance for the General Fund for years 2012 to 2015 is presented below.

**Table 16**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance for the General Fund**  
**(Years Ended December 31)**

<u>Revenues</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Taxes	\$ 8,420,906	\$ 8,804,446	\$ 9,031,086	\$ 9,407,328
Special Assessments	327,540	252,962	430,701	283,474
Intergovernmental Revenues	7,035,194	6,916,259	6,937,890	7,188,706
Licenses & Permits	247,582	245,851	209,987	211,837
Fines & Forfeitures	94,403	116,607	121,775	182,142
Charges for Services	715,610	733,772	750,977	752,776
Miscellaneous	460,567	562,171	498,914	501,337
Total Revenues	<u>17,301,802</u>	<u>17,632,068</u>	<u>17,981,330</u>	<u>18,527,600</u>
<u>Expenditures</u>				
General Government	2,935,998	2,993,356	2,973,859	2,924,950
Public Safety	7,982,449	8,091,030	7,928,718	8,019,228
Public Works	4,764,531	5,158,222	5,241,130	4,867,483
Health & Human Services	171,903	186,317	180,749	216,656
Culture Recreation & Education	3,040,921	3,057,732	3,108,987	3,150,429
Conservation & Development	541,520	424,036	462,799	582,351
Capital Outlay	--	--	--	--
Total Expenditures	<u>19,437,322</u>	<u>19,910,693</u>	<u>19,896,242</u>	<u>19,761,097</u>
Excess of Revenues Over (Under) Expend.	(2,135,520)	(2,278,625)	(1,914,912)	(1,233,497)
<u>Other Financing Sources</u>				
Issuance of Long-term Debt	--	--	--	--
Transfer from Enterprise Fund	1,795,158	--	--	--
Transfers In	1,243	1,842,559	1,770,416	1,833,820
Transfers Out	(35,828)	(28,731)	(170,600)	--
Operating Transfer-nonexpendable Trust	--	--	--	--
Sale of Capital Assets	--	35,797	31,328	38,220
Total Other Financing Sources (Uses)	<u>1,760,573</u>	<u>1,849,625</u>	<u>1,631,144</u>	<u>1,872,040</u>
Excess of Revenue and Other Sources Over (Under) Expenditures and Other Uses	(374,947)	(429,000)	(283,768)	638,543
Fund Balance Beginning of Year	<u>6,886,069</u>	<u>6,511,122</u>	<u>6,082,122</u>	<u>5,798,354</u>
Fund Balance End of Year	<u>\$ 6,511,122</u>	<u>\$ 6,082,122</u>	<u>\$ 5,798,354</u>	<u>\$ 6,436,897</u>

## ***Certificates of Achievement for Excellence in Financial Reporting***

The City's comprehensive annual financial report has been prepared following guidelines recommended by the Government Finance Officers Association of the United States and Canada. The Government Finance Officers Association awards a Certificate of Achievement for Excellence in Financial Reporting to those governments whose comprehensive annual financial reports are judged to conform substantially to the high standards of public financial reporting and generally accepted accounting principles. The City has been awarded the Certificate of Achievement of Excellence in Financial Reporting for its comprehensive annual financial report for the years ended December 31, 1994 through 2014. The City plans to submit its comprehensive annual financial report for the year ended December 31, 2015 for review.

## ***Budgeting***

In August of each year all agencies of the City submit requests for appropriations to the city administrator so that a budget may be prepared. Prior to October 15, the city administrator submits to the common council a proposed operating budget, including capital expenditures, for the fiscal year commencing January 1. The budget includes proposed expenditures and the means of financing them. A public hearing is held in the common council chamber to obtain taxpayer comments. Prior to December 1, the budget is legally adopted by the common council through the passage of a resolution.

## ***Investments***

State statutes authorize the City to invest in obligations of the United States Treasury, U.S. government agencies and instrumentalities, obligations of Wisconsin governmental units, time deposits with maturities of less than three years in any financial institution in Wisconsin, the State of Wisconsin Local Government Investment Pool, the Wisconsin Investment Trust, any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency, repurchase agreements if secured by U.S. government securities, and securities of open-end management investment companies or investment trusts if the portfolio meets certain restrictions. The City only deposits and invests its monies in investments allowed by State statute.

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 insured 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, noninterest bearing transaction accounts and interest-bearing demand deposit accounts per official custodian per depository institution. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available.

A description of investment practices and investments at year-end 2015 is included in Appendix A in the Notes to the Financial Statements. A summary of the value of the City's investments as of December 31, 2015 is presented below.

**Table 17**  
**Cash and Investments**

State of Wisconsin Investment Pool	\$ 30,520,057
Securities Investments	3,000,000
Other	<u>4,967,060</u>
Total	<u><u>\$ 38,487,117</u></u>

## PROPERTY VALUATIONS AND TAXES

### *Assessed and Equalized Values*

The Assessed Value is the value of taxable property upon which tax levies are spread. With the exception of manufacturing property, it is determined annually by the local assessor as of January 1. The State Department of Revenue makes the annual assessment of all manufacturing property in the State.

The Equalized Value is determined by the Department of Revenue in order to maintain equity between municipalities and counties. The value represents the current market value of all the property in the taxing district. These certified values are used for apportioning county property taxes, public school taxes, and vocational school taxes as well as for distributing property tax relief.

Wisconsin courts have determined that the constitutional requirement for uniformity of assessment is met even though the assessment in question may be less than full value, provided all property within the tax district is assessed at the same proximate level. Beginning in 1986, all municipalities were required to assess taxable property at a minimum of 90% of State equalized values at least once every five years.

The State of Wisconsin equalizes local assessments to full values. This equalized valuation is the basis used in computing the five-percent State constitutional debt limitation. Table 18 shows the total equalized value trends for the City and the year-over-year increase since 2012, and Table 19 provides the 2016 equalized value by class.

**Table 18**  
**Property Value Trends**

Assessment	Wood County Portion	Marathon County Portion	Total	Year Over Year
<u>Year</u>	<u>Equalized Value</u>	<u>Equalized Value</u>	<u>Equalized Value</u>	<u>Change</u>
2016	\$ 1,348,607,700	\$ 112,706,600	\$ 1,461,314,300	2.36%
2015	1,318,431,300	109,246,000	1,427,677,300	1.59%
2014	1,294,296,000	111,010,700	1,405,306,700	3.39%
2013	1,256,318,900	102,916,400	1,359,235,300	-0.44%
2012	1,260,606,300	104,686,000	1,365,292,300	-0.03%

**Table 19**  
**Equalized Value by Category**

	2016 Equalized Value <u>Wood County</u>	2016 Equalized Value <u>Marathon County</u>	2106 Total <u>Equalized Value</u>
<u>Real Property</u>			
Residential	\$ 775,351,500	\$ 30,735,300	\$ 806,086,800
Commercial	441,287,600	71,188,000	512,475,600
Manufacturing	51,168,800	4,159,900	55,328,700
Agriculture	60,700	54,900	115,600
Undeveloped	34,900	--	34,900
Ag. Forest	25,100	--	25,100
Forest	92,400	164,300	256,700
Other	26,400	212,000	238,400
<u>Personal Property</u>	80,560,300	6,192,200	86,752,500
<b>Total</b>	<b>\$ 1,348,607,700</b>	<b>\$ 112,706,600</b>	<b>\$ 1,461,314,300</b>

## ***Tax Levy and Collection Procedures***

Taxes are levied in December of each year. Personal property taxes, special assessments, special charges, and special taxes must be paid in full to the town, city, or village treasurer by January 31.

Municipalities have the option of adopting payment plans, which allow taxpayers to pay their real property taxes in installments provided that the first installment is paid by January 31 and the remainder is paid by July 31. On or before January 15 and February 15 and on the 15th day of each month following a month in which an installment payment is due the town, city, or village treasurer settles with other taxing jurisdictions for all collections through the preceding month.

On or before August 15 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 taxing delinquencies by enforcing the lien on the property and retain any penalties or interest on the delinquencies for which it has settled. Table 20 presents tax levies for the City for the last five years.

**Table 20**  
**Property Tax Levies**

Levy/Collection <u>Year</u>	<u>Taxes Levied</u>
2015/2016	\$ 13,864,222
2014/2015	13,663,489
2013/2014	13,393,618
2012/2013	13,256,652
2011/2012	13,009,947

Table 21 presents the tax rates per \$1,000 of assessed value for the last five fiscal years.

**Table 21**  
**Tax Rates Per \$1,000 of Assessed Value**

<u>Wood County Portion</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
City	\$ 8.96	\$ 8.95	\$ 8.98	\$ 9.02	\$ 9.07
School	9.37	9.64	9.43	9.69	9.58
Technical College	1.70	1.72	1.69	0.83	0.84
County	4.68	4.64	4.58	4.79	4.82
State	0.17	0.17	0.17	0.17	0.17
<b>Total</b>	<b>\$ 24.88</b>	<b>\$ 25.12</b>	<b>\$ 24.85</b>	<b>\$ 24.50</b>	<b>\$ 24.48</b>
 <u>Marathon County Portion</u>					
City	\$ 8.96	\$ 8.95	\$ 8.98	\$ 9.02	\$ 9.07
School	9.37	9.51	9.19	9.85	9.46
Technical College	1.70	1.69	1.65	0.85	0.83
County	4.76	4.65	4.54	4.82	4.67
State	0.17	0.17	0.16	0.17	0.17
<b>Total</b>	<b>\$ 24.96</b>	<b>\$ 24.97</b>	<b>\$ 24.52</b>	<b>\$ 24.71</b>	<b>\$ 24.20</b>

The ten largest taxpayers in the City based on January 1, 2015 Assessed Values are found in Table 22.

**Table 22**  
**Largest Taxpayers**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2015 Assessed Value</u>	<u>% of Total Assessed Valuation</u>
Marshfield Clinic	Healthcare	\$ 155,719,500	10.93%
Wal-Mart Development	Retail Sales Development	22,508,500	1.58%
Menards Development	Home Improvement Retail	12,658,500	0.89%
V & H Ford Development	Auto / Heavy Truck Sales & Service	12,036,500	0.84%
Festival Foods Development	Grocery / Office Products / Apartments	11,121,199	0.78%
Roehl Development	Trucking / Hotel & Conference Center	10,768,000	0.76%
PreventionGenetics	Medical Research	9,908,100	0.70%
Carbo Ceramics	Oil / Natural Gas Frac Sand Processing	8,672,200	0.61%
Figi's / AFIG Inc.	Mail Order Gift Distributor	8,161,760	0.57%
Security Health	Health Insurance	8,046,000	0.56%
Total - Top 10 Taxpayers		259,600,259	18.22%
Total 2015 Assessed Value		\$ 1,425,167,100	

### ***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. 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 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 Obligations were authorized after July 1, 2005, and therefore the levy limits do not apply to taxes levied to pay debt service on the Obligations.

## **LEGAL MATTERS**

### ***Pending Litigation***

There is no pending litigation or, to the knowledge of the City of Marshfield City Attorney's Office, threatened litigation, which would restrain or enjoin the issuance, sale, execution or delivery of the Obligations or in any way contest or affect the validity of the Obligations or of any proceedings of the City taken with respect to the issuance and sale of the Obligations.

### ***Approval of Legal Proceedings***

Certain legal matters incident to the authorization and issuance of the Obligations are subject to the approval of Quarles & Brady LLP, Bond Counsel, whose approving legal opinions will be available at the time of the delivery of the Obligations. The proposed forms of such opinions are attached hereto as Appendix B. Bond Counsel has not participated in the preparation of this Official Statement, except for guidance concerning the sections entitled "LEGAL MATTERS – Tax Exemption," and will not pass upon its accuracy, completeness or sufficiency. Bond Counsel has not examined nor attempted to examine or verify any of the financial or statistical statements or data contained in the Official Statement, and will express no opinion with respect thereto.

See Appendix B for the "Forms of Legal Opinions" for the Obligations.



## ***Tax Exemption – The Notes***

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 corporations (as that term is defined for federal income tax purposes) and individuals. However, for purposes of computing the alternative minimum tax imposed on corporations, the interest on the Notes is included in adjusted current earnings. 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.”

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.

## ***Tax Status – The Bonds***

Interest on the Bonds is included in gross income for present federal income tax purposes. The interest on the Bonds is not exempt from present Wisconsin income or franchise taxes.

## ***Qualified Tax-Exempt Obligations – The Notes***

The City will designate the Notes as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code relating to the ability of financial institutions to deduct from income for Federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

## ***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 Obligations 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 Obligations could be modified in bankruptcy proceedings. Such modifications could be adverse to holders of the Obligations, and there could ultimately be no assurance that holders of the Obligations would be paid in full or in part on the Obligations. Further, under such circumstances, there could be no assurance that the Obligations would not be treated as general, unsecured debt by a bankruptcy court, meaning that claims of holders of the Obligations 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 Obligations.

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 Obligations would not occur.

## **MISCELLANEOUS**

### ***Rating***

The Obligations have received a rating of “Aa3” by Moody’s Investors Service, Inc. A rating reflects only the view of the rating organization and explanations of the significance of such rating may be obtained from the rating agency furnishing the same. 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 Obligations.

### ***Financial Advisor***

The City has retained Public Financial Management, Inc., of Milwaukee, Wisconsin, as financial advisor (the “Financial Advisor”) in connection with the issuance of the Bonds. In preparing the Official Statement, the Financial Advisor has relied upon governmental officials, and other sources, which have access to relevant data to provide accurate information for the Official Statement, and the Financial Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. The Financial Advisor is not a public accounting firm and has not been engaged by the City to compile, review, examine or audit any information in the Official Statement in accordance with accounting standards. The Financial Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities and therefore will not participate in the underwriting of the Bonds. Public Financial Management, Inc. is registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board as a municipal advisor.

Requests for information concerning the City should be addressed to the City’s Financial Advisor, Public Financial Management, Inc., 115 South 84th Street, Suite 315, Milwaukee, Wisconsin 53214 (414-771-2700).

***Underwriting***

Bids for the Obligations are scheduled to be received at a competitive public sale on October 11, 2016.

\_\_\_\_\_ has agreed, subject to the conditions of closing set forth in the Official Notice of Sale for the Notes, to purchase the Notes at a purchase price of \$\_\_\_\_\_ (consisting of the par amount of the Notes, less an underwriter's discount of \$\_\_\_\_\_), plus accrued interest.

\_\_\_\_\_ has agreed, subject to the conditions of closing set forth in the Official Notice of Sale for the Bonds, to purchase the Bonds at a purchase price of \$\_\_\_\_\_ (consisting of the par amount of the Bonds, less an underwriter's discount of \$\_\_\_\_\_), plus accrued interest.

The Obligations will be offered at the initial public offering prices which produce the yields shown on the inside cover page of this Official Statement. After the Obligations are released for sale to the public, the initial public offering prices and other selling terms may from time to time be varied by the underwriters.

***Certificate Concerning Official Statement***

Concurrently with the delivery of the Obligations, the Mayor of the City and the Clerk of the City will deliver to the purchasers of the Obligations a certificate stating, that, to the best of their knowledge, the Official Statement did not as of its date and as of the sale date and does not, as of the date of delivery of the Obligations, contain an untrue statement of a material fact or omit to state a material fact required to be included therein for the purpose for which the Official Statement is to be used or necessary to make the statements therein, in the light of the circumstances under which they were made not misleading.

The execution and delivery of this Official Statement by its Finance Director has been duly authorized by the Common Council.

**CITY OF MARSHFIELD, WISCONSIN**

By /s/ Keith R. Strey  
Finance Director

\* \* \* \* \*

**APPENDIX A**

**City of Marshfield, Wisconsin  
Excerpts from Financial Statements  
for the Year Ended December 31, 2015**

The Auditor was not asked to perform any additional review in connection with this Official Statement

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**CITY OF MARSHFIELD, WISCONSIN  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2015**

Prepared by:  
Finance Department

Keith R. Strey, CPA  
Finance Director

Amy Van Wyhe  
Accounting Manager

**ON THE COVER: THE JP ADLER FAMILY KODIAK BEAR EXHIBIT**

In 2015, the City of Marshfield partnered with the Wildwood Park Zoological Society and Marshfield Area Community Foundation to raise funds and construct an expanded, Kodiak bear exhibit completed in October. Donations exceeding \$1.2 million dollars primarily funded construction of this exhibit. Wildwood Park and Zoo is one of only two zoos or sanctuaries in North America to house true Kodiak bears, receiving two of three orphaned Kodiak bear cubs rescued on May 5<sup>th</sup>, 2015 from Kodiak Island, Alaska. Wildwood Zoo staff will work closely with Alaska Department of Fish and Game as well as the Kodiak Brown Bear Trust to ensure full advantage of this tremendous educational opportunity is taken.



**CITY OF MARSHFIELD, WISCONSIN**

December 31, 2015

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December 31, 2015

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City of Marshfield  
City Hall Plaza  
630 S. Central Avenue  
Suite 502  
Marshfield, WI 54449



Keith R. Strey, CPA  
Finance Director  
(715) 387-3033  
Fax (715) 384-9310  
keith.strey@ci.marshfield.wi.us

April 22, 2016

To the Honorable Mayor, members of the Common Council and the Citizens of the City of Marshfield:

The comprehensive annual financial report of the City of Marshfield for the fiscal year ended December 31, 2015, is hereby submitted. This report consists of management's representations concerning the finances of the City of Marshfield. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, management of the City of Marshfield has established a comprehensive internal control framework. It is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for preparation of financial statements in conformance with generally accepted accounting principles (GAAP). This comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement because the cost of internal controls should not exceed their benefits. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Schenck SC, a firm of licensed certified public accountants has audited the City of Marshfield's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the city for the fiscal year ended December 31, 2015 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Marshfield's financial statements for the fiscal year ended December 31, 2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Marshfield's MD&A can be found immediately following the report of the independent auditors.

### **Profile of the Government**

The City of Marshfield was incorporated in 1883, under the provisions of Chapter 280, Laws of Wisconsin, 1883. Marshfield is one of four major cities in the Central Wisconsin area, being located in the exact center of the state. Hence, Marshfield is known as the "City in the Center". The city currently has a land area of 13.4 square miles. It is a city rich in Wisconsin lore, with lumbering, rich farmlands and railroading dominating its earlier history.

With an estimated 2015 population of 19,186 the city has seen a slight increase in population and steady growth in its tax base over the past decade. In the 1990 publication, *The Rating Guide To Life In America's Small Cities*, Marshfield was ranked 14th in America, 3rd in the Midwest and 1st in Wisconsin for its quality of life. In 2008, Marshfield was ranked 20<sup>th</sup> best "dreamtown" in the nation by Bizjournals.com. The city was rated as the fifth-best place to live and raise a family in October 2010 according to Forbes Magazine for communities under 100,000 population.

An elected Mayor and Common Council under a mayor-council form of government govern the City. Common Council members serve two-year staggered terms, with five members elected every year. The Mayor is elected to serve a two-year term. All ten of the Common Council members are elected by district and the Mayor elected at large. The Common Council meets in regular session twice monthly and performs the legislative and policy making functions of city government. By statute, the Mayor presides at Council meetings and serves as the Chief Elected Officer. Under an organizational plan approved in 1989, administrative functions of city government have been delegated

to a City Administrator who is hired by and reports to the Mayor and Common Council. The City Administrator is responsible for certain departments including Finance, Technology, Public Works, Parks/Recreation, Planning/Economic Development and Cemetery. The city provides a full range of services including police / fire protection; sanitation services; construction / maintenance of highways, streets and other infrastructure; planning / economic development; library, recreational activities and cultural events. Also included are activities of the Board of Water and Light Commissioners, Fire and Police Commission, Library Board, and smaller boards and commissions over which the Common Council exercises, or has the ability to exercise direct administrative authority and/or responsibility.

The city employs 194 full-time equivalent employees. The police department has 41 officers and 7 staff employees. The Marshfield Fire and Rescue Department that employs 37 firefighters and one staff employee provide fire protection. Community investments in related infrastructure, facilities, equipment and personnel resulted in the City of Marshfield ISO insurance rating improving from class 4 to class 3 in 2012.

The City Administrator annually prepares and presents an executive budget recommendation to the Mayor and Common Council. All departments of the City of Marshfield are required to submit budget requests for the following fiscal year to the Finance Department by August 1st. The Finance Department performs a technical review of all requests, then compiles and prepares the initial budget as a starting point for the City Administrator by the end of August. The first full week of September, the City Administrator and Finance Director review all budget requests and hold meetings with Department heads later in the month to discuss the overall budget in comparison with Common Council goals to identify options for changes to consider. The City Administrator then prepares and presents a recommended budget to the Common Council the first half of October.

A minimum of three special budget work sessions of the Common Council are scheduled to review the Administrator's recommended budget prior to publication of the Common Council proposed budget. The Council is required to hold a public hearing on the proposed budget and adopts a final budget by the last Common Council meeting in November. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads may make transfers of appropriations within a department with the exception of capital outlay. Transfers of appropriations between departments or capital outlay, however, require the special approval of the Common Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

### **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Marshfield operates.

**Economic Condition and Outlook:** The Marshfield area economy is diversified as demonstrated in the list of Principal Employers included in the Statistical Section Schedule 15.

Marshfield Clinic, founded in 1916, is Wisconsin's most comprehensive health care system with more than 700 physician specialists representing more than 80 medical specialties, serving patients in Marshfield and more than 50 locations in northern, central and western Wisconsin. Marshfield Clinic system employs more than 6,800. Annually, there are nearly 3.8 million patient encounters.

Ministry Saint Joseph's Hospital, a 500-plus bed tertiary care teaching institution which adjoins the Clinic, is one of the largest rural referral medical centers in Wisconsin, and a Level II verified Pediatric and Adult trauma center in the region. It provides health care, including all major medical and surgical specialties and subspecialties, to a service area including Wisconsin and Upper Michigan. It joins only three other hospitals in the state with the recognition of a "children's hospital" as designated by the National Association of Children's Hospitals and Related Institutions. The hospital was also certified as a Primary Stroke Center for pediatric, adolescent and adult patients.

Marshfield Clinic Research Foundation (MCRF), is the Research Division of Marshfield clinic that was founded in 1959. It has grown into the largest private medical research foundation in the state and among the largest in the nation with a staff of 188, including 31 PhD and MD scientists. Approximately 450 clinical trials and other research projects are active in the system at any time. These studies provide knowledge to the medical community across the United States and around the world.

Marshfield Labs, established in 1973, is one of the largest full-service private practice medical laboratory systems in the nation with approximately 25 million test results reported annually. Marshfield Labs has established separate service lines for forensic toxicology, food safety and veterinary medicine with clients across the nation.

Security Health Plan is a medically driven not-for-profit health maintenance organization sponsored by Marshfield Clinic. Founded in 1971 as the Greater Marshfield Community Health Plan, the Plan became Security Health Plan in 1986. With 400 employees, it serves more than 230,000 residents in 41 Wisconsin counties. Security Health Plan is accredited by the National Committee for Quality Assurance and insures employees of large and small businesses, individuals and families and administers self-funded employer health plans.

In addition to Marshfield being a major medical service center and the home for manufactured wood products, the city is also a strong metalworking and machinery center, especially stainless steel products. The city has 2 top transportation carriers with employment of over 2,700. Marshfield is also known for its dairy food processing, most notably for its cheese. One unique business is Figi's Inc., a mail order cheese, sausage, gift firm which employs over 3,000 during the October-December peak gift period.

Marshfield is also home to the University of Wisconsin (UW) Agricultural Research Station's Institute for Environmentally Integrated Dairy Management. This is a significant partnership between USDA Agricultural Research Service/US Dairy Forage Research Center, USDA Natural Resources Conservation Service, UW/Madison College of Agricultural and Life Sciences and National Farm Medicine Center/Marshfield Clinic Research Foundation.

Overall, the Marshfield-Wood County area economy experienced limited improvement over the past twelve months. The Wood County unemployment rate decreased from 6.1% for 2014 to 5.5% for 2015, higher than the nation at 5.3% and higher than the state at 4.6%. Total Wood County employment contracted in 2015 with a decrease in employment by 3,847 in comparison with 2014.

Marshfield's businesses continued growth in 2015 with the addition of 5 new buildings valued at \$2,613,600. Additionally, 112 business permits were issued to remodel and/or expand existing facilities valued at \$14,488,693. The city experienced a slight increase in residential housing starts for 2015 of 121 valued at \$2,030,985 compared to 11 in 2014.

The city is positioned to support increased development as a result of:

- Completion of the four-lane Veteran's Parkway / State Highway 13 through the City in 2003
- Completion of infrastructure construction in Mill Creek Business Park in 2003
- Improvements completed to State Highway 13 on the north end of the city in 2005
- Development of Yellowstone Industrial Park in 2009 and completion of significant infrastructure improvements in 2012
- Reconstruction of Central Avenue in 2009 through the core of downtown
- Construction of a 55MW natural gas fired combustion turbine generator completed in 2011
- Expansion of U.S. Highway 10 to four-lanes from Stevens Point to Marshfield completed in late 2012
- Construction of a 500,000 gallon water tower in 2015

**Long-term Financial Planning:** In 1990, a 5-year Capital Improvement Program (CIP) policy statement was adopted by the Common Council and a 5-year Capital Improvement Program has been subsequently adopted every year. This plan is updated annually as the first step of the annual budget development process. Annually during the CIP development process, a review of the City's debt status and TIF projections is also completed. The annual budget serves as the foundation for the City of Marshfield's financial planning and control which includes 5-years of historical data and projections.

**Retirement Program:** All eligible City of Marshfield employees participate in the Wisconsin Retirement System (WRS), a cost-sharing, multiple-employer, defined benefit public employee retirement system (PERS). Additional details regarding this are presented in Note C.7 – Defined Benefit Pension Plans in the Notes to Financial Statements.

**Debt Administration:** During the year, the city had the following debt issues:

- \$2,820,000 general obligation promissory notes to fund various infrastructure projects and refinance certain existing debt
- \$3,435,000 general obligation community development bonds to fund capital projects within the Tax Incremental Districts
- \$3,180,000 water system revenue bonds to finance water system infrastructure projects

The city had continually maintained a "Aa3 rating from Moody's Investors Service on general obligation debt issues and an "A2" rating from Moody's Investors Service on its mortgage revenue bond issues until 2010. As a result of Moody's Investors Service recalibration of U.S. Public Finance Ratings in April 2010, they upgraded the ratings for general obligation debt to Aa2, sewer and water revenue bonds to Aa3 and electric revenue bonds to Aa2. These rating upgrades reflect the city's financial strength in a combined public/private global rating system.

Under Wisconsin statutes, general obligation debt is subject to a legal limitation based on 5% of total equalized value. As of December 31, 2015, the city's net general obligation debt of \$35,569,993 was below the legal limit of \$71,383,865. Net bonded debt per capita equaled \$1,854. The city adheres to an aggressive repayment policy with approximately 80% of principal retired in 10 years.

**Cash Management:** Cash temporarily idle during the year was invested in demand deposits, government agencies, corporate bonds, and the State of Wisconsin Local Government Investment Pool. The city's investment policy places an emphasis on safety, liquidity and a competitive yield on its portfolio. Accordingly, it is the city's policy that deposits are either insured by federal depository insurance or collateralized. For brief periods of time certain amounts were not collateralized pending transfer to the State of Wisconsin Local Government Investment Pool. All collateral on deposits was held either by the city, our agent or a financial institution's trust department in the city's name. Remaining investments were held in long-term securities in accordance with State Statutes and the city's investment policy.

**Risk Management:** The City of Marshfield is a member of the League of Wisconsin Municipalities Insurance Plan. This plan provides workers' compensation, casualty, professional liability and errors and omissions coverage tailored specifically for Wisconsin municipalities. The City is also a member of the WI Local Government Property Insurance Fund program for property coverage needs for Wisconsin municipalities.

### **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 Marshfield for its comprehensive annual financial report for the fiscal year ended December 31, 2014. This was the twenty-first consecutive year that the City of Marshfield Finance Department has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

I would like to acknowledge the city departments and all others who assisted or contributed to the preparation of this report. Also, I would like to thank our independent auditors, Schenck SC for their assistance and professional guidance, which contributed significantly to the report quality and adherence to accounting standards. Their experience and expertise was extremely valuable to the Finance department.

Finally, I want to express my sincere appreciation to the entire staff of the Finance Department for their outstanding work throughout the year. Without their professionalism and support, preparation of this report would not have been possible.

Respectfully submitted,

***Keith R. Strey***

Keith R. Strey, CPA  
Finance Director



Government Finance Officers Association

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

Presented to

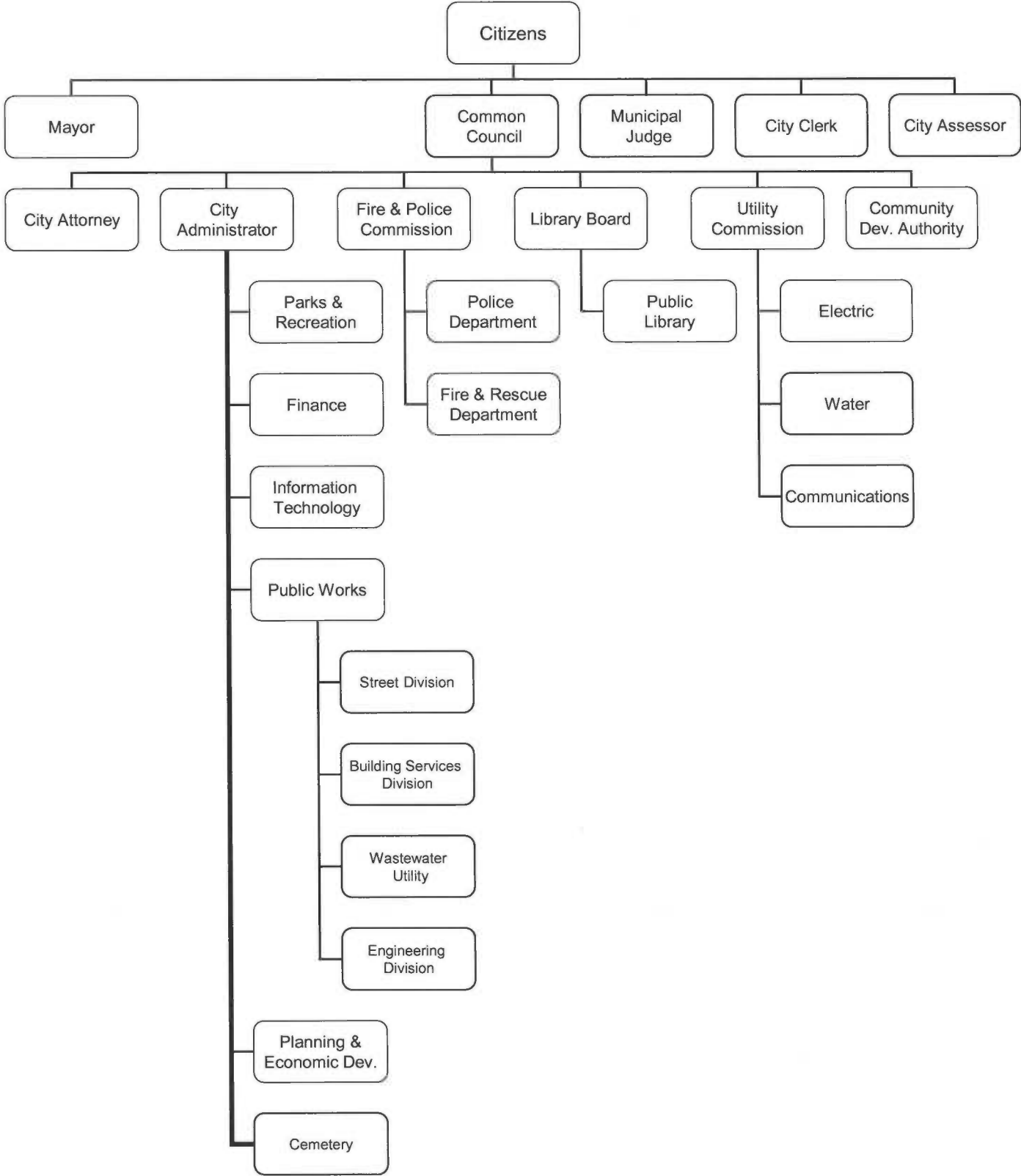
**City of Marshfield  
Wisconsin**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2014**

Executive Director/CEO

# CITY OF MARSHFIELD ORGANIZATION CHART





CITY OF MARSHFIELD, WISCONSIN  
List of Principal Officials – 2015

**ELECTED**

Mayor.....Chris Meyer  
Common Council President.....Gary Cummings  
City Clerk.....Deb Hall  
City Assessor.....Joan Spencer  
Municipal Judge.....John Adam Kruse

District Alderperson:

First .....Michael Feirer  
Second .....Alanna Feddick  
Third .....Chris Jockheck  
Fourth .....Gordon Earll  
Fifth .....Ed Wagner  
Sixth .....Rich Reinhart  
Seventh .....Gary Cummings  
Eighth .....Rebecca Spiros  
Ninth .....Tom Buttke  
Tenth .....Peter Hendler

**APPOINTED**

Administrator.....Steve Barg  
City Attorney.....Harold Wolfram  
Finance Director.....Keith Strey  
Accounting Manager.....Amy Van Wyhe  
Human Resources Manager / Assistant to the City Administrator.....Jennifer Rachu  
Director of Technology.....Eng Ng  
Police Chief.....Rick Gramza  
Fire Chief.....Robert Haight III  
Director of Public Works.....Daniel Knoeck  
City Engineer.....Thomas Turchi  
Library Director.....Lori Belongia  
Parks and Recreation Director.....Justin Casperson  
Director of Planning and Economic Development.....Jason Angell



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## INDEPENDENT AUDITORS' REPORT

To the City Council  
Marshfield, Wisconsin

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Marshfield, Wisconsin ("the City") as of and for the year ended December 31, 2015, 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, each major fund, and the aggregate remaining fund information of the City as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As discussed in Note D.9, the City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68*. Our opinions are not modified with respect to this matter.

As described in Note D.7, the City recorded prior period adjustments of \$494,391 in the government-wide statements, \$333,408 in the governmental fund statements to reflect the removal of the Visitor and Convention Bureau, and \$160,983 in the proprietary fund statements to reflect a billing error in the Wastewater Utility. 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 and the schedules relating to pensions and other post-employment benefits on pages 14 through 23 and 70 through 73 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 the 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 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 April 22, 2016, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Certified Public Accountants  
Wausau, Wisconsin  
April 22, 2016

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



## CITY OF MARSHFIELD, WISCONSIN

### Management's Discussion and Analysis

As management of the City of Marshfield, Wisconsin, we offer readers of the City's basic financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2015.

#### Financial Highlights

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources as of December 31, 2015 by \$179,102,487 (net position). Total net position includes all infrastructure of the government unit.
- The City's total net position increased by \$14,259,548 (including a cumulative effect of change in accounting principle of \$6,122,399 and net of prior period adjustment of \$494,391), primarily due to Business Type Activities operations increasing their total net position.
- As of December 31, 2015, the City's governmental funds reported combined ending fund balances of \$6,026,182, a decrease of \$320,689 in comparison with the prior year. The decrease was due primarily to net a prior period adjustment of \$333,408.
- As of December 31, 2015, unassigned fund balance for the general fund was \$5,891,810 or approximately 30% of total general fund expenditures. The general fund balance increased \$638,543 during 2015.

#### Overview of the Basic 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 basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City'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, liabilities, and deferred outflows/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.

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



Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, health and human services, culture, recreation and education, and conservation and development. The business-type activities of the City include the City's electric, water, communications, and wastewater utilities and the emergency medical services operations.

The government-wide financial statements can be found on pages 24 - 26 of this report.

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

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

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

The City maintains 24 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, debt service fund, and public facilities capital outlay fund, which are considered to be major funds. Data from the other 21 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its general, special revenue, debt service and capital project funds. As part of the basic governmental fund financial statements, budgetary comparison statements have been provided for the general fund to demonstrate compliance with the budget.

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

**Proprietary funds.** The City maintains different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its electric, water, communications, and wastewater utilities and the emergency medical services operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses an internal service fund to account for its machinery and equipment. Because these services predominantly benefit government rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the electric, water, communications, and wastewater utility operations which are considered to be major funds of the City and separate information on the emergency medical services operation. The internal service fund is presented in the proprietary fund financial statements as a single column.

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

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own program. The accounting used for the fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on page 36 of this report.

**Notes to the basic financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 37 - 69 of this report.

**Other information.** Detailed budgetary comparison of the City's general fund is reported as supplemental information. Budgetary comparison of other funds adopting a budget follows the combining statements referred to earlier in connection with nonmajor governmental funds presented immediately following required supplementary information.

**Government-wide Financial Analysis**

**Net position.** As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$179,102,487 at the close of 2015.

City of Marshfield, Wisconsin's Net Position						
	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 30,387,164	\$ 26,768,987	\$ 40,030,375	\$ 37,421,139	\$ 70,417,539	\$ 64,190,126
Capital assets	90,925,273	86,362,578	126,033,429	123,256,239	216,958,702	209,618,817
Total Assets	121,312,437	113,131,565	166,063,804	160,677,378	287,376,241	273,808,943
Deferred outflows of resources	2,221,770	-	906,805	-	3,128,575	-
Long-term liabilities outstanding	33,803,374	31,965,618	52,895,694	52,816,772	86,699,068	84,782,390
Other liabilities	7,204,869	5,647,912	3,363,798	4,635,556	10,568,667	10,283,468
Total Liabilities	41,008,243	37,613,530	56,259,492	57,452,328	97,267,735	95,065,858
Deferred inflows of resources	14,126,120	13,900,146	8,474	-	14,134,594	13,900,146
Net Position						
Net investment in capital assets	57,826,186	55,626,337	77,560,575	77,355,354	135,386,761	132,981,691
Restricted	6,417,199	2,565,407	4,844,079	3,050,999	11,261,278	5,616,406
Unrestricted	4,156,459	3,426,145	28,297,989	22,818,697	32,454,448	26,244,842
Total Net Position	\$ 68,399,844	\$ 61,617,889	\$ 110,702,643	\$ 103,225,050	\$ 179,102,487	\$ 164,842,939

By far the largest portion of the City's net position reflects its net investment in capital assets (e.g. land, buildings, machinery and equipment, infrastructure, etc.) used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although, the City's net 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.

An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used.

**Change in net position.** Governmental activities increased the City's net position by \$6,781,955 and the business-type activities increased net position by \$7,477,593. A summary of the City's change in net position follows:

City of Marshfield, Wisconsin's Change in Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
<b>Revenues:</b>						
<b>Program revenues:</b>						
Charges for services	\$ 2,055,004	\$ 1,940,771	\$ 44,671,698	\$ 47,805,078	\$ 46,726,702	\$ 49,745,849
Operating grants and contributions	2,802,378	2,719,996	62,739	50,531	2,865,117	2,770,527
Capital grants and contributions	2,641,925	600,630	443,704	538,512	3,085,629	1,139,142
<b>General revenues:</b>						
Taxes	14,211,295	13,916,458	-	-	14,211,295	13,916,458
Grants and contributions not restricted to specific programs	5,324,382	5,290,897	-	-	5,324,382	5,290,897
Other	274,956	303,891	867,784	1,050,438	1,142,740	1,354,329
<b>Total revenues</b>	<b>27,309,940</b>	<b>24,772,643</b>	<b>46,045,925</b>	<b>49,444,559</b>	<b>73,355,865</b>	<b>74,217,202</b>
<b>Expenses:</b>						
General government	3,266,642	3,441,510	-	-	3,266,642	3,441,510
Public safety	8,254,710	8,234,603	-	-	8,254,710	8,234,603
Public works	8,351,800	7,993,577	-	-	8,351,800	7,993,577
Health and human services	340,197	317,792	-	-	340,197	317,792
Culture, recreation and education	3,841,342	3,678,439	-	-	3,841,342	3,678,439
Conservation and development	1,447,241	981,828	-	-	1,447,241	981,828
Interest on long-term debt	1,026,058	968,197	-	-	1,026,058	968,197
Electric utility	-	-	29,765,620	33,302,471	29,765,620	33,302,471
Water utility	-	-	3,295,933	3,560,182	3,295,933	3,560,182
Communications	-	-	74,834	90,439	74,834	90,439
Wastewater	-	-	3,673,007	3,793,962	3,673,007	3,793,962
EMS	-	-	1,386,941	1,249,425	1,386,941	1,249,425
<b>Total Expenses</b>	<b>26,527,990</b>	<b>25,615,946</b>	<b>38,196,335</b>	<b>41,996,479</b>	<b>64,724,325</b>	<b>67,612,425</b>
Changes in net position before transfers	781,950	(843,303)	7,849,590	7,448,080	8,631,540	6,604,777
Transfers	2,100,658	2,051,368	(2,100,658)	(2,051,368)	-	-
<b>Change in net position</b>	<b>2,882,608</b>	<b>1,208,065</b>	<b>5,748,932</b>	<b>5,396,712</b>	<b>8,631,540</b>	<b>6,604,777</b>
Net position - January 1	61,617,889	63,618,001	103,225,050	97,960,573	164,842,939	161,578,574
Prior period adjustment	(333,408)	(3,208,177)	(160,983)	(132,235)	(494,391)	(3,340,412)
Cumulative effect of change in accounting principle	4,232,755	-	1,889,644	-	6,122,399	-
<b>Net position - December 31</b>	<b>\$ 68,399,844</b>	<b>\$ 61,617,889</b>	<b>\$ 110,702,643</b>	<b>\$ 103,225,050</b>	<b>\$ 179,102,487</b>	<b>\$ 164,842,939</b>

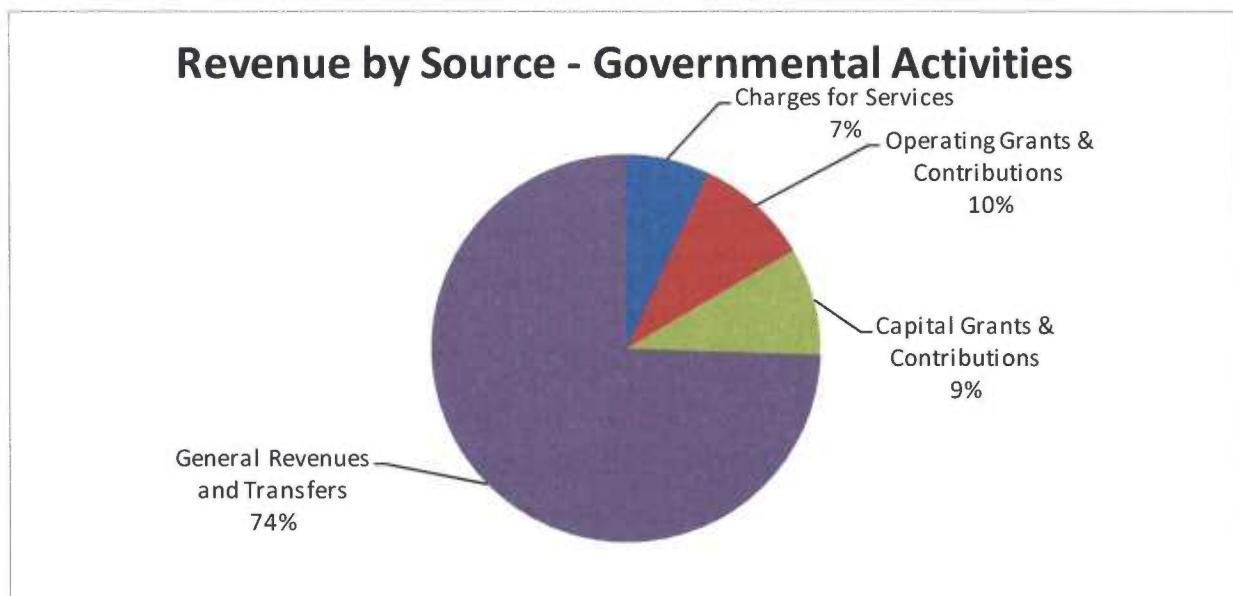
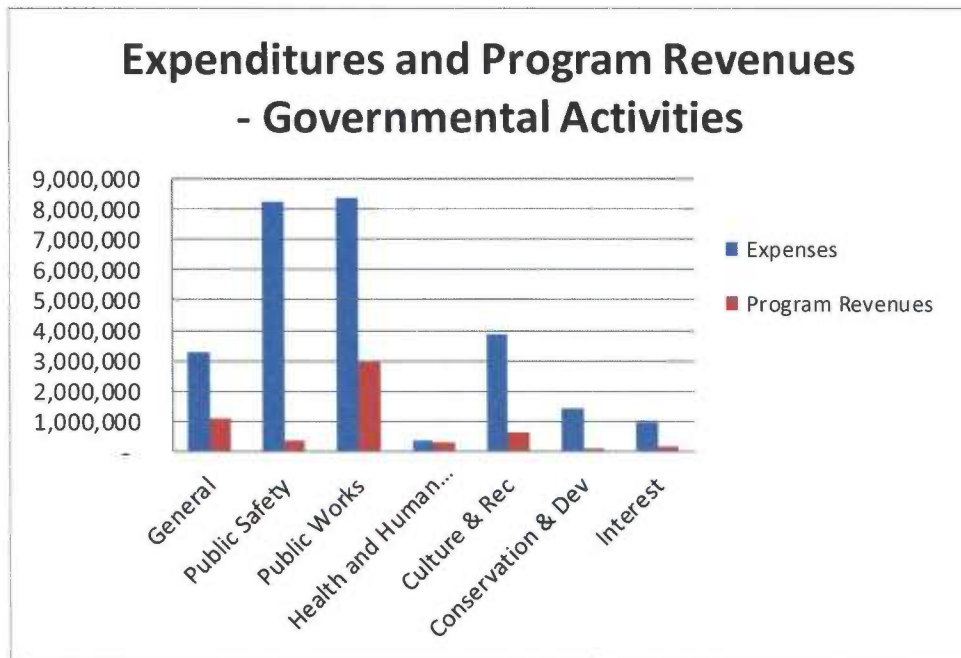
A summary of key changes follows:

**Governmental Activities:**

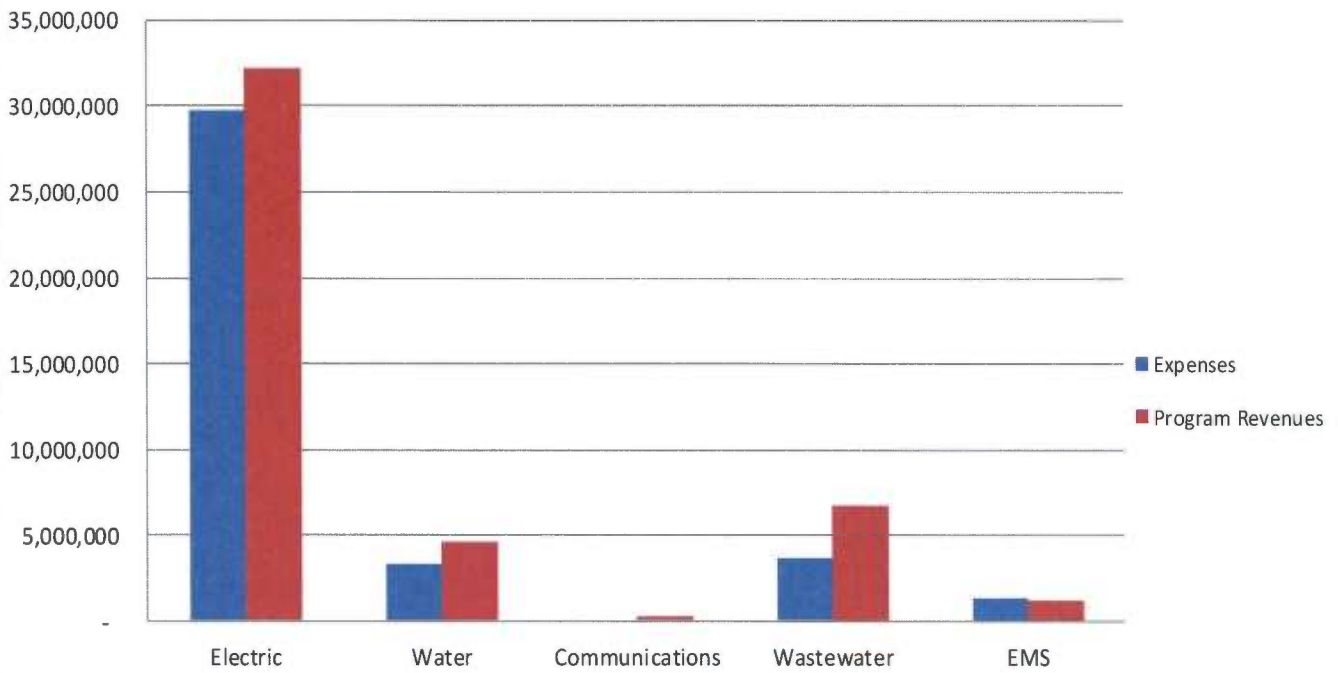
- The increase in net position from 2014 to 2015 was mainly due to normal operations in 2015. The prior period adjustment in the governmental-activities of \$333,408 was to reflect the removal of the Visitor and Convention Bureau from the City's financial statements. The cumulative effect of change in accounting principle of \$4,232,755 was to reflect the implementation of GASB 68 & 71 by the City.

**Business-type Activities:**

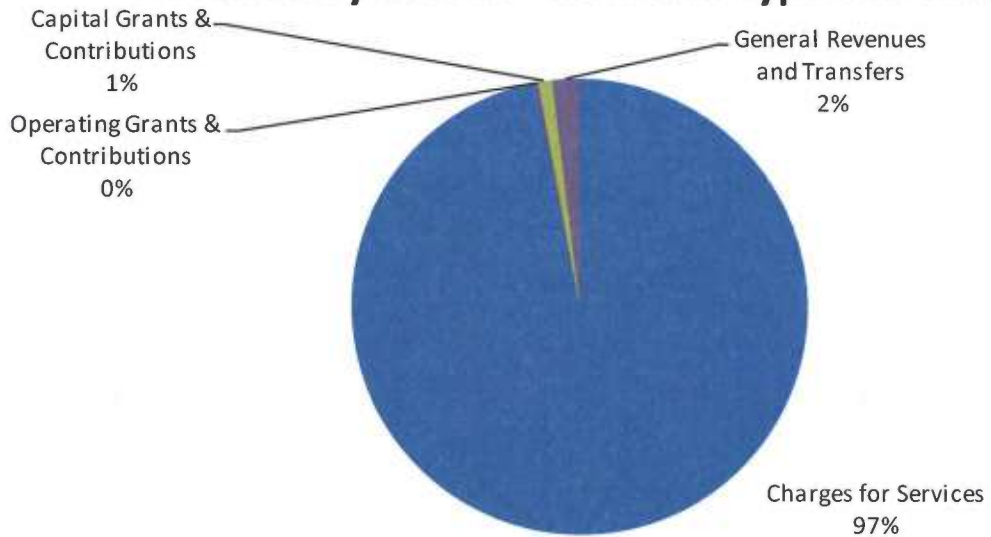
- The increase in net position from 2014 to 2015 was mainly due to results of normal operations in 2015.
- The prior period adjustment in the business-type activities of \$160,983 reflects a prior year billing error in the Sewer Utility. The cumulative effect of change in accounting principle of \$1,889,644 was to reflect the implementation of GASB 68 & 71 by the City.



## Expenses and Program Revenues - Business-type Activities



## Revenue by Source - Business-type Activities





## **Financial Analysis of the City's Funds**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of December 31, 2015, the City's governmental funds reported combined ending fund balances of \$6,026,182, a decrease of \$320,689 in comparison with the prior year. The change was due primarily to a prior period adjustment of \$333,408 related to the removal of the Visitor & Convention Bureau from the City's financial statements.

The general fund is the chief operating fund of the City. At the end of the current year, unassigned fund balance of the general fund was \$5,891,810 while total fund balance was \$6,436,897. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 30% of total general fund expenditures, while total fund balance represents 33% of that same amount.

The fund balance of the City's general fund increased by \$638,543 during the current year, while the original budget adopted by the City applied \$501,204 of fund balance to balance the budget.

The debt service fund is used to retire long-term debt related to governmental activities and annually levies sufficient taxes to retire all obligations. The ending fund balance was \$362,363, a decrease of \$225,501 from the prior year.

The public facilities capital outlay capital project fund accounts for construction, improvement, and remodeling costs for public buildings not utilized for public safety services. The ending fund balance was a deficit \$644,756, a decrease of \$925,145 from the prior year.

**Proprietary funds.** The City's proprietary funds provide the same type of information found in the City's government-wide financial statements, but in more detail.

Total net position of the City's electric, water, and communications utility (Marshfield Utilities) at the end of the year amounted to \$74,105,398 with \$48,442,437 net investment in capital assets, \$2,902,494 restricted, and \$22,760,467 as unrestricted. The fund experienced an increase in net position of \$3,663,776.

Total net position of the City's wastewater utility at the end of the year amounted to \$35,530,401 with \$28,657,189 net investment in capital assets, \$1,446,528 restricted, and \$5,406,684 as unrestricted. The fund experienced a growth in net position of \$3,342,430.

Total net position of the City's Emergency Medical Services fund at the end of the year amounted to \$939,441 with \$460,949 net investment in capital assets, \$475,057 restricted, and \$3,435 as unrestricted. The fund experienced an increase in net position of \$476,243.

The City's internal service fund reported net position of \$3,397,992 at the end of the year, a decrease of \$188,428 over the prior year.

Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

## **General Fund Budgetary Highlights**

During the year, actual revenues exceeded than budgeted revenues by \$99,691. Actual expenditures were lower than budgeted expenditures by \$1,031,520.

**Capital Asset and Debt Administration**

**Capital assets.** The City's net investment in capital assets for its governmental and business-type activities as of December 31, 2015 amounts to \$216,958,702 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, vehicles, public domain infrastructure (highways and bridges), and construction in progress.

Major capital assets acquired or constructed during the year include:

**Governmental Activities**

- Kodiak bear exhibit totaling \$1,335,674
- Street construction projects totaling \$4,394,593

**Business-Type Activities**

- 2015 water & electric utility equipment and infrastructure projects totaling \$4,482,803
- 2015 sewer utility infrastructure projects totaling \$2,449,779 including sewer lining

City of Marshfield, Wisconsin's Capital Assets						
	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Land	\$ 9,443,988	\$ 9,257,424	\$ 3,339,193	\$ 3,214,404	\$ 12,783,181	\$ 12,471,828
Construction in progress	2,384,761	888,071	3,499,101	2,822,455	5,883,862	3,710,526
Buildings and improvements	31,742,841	30,132,148	30,250,885	29,947,331	61,993,726	60,079,479
Machinery and equipment	16,934,590	16,513,827	11,058,503	10,151,594	27,993,093	26,665,421
Infrastructure	84,108,000	79,685,981	134,234,543	129,284,992	218,342,543	208,970,973
Less: Accumulated depreciation	(53,688,907)	(50,114,873)	(56,348,796)	(52,164,537)	(110,037,703)	(102,279,410)
<b>Total</b>	<b>\$ 90,925,273</b>	<b>\$ 86,362,578</b>	<b>\$ 126,033,429</b>	<b>\$ 123,256,239</b>	<b>\$ 216,958,702</b>	<b>\$ 209,618,817</b>

Additional information on the City's capital assets can be found in Note C4 in the notes to the financial statements.

**Long-term debt.** At the end of the current fiscal year, the City had total bonded debt outstanding of \$82,339,308. Of this amount, \$35,932,356 comprises debt backed by the full faith and credit of the government and \$46,406,952 is backed by the revenues of the electric, water, and wastewater utilities.

City of Marshfield, Wisconsin's Outstanding Debt						
General Obligation Debt, Revenue Bonds and Bond Anticipation Notes						
	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
General Obligation Debt						
Bonds	\$ 14,163,500	\$ 11,472,687	\$ 2,021,500	\$ 2,172,313	\$ 16,185,000	\$ 13,645,000
Notes	18,108,906	18,860,491	496,094	659,509	18,605,000	19,520,000
State trust fund	1,122,907	1,200,594	19,449	20,000	1,142,356	1,220,594
<b>Total General Obligation Debt</b>	<b>33,395,313</b>	<b>31,533,772</b>	<b>2,537,043</b>	<b>2,851,822</b>	<b>35,932,356</b>	<b>34,385,594</b>
Revenue bonds	-	-	39,950,000	38,325,000	39,950,000	38,325,000
Clean water fund loan program	-	-	4,431,952	5,901,948	4,431,952	5,901,948
Revenue bond anticipation notes	-	-	2,025,000	2,025,000	2,025,000	2,025,000
<b>Total</b>	<b>\$ 33,395,313</b>	<b>\$ 31,533,772</b>	<b>\$ 48,943,995</b>	<b>\$ 49,103,770</b>	<b>\$ 82,339,308</b>	<b>\$ 80,637,542</b>

The City's total debt increased by \$1,701,766.

State statutes limit the amount of general obligation debt the City may issue to 5% of its total equalized valuation. The current debt limitation for the City is \$71,383,865, which is in excess of the City's \$35,932,356 in outstanding general obligation debt.

Additional information on the City's long-term debt can be found in Note C6 in the notes to the financial statements.

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

- The State of WI first imposed tax levy limits impacting the City in 2006 through present. The State expanded these limits as part of its' 2011-13 biennial budget to a tax levy freeze with limited exceptions.
- The City of Marshfield participates in the State of WI Expenditure Restraint Program (ERP) which historically resulted in annual payments from the State in excess of \$400,000. The formula used to determine eligibility for participation in the ERP program was extremely challenging in establishing the 2016 City budget as General Fund expenditure growth was limited to 1.0%. For 2016, the State estimated payment is \$384,426.
- It is intended that the City of Marshfield will maintain a minimum unassigned fund balance of 25 to 30 percent of general fund budgeted expenditures per Common Council policy.
- The City's total WI Department of Revenue Equalized Value for 2015 increased \$22,370,600 (2%) compared to 2014.
- Total Assessed Value for 2015 increased \$17,461,740 (1.24%) compared to 2014.
- For 2016 the City plans to issue \$3.865 million in general obligation notes for budgeted Fire Ladder Truck replacement and capital projects including street infrastructure and \$3.840 million in general obligation bonds for budgeted new Library construction and TID infrastructure projects.
- The City property tax rate for 2016 increased \$0.05 to \$9.07 per thousand, the third increase since 2005.

All of these factors were considered in preparing the City's budget for 2016.

2015 was a year that saw a number of business expansions, expansions that came primarily through the remodeling or expansion to existing facilities. Although a couple of new facilities are currently in the planning stages, these new facilities will not be completed until third quarter 2016 or later.

The following is a summary of some of the more notable commercial projects that occurred in the last year.

- Gross Motors recently opened their new show room and associate center. This 13,250 square foot addition was part of their major remodel and update to their facility located on N. Central Avenue.
- Counter Form continues to experience growth in the countertop manufacturing industry, and thus have expanded their office area by 2,600 square feet to make room for additional employees.
- Quality Tank Solutions' service to the craft brewing industry continues to serve their business well. Recently the business celebrated the expansion of their shop floor, a 4,600 square foot addition that will allow them to continue to meet the demands of the industry.

In an effort to continue to provide the highest level of health care, and meet the change in market demands, Marshfield Clinic completed approximately 50,000 square feet of remodeling within their existing facilities. Over half of the remodeling was for the addition of a skilled nursing facility.

Ministry St. Joseph's Hospital is also evolving with the medical industry. In 2016 they will celebrate completion of a second mobile docking station. With this 6,600 square foot addition, St. Joseph's will now be able to host two MRI trucks (mobile units).

In 2015, Marshfield Clinic announced significant expansion plans to the Marshfield campus. The original proposed plans for a "Hospital of the Future" included construction starting in 2016 of an 8-story structure of approximately 615,000 gross square feet containing 202 patient beds and possible future 28,000 square foot Hyperbolic expansion. The original project plans also included construction of a 2-story, 30,000 square foot Central Utility Plant and a 4 level, 750 vehicle parking ramp structure.



During March, 2016, Marshfield Clinic and Ministry St. Joseph's Hospital announced they had entered into a non-binding memorandum of understanding for the sale of Ministry St. Joseph's Hospital to Marshfield Clinic Health System (MCHS). With this development, Marshfield Clinic has temporarily put on hold plans for a new Marshfield hospital as they conduct a review of Saint Joseph's to determine what investments and upgrades make the most sense. Marshfield Clinic is still very committed to owning and operating a state-of-the-art facility in Marshfield that will be the hospital of the future. However, potential MCHS ownership of Saint Joseph's provides new options, including whether, when and what they should build. Approval of the Saint Joseph's sale is a multi-step process expected to take several months.

Residential growth continues to show promise, with demand for rental units remaining strong. The two residential development projects that broke ground in late 2015 are near complete with both "complexes" filling units as quick as they can come online. Both are currently maintaining waiting list for their units. East McMillan Estates consists of 5 8-plexes. Rents in these units are considered to be in the high end of the local market, with rates of \$1100 - \$1200 per month. Heritage Drive Estates a 7 building apartment complex, consisting of 84 units, is the first multi-family development to be located on the south end of the community. With rents in the \$750 range, these units have been a welcomed addition to the area, with many young professionals working in the Mill Creek Business Park choosing to locate here.

Marshfield Utilities began replacing all of its water meters with an automatic meter reading system. In 2014, the Utility began replacing all of its electric meters with an automated meter reading system which continued in 2015. This is a substantial multi-year undertaking as there are approximately 13,200 electric and 8,100 water meters.

Finally, in 2015, the water utility completed construction of a new 500,000 gallon water tower on the east side of Marshfield. The final estimated cost of this project is \$2.15 million.

### **Contacting the City's Financial Management**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Marshfield Finance Director, 630 S. Central Avenue, Suite 502, Marshfield, WI 54449.

## **BASIC FINANCIAL STATEMENTS**



**CITY OF MARSHFIELD, WISCONSIN**  
Statement of Net Position  
December 31, 2015

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and investments	\$ 7,173,650	\$ 12,738,707	\$ 19,912,357
Receivables			
Taxes	9,731,865	46,838	9,778,703
Accounts	5,814,243	3,205,299	9,019,542
Special assessments	1,036,685	64,780	1,101,465
Loans	512,427	-	512,427
Other	1,039,447	409,690	1,449,137
Internal balances	1,894,973	(1,894,973)	-
Due from other governments	136,518	202	136,720
Inventories and prepaid items	219,999	1,856,071	2,076,070
Investment in American Transmission Company	-	8,849,655	8,849,655
Net pension asset	2,165,051	864,573	3,029,624
Preliminary survey	-	102,932	102,932
Other	-	39,230	39,230
Restricted cash and investments	662,306	13,747,371	14,409,677
Capital assets			
Land and construction in progress	11,828,749	6,838,294	18,667,043
Buildings, systems, and equipment	132,785,431	175,543,931	308,329,362
Less: Accumulated depreciation	(53,688,907)	(56,348,796)	(110,037,703)
<b>TOTAL ASSETS</b>	<b>121,312,437</b>	<b>166,063,804</b>	<b>287,376,241</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions	2,221,770	906,805	3,128,575
<b>LIABILITIES</b>			
Accounts payable	1,695,529	2,123,960	3,819,489
Payroll liabilities	-	200,453	200,453
Accrued interest	382,285	224,279	606,564
Accrued liabilities	-	39,248	39,248
Due to other governments	29,652	41,100	70,752
Customer deposits	-	734,758	734,758
Unearned revenues	5,075,997	-	5,075,997
Special deposits	21,406	-	21,406
Long-term obligations			
Due within one year	4,315,473	3,772,178	8,087,651
Due in more than one year	29,487,901	49,123,516	78,611,417
<b>TOTAL LIABILITIES</b>	<b>41,008,243</b>	<b>56,259,492</b>	<b>97,267,735</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Taxes	14,126,120	-	14,126,120
Deferred inflows related to pensions	-	8,474	8,474
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>14,126,120</b>	<b>8,474</b>	<b>14,134,594</b>
<b>NET POSITION</b>			
Net investment in capital assets	57,826,186	77,560,575	135,386,761
Restricted for			
Debt service	362,363	1,852,278	2,214,641
Equipment replacement	-	1,228,897	1,228,897
Development loans	1,021,857	-	1,021,857
Parks maintenance	236,798	-	236,798
Taxi system	36,037	-	36,037
Local cable access programming	151,933	-	151,933
Cemetery perpetual care - nonexpendable	221,390	-	221,390
Pensions	4,386,821	1,762,904	6,149,725
Unrestricted	4,156,459	28,297,989	32,454,448
<b>TOTAL NET POSITION</b>	<b>\$ 68,399,844</b>	<b>\$ 110,702,643</b>	<b>\$ 179,102,487</b>

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

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

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and	Capital Grants and
<b>Governmental Activities</b>				
General government	\$ 3,266,642	\$ 1,028,929	\$ 71,420	\$ -
Public safety	8,254,710	210,527	160,240	-
Public works	8,351,800	253,984	1,981,162	689,788
Health and human services	340,197	178,359	121,427	-
Culture and recreation and education	3,841,342	315,204	302,173	1,952,137
Conservation and development	1,447,241	68,001	30,000	-
Interest on debt	1,026,058	-	135,956	-
<b>Total Governmental Activities</b>	<b>26,527,990</b>	<b>2,055,004</b>	<b>2,802,378</b>	<b>2,641,925</b>
<b>Business-type Activities</b>				
Electric utility	29,765,620	32,012,321	-	222,094
Water utility	3,295,933	4,507,702	-	112,492
Communications utility	74,834	239,655	-	65,479
Wastewater utility	3,673,007	6,735,174	-	43,639
Emergency medical services	1,386,941	1,176,846	62,739	-
<b>Total Business-type Activities</b>	<b>38,196,335</b>	<b>44,671,698</b>	<b>62,739</b>	<b>443,704</b>
<b>Total</b>	<b>\$ 64,724,325</b>	<b>\$ 46,726,702</b>	<b>\$ 2,865,117</b>	<b>\$ 3,085,629</b>

General revenues

Taxes

Property taxes

Other taxes

Federal and state grants and other contributions  
not restricted to specific functions

Interest and investment earnings

Miscellaneous

Gain (loss) on sale of asset

Transfers

Total general revenues and transfers

Change in net position

Net position - January 1, as originally reported

Cumulative effect of change in accounting principle

Prior period adjustment

Net position - January 1, as restated

Net position - December 31

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

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total

\$	(2,166,293)	\$	-	\$	(2,166,293)
	(7,883,943)		-		(7,883,943)
	(5,426,866)		-		(5,426,866)
	(40,411)		-		(40,411)
	(1,271,828)		-		(1,271,828)
	(1,349,240)		-		(1,349,240)
	(890,102)		-		(890,102)
	<u>(19,028,683)</u>		<u>-</u>		<u>(19,028,683)</u>

	-	2,468,795	2,468,795
	-	1,324,261	1,324,261
	-	230,300	230,300
	-	3,105,806	3,105,806
	-	(147,356)	(147,356)
	-	<u>6,981,806</u>	<u>6,981,806</u>

(19,028,683)	6,981,806	(12,046,877)
--------------	-----------	--------------

13,663,489	-	13,663,489
547,806	-	547,806
5,324,382	-	5,324,382
81,017	733,312	814,329
145,707	138,122	283,829
48,232	(3,650)	44,582
2,100,658	(2,100,658)	-
<u>21,911,291</u>	<u>(1,232,874)</u>	<u>20,678,417</u>

2,882,608	5,748,932	8,631,540
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61,617,889	103,225,050	164,842,939
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4,232,755	1,889,644	6,122,399
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(333,408)	(160,983)	(494,391)
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<u>65,517,236</u>	<u>104,953,711</u>	<u>170,470,947</u>
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<u>\$ 68,399,844</u>	<u>\$ 110,702,643</u>	<u>\$ 179,102,487</u>
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**CITY OF MARSHFIELD, WISCONSIN**

Balance Sheet  
Governmental Funds  
December 31, 2015

	General	Debt Service	Public Facilities Capital Outlay	Other Governmental Funds	Total
<b>ASSETS</b>					
Cash and investments	\$ 3,481,192	\$ 1,289,365	\$ -	\$ 1,906,793	\$ 6,677,350
Restricted cash and investments	-	-	-	662,306	662,306
Receivables					
Taxes	6,603,262	1,929,027	-	1,199,576	9,731,865
Accounts	230,021	-	5,581,731	1,885	5,813,637
Special assessments	667,703	-	-	368,982	1,036,685
Loans	-	-	-	512,427	512,427
Other	22,513	-	-	1,016,934	1,039,447
Due from other funds	6,385,814	-	-	75,784	6,461,598
Advance to other funds	-	-	-	113,909	113,909
Due from other governments	6,328	-	-	128,159	134,487
Inventories and prepaid items	90,020	-	-	-	90,020
<b>TOTAL ASSETS</b>	<b>\$ 17,486,853</b>	<b>\$ 3,218,392</b>	<b>\$ 5,581,731</b>	<b>\$ 5,986,755</b>	<b>\$ 32,273,731</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ 626,940	\$ 463	\$ 716,124	\$ 167,705	\$ 1,511,232
Due to other funds	38,462	-	571,715	3,832,721	4,442,898
Due to other governments	5,334	-	16,897	7,421	29,652
Unearned revenues	127,807	-	4,921,751	26,439	5,075,997
Special deposits	21,406	-	-	-	21,406
Advance from other funds	113,909	-	-	-	113,909
<b>Total Liabilities</b>	<b>933,858</b>	<b>463</b>	<b>6,226,487</b>	<b>4,034,286</b>	<b>11,195,094</b>
<b>Deferred Inflows of Resources</b>					
Taxes	9,557,882	2,855,566	-	1,712,672	14,126,120
Special assessments	465,524	-	-	368,119	833,643
Municipal court	92,692	-	-	-	92,692
<b>Total Deferred Inflows of Resources</b>	<b>10,116,098</b>	<b>2,855,566</b>	<b>-</b>	<b>2,080,791</b>	<b>15,052,455</b>
<b>Fund Balances</b>					
<b>Nonspendable</b>					
Inventories and prepaid items	90,020	-	-	-	90,020
County held special assessments and charges	202,180	-	-	863	203,043
Cemetery perpetual care	-	-	-	107,481	107,481
<b>Restricted</b>					
Retirement of long-term debt	-	362,363	-	-	362,363
Future expenditures	-	-	-	1,560,534	1,560,534
Committed	252,887	-	-	908,303	1,161,190
Assigned	-	-	-	765,447	765,447
<b>Unassigned (deficit)</b>					
General fund	5,891,810	-	-	-	5,891,810
Special revenue funds	-	-	-	(9,591)	(9,591)
Capital projects funds	-	-	(644,756)	(3,461,359)	(4,106,115)
<b>Total Fund Balances (Deficit)</b>	<b>6,436,897</b>	<b>362,363</b>	<b>(644,756)</b>	<b>(128,322)</b>	<b>6,026,182</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 17,486,853</b>	<b>\$ 3,218,392</b>	<b>\$ 5,581,731</b>	<b>\$ 5,986,755</b>	<b>\$ 32,273,731</b>

(Continued)

**CITY OF MARSHFIELD, WISCONSIN**

Balance Sheet (Continued)

Governmental Funds

December 31, 2015

Reconciliation to the Statement of Net Position

2015
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Total Fund Balances as shown on previous page	\$	6,026,182
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Amounts reported for governmental activities in the statement of net position are different because:

Some assets used in governmental activities are not current financial resources and therefore are not reported in the funds.

Capital assets		88,055,716
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Internal service funds are used by management to charge costs of various services to individual funds. Internal service funds are included in the governmental activities on the statement of net position.

		3,270,589
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The City's proportionate share of the Wisconsin Retirement System pension plan is not an available financial resource; therefore, it is not reported in the fund financial statements:

Net pension asset	\$ 2,118,574	
Deferred outflows of resources	2,171,846	4,290,420

Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.

Special assessments		833,643
Municipal Court		92,692

Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds and notes payable		(33,395,313)
Compensated absences		(391,800)
Accrued interest on long-term obligations		(382,285)

Net Position of Governmental Activities as Reported on the Statement of Net Position  
(see page 24)

	\$	<u>68,399,844</u>
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The notes to the basic financial statements are an integral part of this statement.



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

	General	Debt Service	Public Facilities Capital Outlay	Other Governmental	Total
<b>Revenues</b>					
Taxes	\$ 9,407,328	\$ 2,703,553	\$ 40,500	\$ 2,060,820	\$ 14,212,201
Special assessments	283,474	-	-	178,528	462,002
Intergovernmental	7,188,706	-	-	801,526	7,990,232
Licenses and permits	211,837	-	-	242,649	454,486
Fines and forfeits	182,142	-	-	-	182,142
Public charges for services	618,855	-	-	90,301	709,156
Intergovernmental charges for services	133,921	-	-	181,614	315,535
Miscellaneous	501,337	155,148	659,980	1,344,805	2,661,270
<b>Total Revenues</b>	<b>18,527,600</b>	<b>2,858,701</b>	<b>700,480</b>	<b>4,900,243</b>	<b>26,987,024</b>
<b>Expenditures</b>					
<b>Current</b>					
General government	2,924,950	-	-	207,594	3,132,544
Public safety	8,019,228	-	-	20,468	8,039,696
Public works	4,867,483	-	-	654,969	5,522,452
Health and human services	216,656	-	-	120,855	337,511
Culture and recreation and education	3,150,429	-	-	1,500,377	4,650,806
Conservation and development	582,351	-	-	841,401	1,423,752
<b>Debt service</b>					
Principal	-	4,393,459	-	-	4,393,459
Interest and fiscal charges	-	996,514	2,002	76,605	1,075,121
Capital outlay	-	-	1,765,626	5,307,316	7,072,942
<b>Total Expenditures</b>	<b>19,761,097</b>	<b>5,389,973</b>	<b>1,767,628</b>	<b>8,729,585</b>	<b>35,648,283</b>
<b>Excess of Revenues Under Expenditures</b>	<b>(1,233,497)</b>	<b>(2,531,272)</b>	<b>(1,067,148)</b>	<b>(3,829,342)</b>	<b>(8,661,259)</b>
<b>Other Financing Sources (Uses)</b>					
Long-term debt issued	-	508,402	142,003	5,604,595	6,255,000
Debt premium	-	76,600	-	-	76,600
Sale of capital assets	38,220	-	-	60,000	98,220
Transfers in	1,833,820	1,720,769	-	565,709	4,120,298
Transfers out	-	-	-	(1,876,140)	(1,876,140)
<b>Total Other Financing Sources (Uses)</b>	<b>1,872,040</b>	<b>2,305,771</b>	<b>142,003</b>	<b>4,354,164</b>	<b>8,673,978</b>
<b>Net Change in Fund Balances</b>	<b>638,543</b>	<b>(225,501)</b>	<b>(925,145)</b>	<b>524,822</b>	<b>12,719</b>
<b>Fund Balances (Deficits) - January 1, as originally reported</b>	<b>5,798,354</b>	<b>587,864</b>	<b>280,389</b>	<b>(319,736)</b>	<b>6,346,871</b>
<b>Prior Period Adjustment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(333,408)</b>	<b>(333,408)</b>
<b>Fund Balances (Deficits) - January 1, as restated</b>	<b>5,798,354</b>	<b>587,864</b>	<b>280,389</b>	<b>(653,144)</b>	<b>6,013,463</b>
<b>Fund Balances (Deficits) - December 31</b>	<b>\$ 6,436,897</b>	<b>\$ 362,363</b>	<b>\$ (644,756)</b>	<b>\$ (128,322)</b>	<b>\$ 6,026,182</b>

(Continued)

**CITY OF MARSHFIELD, WISCONSIN**  
Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)  
Governmental Funds  
For the Year Ended December 31, 2015

	2015
<u>Reconciliation to the Statement of Activities</u>	
Net Change in Fund Balances as shown on previous page	\$ 12,719
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 those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital assets reported as capital outlay in governmental fund statements	8,008,906
Depreciation expense reported in the statement of activities	(3,814,264)
Depreciation expense reported by internal service fund	424,146
Amount by which capital outlays were greater than depreciation	4,618,788
In governmental funds the entire proceeds, if any, from the disposal of capital assets is reported as an other financing source. In the statement of activities only the gain (or loss) on the disposal is reported.	
Book value of capital assets disposed of	(57,224)
Certain employee benefits are reported in the governmental funds when amounts are paid. The statement of activities reports the value of benefits earned during the year. The accrual of these benefits decreased by:	
	28,669
Change in the net pension asset and related deferred inflows and outflows of resources as a result of employer contributions, changes in assumptions and proportionate share and the difference between the expected and actual experience of the pension plan	
	161,596
Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned.	
	289,966
Some capital assets acquired and debt retired during the year were financed with debt. The amount of the debt is reported in the governmental funds as a source of financing. In the statement of net position, however, debt constitutes a long-term liability. The amount of debt reported in the governmental funds statement is:	
	(6,255,000)
Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities. The amount of long-term debt principal payments in the current year is:	
	4,393,459
Interest payments on outstanding debt are reported in the governmental funds as an expenditure when paid, in the statement of activities interest is reported as it accrues.	
	(22,862)
The net income of certain activities of internal service funds are reported with governmental activities	
	(287,503)
Change in Net Position of Governmental Activities as Reported in the Statement of Activities (see pages 25 - 26)	\$ 2,882,608

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

**CITY OF MARSHFIELD, WISCONSIN**  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
General Fund  
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 9,423,751	\$ 9,413,101	\$ 9,407,328	\$ (5,773)
Special assessments	300,000	300,000	283,474	(16,526)
Intergovernmental	7,130,239	7,130,239	7,188,706	58,467
Licenses and permits	190,400	190,400	211,837	21,437
Fines and forfeits	167,500	167,500	182,142	14,642
Public charges for services	575,499	575,499	618,855	43,356
Intergovernmental charges for services	116,605	116,605	133,921	17,316
Miscellaneous	491,064	534,565	501,337	(33,228)
<b>Total Revenues</b>	<b>18,395,058</b>	<b>18,427,909</b>	<b>18,527,600</b>	<b>99,691</b>
<b>Expenditures</b>				
<b>Current</b>				
General government	3,262,625	3,125,394	2,924,950	200,444
Public safety	8,205,494	8,305,010	8,019,228	285,782
Public works	5,304,348	5,274,347	4,867,483	406,864
Health and human services	198,580	220,580	216,656	3,924
Culture and recreation and education	3,224,132	3,242,317	3,150,429	91,888
Conservation and development	579,970	624,969	582,351	42,618
<b>Total Expenditures</b>	<b>20,775,149</b>	<b>20,792,617</b>	<b>19,761,097</b>	<b>1,031,520</b>
<b>Excess of Revenues Under Expenditures</b>	<b>(2,380,091)</b>	<b>(2,364,708)</b>	<b>(1,233,497)</b>	<b>1,131,211</b>
<b>Other Financing Sources (Uses)</b>				
Sale of capital assets	33,470	33,470	38,220	4,750
Transfers in	1,860,800	1,860,800	1,833,820	(26,980)
Transfers out	(15,383)	(30,766)	-	30,766
<b>Total Other Financing Sources (Uses)</b>	<b>1,878,887</b>	<b>1,863,504</b>	<b>1,872,040</b>	<b>8,536</b>
<b>Net Change in Fund Balance</b>	<b>(501,204)</b>	<b>(501,204)</b>	<b>638,543</b>	<b>1,139,747</b>
<b>Fund Balance - January 1</b>	<b>5,798,354</b>	<b>5,798,354</b>	<b>5,798,354</b>	<b>-</b>
<b>Fund Balance - December 31</b>	<b>\$ 5,297,150</b>	<b>\$ 5,297,150</b>	<b>\$ 6,436,897</b>	<b>\$ 1,139,747</b>

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

**CITY OF MARSHFIELD, WISCONSIN**  
Statement of Net Position  
Proprietary Funds  
December 31, 2015

	Enterprise Funds				Governmental Activities Internal Service Fund
	Marshfield Utilities	Wastewater Utility	Non-major Funds		
			Emergency Medical Services	Total	
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and investments	\$ 8,692,724	\$ 4,045,983	\$ -	\$ 12,738,707	\$ 496,300
Restricted cash and investments	11,638,668	2,108,703	-	13,747,371	-
Receivables					
Taxes	-	46,838	-	46,838	-
Customer accounts	2,999,598	-	205,701	3,205,299	-
Special assessments	-	64,780	-	64,780	-
Other	305,835	103,780	75	409,690	606
Due from other funds	81,917	1,089,593	-	1,171,510	5,241
Due from other governments	-	202	-	202	2,031
Inventories and prepaid items	1,782,936	70,135	3,000	1,856,071	129,979
<b>Total Current Assets</b>	<b>25,501,678</b>	<b>7,530,014</b>	<b>208,776</b>	<b>33,240,468</b>	<b>634,157</b>
<b>Noncurrent Assets</b>					
Investment in ATC LLC	8,849,655	-	-	8,849,655	-
Net pension asset	520,231	115,283	229,059	864,573	46,477
Preliminary survey	102,932	-	-	102,932	-
Other	39,230	-	-	39,230	-
<b>Capital Assets</b>					
Land and construction in progress	6,708,700	29,961	99,633	6,838,294	20,728
Buildings, systems and equipment	116,809,657	57,266,696	1,467,578	175,543,931	8,416,292
Less: Accumulated depreciation	(37,234,849)	(18,511,073)	(602,874)	(56,348,796)	(5,567,463)
<b>Total Capital Assets, Net of   Accumulated Depreciation</b>	<b>86,283,508</b>	<b>38,785,584</b>	<b>964,337</b>	<b>126,033,429</b>	<b>2,869,557</b>
<b>Total Noncurrent Assets</b>	<b>95,795,556</b>	<b>38,900,867</b>	<b>1,193,396</b>	<b>135,889,819</b>	<b>2,916,034</b>
<b>TOTAL ASSETS</b>	<b>121,297,234</b>	<b>46,430,881</b>	<b>1,402,172</b>	<b>169,130,287</b>	<b>3,550,191</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred outflows related to pension	538,459	122,348	245,998	906,805	49,924
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Accounts payable	1,691,802	416,298	15,860	2,123,960	184,297
Accrued payroll and payroll deductions	189,396	-	11,057	200,453	-
Customer deposit	495,040	4,408	18,819	518,267	-
Accrued liabilities	39,248	-	-	39,248	-
Accrued interest	-	48,778	5,719	54,497	-
Due to other funds	3,026,090	41,675	126,121	3,193,886	1,565
Due to other governments	40,998	-	102	41,100	-
Compensated absences	232,369	16,062	27,663	276,094	16,261
Current portion of general obligation debt	-	157,487	33,012	190,499	-
<b>Current Liabilities Payable from Restricted Assets</b>					
Customer deposits	216,491	-	-	216,491	-
Accrued interest	169,782	-	-	169,782	-
Current portion revenue bonds	1,640,000	1,665,585	-	3,305,585	-
<b>Total Current Liabilities</b>	<b>7,741,216</b>	<b>2,350,293</b>	<b>238,353</b>	<b>10,329,862</b>	<b>202,123</b>
<b>Long-term Obligations</b>					
Revenue bonds	38,346,985	6,796,367	-	45,143,352	-
General obligation debt	-	1,876,168	470,376	2,346,544	-
Compensated absences	605,874	-	-	605,874	-
Post-retirement benefits	1,027,746	-	-	1,027,746	-
<b>Total Noncurrent Liabilities</b>	<b>39,980,605</b>	<b>8,672,535</b>	<b>470,376</b>	<b>49,123,516</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>47,721,821</b>	<b>11,022,828</b>	<b>708,729</b>	<b>59,453,378</b>	<b>202,123</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflows related to pensions	8,474	-	-	8,474	-
<b>NET POSITION</b>					
Net investment in capital assets	48,442,437	28,657,189	460,949	77,560,575	2,869,557
<b>Restricted</b>					
Debt service	1,852,278	-	-	1,852,278	-
Equipment replacement	-	1,228,897	-	1,228,897	-
Pensions	1,050,216	237,631	475,057	1,762,904	96,401
<b>Unrestricted</b>	<b>22,760,467</b>	<b>5,406,684</b>	<b>3,435</b>	<b>28,170,586</b>	<b>432,034</b>
<b>TOTAL NET POSITION</b>	<b>\$ 74,105,398</b>	<b>\$ 35,530,401</b>	<b>\$ 939,441</b>	<b>110,575,240</b>	<b>\$ 3,397,992</b>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				127,403	
Net position of business-type activities as reported on the Statement of Net Position (see page 24)				<u>\$ 110,702,643</u>	

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

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

	Enterprise Funds				Governmental Activities - Internal Service Fund
	Marshfield Utilities	Wastewater Utility	Non-major Fund Emergency Medical Services	Total	
Operating Revenues					
Charges for services	\$ 36,186,960	\$ 6,735,174	\$ 1,176,846	\$ 44,098,980	\$ -
Other	572,718	-	62,739	635,457	1,535,733
Total Operating Revenues	<u>36,759,678</u>	<u>6,735,174</u>	<u>1,239,585</u>	<u>44,734,437</u>	<u>1,535,733</u>
Operating Expenses					
General and administrative	1,912,048	-	-	1,912,048	-
Customer Accounts	641,957	-	-	641,957	-
Operation and maintenance	24,903,377	2,255,689	1,271,521	28,430,587	1,268,211
Taxes	291,047	-	-	291,047	-
Depreciation	3,744,393	1,119,650	97,148	4,961,191	424,146
Total Operating Expenses	<u>31,492,822</u>	<u>3,375,339</u>	<u>1,368,669</u>	<u>36,236,830</u>	<u>1,692,357</u>
Operating Income (Loss)	<u>5,266,856</u>	<u>3,359,835</u>	<u>(129,084)</u>	<u>8,497,607</u>	<u>(156,624)</u>
Nonoperating Revenues (Expenses)					
Interest income	697,845	35,387	80	733,312	-
Interest and fiscal charges	(1,671,771)	(296,367)	(17,432)	(1,985,570)	-
Gain (loss) on sale of capital assets	-	(3,850)	200	(3,650)	4,684
Miscellaneous revenues	120	122,150	15,852	138,122	3,081
Amortization of debt premium and discounts	30,921	-	-	30,921	-
Total Nonoperating Revenues (Expenses)	<u>(942,885)</u>	<u>(142,680)</u>	<u>(1,300)</u>	<u>(1,086,865)</u>	<u>7,765</u>
Income (Loss) Before Contributions and Transfers	<u>4,323,971</u>	<u>3,217,155</u>	<u>(130,384)</u>	<u>7,410,742</u>	<u>(148,859)</u>
Capital contributions	400,065	43,639	-	443,704	-
Transfers out	<u>(2,100,658)</u>	<u>-</u>	<u>-</u>	<u>(2,100,658)</u>	<u>(143,500)</u>
Change in Net Position	<u>2,623,378</u>	<u>3,260,794</u>	<u>(130,384)</u>	<u>5,753,788</u>	<u>(292,359)</u>
Net Position - January 1, as originally reported	70,441,622	32,187,971	463,198		3,586,420
Cumulative effect of change in accounting principle	1,040,398	242,619	606,627		103,931
Prior period adjustment	<u>-</u>	<u>(160,983)</u>	<u>-</u>		<u>-</u>
Net Position - January 1, as restated	<u>71,482,020</u>	<u>32,269,607</u>	<u>1,069,825</u>		<u>3,690,351</u>
Net Position - December 31	<u>\$ 74,105,398</u>	<u>\$ 35,530,401</u>	<u>\$ 939,441</u>		<u>\$ 3,397,992</u>
Adjustment to reflect the consolidation of internal service fund activities related to to enterprise funds				<u>(4,856)</u>	
Change in net position of business-type activities as reported on the Statement of Activities (see pages 25 - 26)				<u>\$ 5,748,932</u>	

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

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

	Enterprise Funds			Total	Governmental Activities - Internal Service Fund
	Marshfield Utilities	Wastewater Utility	Non-major Fund Emergency Medical Services		
<b>Cash Flows from Operating Activities</b>					
Cash received from user charges	\$ 37,599,802	\$ 6,860,889	\$ 1,259,689	\$ 45,720,380	\$ 1,536,065
Cash payments to suppliers	(25,415,100)	(1,379,670)	(212,174)	(27,006,944)	(792,018)
Cash payments to employees	(3,082,754)	(878,269)	(904,156)	(4,865,179)	(389,796)
Miscellaneous nonoperating income	-	122,150	15,852	138,002	3,081
<b>Net Cash Provided by Operating Activities</b>	<b>9,101,948</b>	<b>4,725,100</b>	<b>159,211</b>	<b>13,986,259</b>	<b>357,332</b>
<b>Cash Flows from Noncapital Financing Activities</b>					
Transfers out	(2,100,658)	-	-	(2,100,658)	(143,500)
Principal payments on long-term debt	(104,497)	(28,213)	(18,102)	(150,812)	-
interest payments on long term debt	(888)	(240)	(154)	(1,282)	-
<b>Net Cash Used by Noncapital Financing Activities</b>	<b>(2,206,043)</b>	<b>(28,453)</b>	<b>(18,256)</b>	<b>(2,252,752)</b>	<b>(143,500)</b>
<b>Cash Flows from Capital and Related Financing Activities</b>					
Acquisition of capital assets	(4,956,519)	(2,742,605)	(98,612)	(7,797,736)	(443,818)
Capital contributions received	260,548	41,069	-	301,617	-
Sale of property	-	-	200	200	23,225
Proceeds from issuance of long-term debt	3,180,000	-	-	3,180,000	-
Premium on long-term debt	108,666	-	-	108,666	-
Bond issuance costs paid	(99,336)	-	-	(99,336)	-
Principal paid on long-term debt	(1,410,000)	(1,754,005)	(24,958)	(3,188,963)	-
Interest paid on long term debt	(1,800,010)	(304,530)	(17,665)	(2,122,205)	-
<b>Net Cash Used by Capital and Related Financing Activities</b>	<b>(4,716,651)</b>	<b>(4,760,071)</b>	<b>(141,035)</b>	<b>(9,617,757)</b>	<b>(420,593)</b>
<b>Cash Flows from Investing Activities</b>					
Investment in American Transmission Company	(113,552)	-	-	(113,552)	-
Interest income received	514,168	35,387	80	549,635	-
<b>Net Cash Provided by Investing Activities</b>	<b>400,616</b>	<b>35,387</b>	<b>80</b>	<b>436,083</b>	<b>-</b>
<b>Change in Cash and Cash Equivalents</b>	<b>2,579,870</b>	<b>(28,037)</b>	<b>-</b>	<b>2,551,833</b>	<b>(206,761)</b>
<b>Cash and Cash Equivalents - Beginning of Year</b>	<b>17,751,522</b>	<b>6,182,723</b>	<b>-</b>	<b>23,934,245</b>	<b>703,061</b>
<b>Cash and Cash Equivalents - End of Year</b>	<b>\$ 20,331,392</b>	<b>\$ 6,154,686</b>	<b>\$ -</b>	<b>\$ 26,486,078</b>	<b>\$ 496,300</b>

(Continued)

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

	Enterprise Funds				Governmental Activities - Internal Service Fund
	Marshfield Utilities	Wastewater Utility	Non-major Fund Emergency Medical Services	Total	
<b>Reconciliation of Cash and Cash Equivalents to the Statement of Net Position</b>					
Cash and investments	\$ 8,692,724	\$ 4,045,983	\$ -	\$ 12,738,707	\$ 496,300
Restricted cash and investments	11,638,668	2,108,703	-	13,747,371	-
<b>Total cash and investments</b>	<b>\$ 20,331,392</b>	<b>\$ 6,154,686</b>	<b>\$ -</b>	<b>\$ 26,486,078</b>	<b>\$ 496,300</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:</b>					
Operating income (loss)	\$ 5,266,856	\$ 3,359,835	\$ (129,084)	\$ 8,497,607	\$ (156,624)
Nonoperating miscellaneous revenue	-	122,150	15,852	138,002	3,081
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	3,744,393	1,119,650	97,148	4,961,191	424,146
Depreciation charged to clearing and other utilities	369,786	-	-	369,786	-
Change in pension related assets, deferred outflows, and deferred inflows	(9,818)	4,988	131,570	126,740	7,530
Changes in assets and liabilities					
Taxes receivable	-	39,210	-	39,210	-
Accounts receivable	880,514	-	17,265	897,779	-
Other receivables	(40,390)	45,395	2,839	7,844	(606)
Inventories and prepaid items	(53,287)	5,135	(3,000)	(51,152)	24,321
Due from other funds	-	(139,128)	-	(139,128)	341
Due from other governments	13,453	220	-	13,673	597
Other assets	32,758	-	-	32,758	-
Accounts payable	(1,226,578)	163,247	2,899	(1,060,432)	50,160
Customer deposits	(240,869)	4,408	748	(235,713)	-
Unearned revenue	-	(2,059)	-	(2,059)	-
Accrued liabilities	(220,478)	-	-	(220,478)	-
Accrued payroll and payroll deductions	82,010	2,831	1,063	85,904	-
Due to other governments	(17,940)	(166)	102	(18,004)	-
Due to other funds	288,009	(2,146)	15,386	301,249	(498)
Compensated absences	-	1,530	6,423	7,953	4,884
Post-retirement benefits	233,529	-	-	233,529	-
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 9,101,948</b>	<b>\$ 4,725,100</b>	<b>\$ 159,211</b>	<b>\$ 13,986,259</b>	<b>\$ 357,332</b>
<b>Noncash Investing, Capital and Financing Activities</b>					
Increase in investment in American Transmission Company					
	\$ 227,565	\$ -	\$ -	\$ 227,565	\$ -
Contribution of capital assets	139,517	2,570	-	142,087	-
Purchase of capital assets on account	38,960	-	-	38,960	-
<b>Total Noncash Capital and Related Financing Activities</b>	<b>\$ 406,042</b>	<b>\$ 2,570</b>	<b>\$ -</b>	<b>\$ 408,612</b>	<b>\$ -</b>

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

**CITY OF MARSHFIELD, WISCONSIN**

Statement of Net Position  
Fiduciary Fund - Agency Funds  
December 31, 2015

	Agency Funds
<b>ASSETS</b>	
Cash and investments	\$ 4,165,083
Receivables	
Taxes	17,507,447
Other	99
Total Assets	<u>\$ 21,672,629</u>
<b>LIABILITIES</b>	
Accounts payable	\$ 10,375
Accrued payroll deductions	643,184
Special deposits	26,300
Due to other governments	20,992,770
Total Liabilities	<u>\$ 21,672,629</u>

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



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**CITY OF MARSHFIELD, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

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

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

1. Reporting Entity

The City of Marshfield, Wisconsin was incorporated July 16, 1883, under the provisions of Chapter 280, Laws of Wisconsin, 1883. The City operates under a Council-Mayor form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, sanitation, health and social services, culture, recreation, education, public improvements, planning and zoning, and general administrative services. In accordance with GAAP, the basic financial statements are required to include the City (the primary government) and any separate component units that have a significant operational or financial relationship with the City. The City has not identified any component units that are required to be included in the basic financial statements in accordance with standards established by GASB Statement No. 61.

2. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds and proprietary funds. Governmental funds include general, special revenue, debt service, capital projects and permanent funds. Proprietary funds include enterprise funds and internal service funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor governmental funds. The City has one nonmajor enterprise fund.

The City reports the following major governmental funds:

**GENERAL FUND**

This is the City's main operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

**DEBT SERVICE FUND**

This fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the City's governmental funds.

**PUBLIC FACILITIES CAPITAL OUTLAY FUND**

This fund accounts for construction, improvement, and remodeling costs for public buildings not utilized for public safety services.

**CITY OF MARSHFIELD, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The City reports the following major enterprise funds:

**MARSHFIELD UTILITIES**

This fund accounts for the financial activities related to the operation of the City's water, electric, and communications utility.

**WASTEWATER FUND**

This fund accounts for the financial activities related to the operation of the City's wastewater utility.

Additionally, the government reports the following fund types:

*Internal service fund* accounts for machinery and equipment provided to other departments of the City, or to actual parties, on a cost reimbursement basis.

The City accounts for assets held for other governmental agencies and individuals and property taxes collected on behalf of other governments in *agency funds*.

3. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures and claims and judgments, are recorded only when payment is due.

Revenues susceptible to accrual include intergovernmental grants, intergovernmental charges for services, public charges for services and interest. Other revenues such as licenses and permits, other fines and forfeits and miscellaneous revenues are recognized when received in cash or when measurable and available.

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

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

**CITY OF MARSHFIELD, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for services. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

4. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance

a. Cash and Investments

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less are considered to be cash equivalents.

b. Accounts Receivable

Accounts receivable are recorded at gross amount with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements.

c. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds" in the fund financial statements. In addition, certain funds maintain deficit cash positions during the year, financed by the City's general fund. Noncurrent portions of the interfund receivables for the governmental funds are reported as "advances to other funds".

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

d. Inventories

Inventories are recorded at cost, which approximates market, using the first-in, first-out method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased.

Inventories of governmental funds in the fund financial statements are offset by nonspendable fund balance to indicate that they do not represent spendable available financial resources.

e. Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items.

Prepaid items of governmental funds in the fund financial statements are offset by nonspendable fund balance to indicate that they do not represent spendable available financial resources.

**CITY OF MARSHFIELD, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

f. Investment in American Transmission Company (ATC)

Marshfield Utilities is a member of ATC. ATC was formed by approximately 25 utilities to plan, construct, maintain, monitor and own electric transmission facilities in Wisconsin. Marshfield Utilities owns less than 1 percent of ATC.

The investment earns dividends quarterly, some of which are paid in cash and some of which are required to be reinvested. From time to time, Marshfield Utilities has the option to contribute additional funds to maintain its proportionate share of ownership. The investment in American Transmission Company LLC is recorded at cost since it is privately held and has no readily available fair market value. Marshfield Utilities' ownership share is valued at \$8,849,655 as of December 31, 2015, and is reported on the Statement of Net Position as an asset.

g. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets other than infrastructure with an initial, individual cost of \$5,000 or higher, and City infrastructure assets with a total cost of \$250,000 or higher, and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the City are depreciated using the straight-line method over the following estimated useful lives:

	Estimated Useful Life	
	Governmental Activities	Business-type Activities
<u>Assets</u>		
Buildings and improvements	15-50	15-50
Machinery and equipment	3-40	3-40
Infrastructure	20-70	20-77

h. Compensated Absences/Other Post-Employment Benefits

It is the City's policy to permit employees to accumulate earned but unused vacation benefits. Vacation time is based on the employee's anniversary date of hire date and unused balances at year-end must be used before the employee's anniversary date. Accumulated vacation balances are paid out upon termination provided the employee gave at least two weeks' notice prior to termination. All vested vacation is accrued when earned in the government-wide and proprietary fund financial statements.

One day of sick leave is accrued per month for benefit eligible employees up to a maximum of 120 days. Unused sick leave balances are forfeited when an employee terminates employment with the City. There is no liability for sick leave recorded in the financial statements for the City. Marshfield Utilities allow for sick leave accumulation up to a maximum of 90 days. After five years of service, Marshfield Utilities' employees are eligible to receive their accumulated balance upon termination of employment. A liability for sick leave for Marshfield Utilities is recorded in the government-wide and proprietary fund financial statements.

**CITY OF MARSHFIELD, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The City provides post-employment health insurance benefits to all eligible employees. Nonrepresented employees are required to contribute \$500 per year and the Wastewater Utility employees are required to contribute \$780 per year to the post-employment health plan. The City currently only contributes to the post-employment health plan for a sick leave payout for grandfathered employees. Effective December 31, 2011, nonrepresented employees had their sick leave balances frozen. The City will deposit the lesser of the employee's current sick leave balance or the frozen amount upon termination if the employee meets the eligibility requirements. To be eligible, the employee must have worked for the City for twenty consecutive years and be eligible and accept an annuity under the Wisconsin Retirement System. The City does not have a liability recorded for this benefit at December 31, 2015. Marshfield Utilities has another post-employment health plan where employees with 15 years or more of service and who elect to retire at 62 years of age are allowed to continue with the health insurance plan until age 65. These retirees contribute 10% of the premiums. Marshfield Utilities has recorded a liability of \$1,027,746 for other post-employment benefits at December 31, 2015.

i. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category in the government-wide statement of net position. The item is related to the City's proportionate share of the Wisconsin Retirement System pension plan and is deferred and amortized over the expected remaining service lives of the pension plan participants.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category in the government-wide statement of net position. The first is property taxes, which will be recognized as an inflow of resources in the subsequent year for which it was levied. The second is related to the City's proportionate share of the Wisconsin Retirement System pension plan and is deferred and amortized over the expected remaining service lives of the pension plan participants. The City also has an additional type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources, special assessments and municipal court collections. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

j. Long-term Obligations

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the current period.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.



**CITY OF MARSHFIELD, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

k. 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 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.

l. Fund Equity

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance - Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- Restricted fund balance - Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- Committed fund balance - Amounts that are constrained for specific purposes by a resolution passed by the City Council. These constraints can only be removed or changed by the City Council using the same action that was used to create them.
- Assigned fund balance - Amounts that are constrained for specific purposes by action of City management. The City Council has authorized the Finance Director to assign fund balances through its financial management policy. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.
- Unassigned fund balance - Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

The City has adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. Where applicable, the policy requires restricted funds to be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

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.

**CITY OF MARSHFIELD, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

m. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**NOTE B - STEWARDSHIP AND COMPLIANCE**

1. Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the basic financial statements and supplementary information:

- a. In August, all City departments submit budget requests to the City Administrator. Prior to October 15, the City Administrator submits to the City Council a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by City Council action.
- b. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. Budget is defined as the originally approved budget plus or minus approved amendments. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.
- c. During the year, formal budgetary integration is employed as a management control device for the general fund, special revenue funds, the debt service fund, and capital projects funds. Management control for capital projects funds with multi-year projects is achieved through utilization of remaining fund balances.
- d. The adopted budget is prepared by fund, function, and sub-function (departments, activities or projects) level. Expenditures may not exceed appropriations at the sub-function level for the City. Department heads may make transfers within a sub-function with their committee's approval. Transfers of appropriations between sub-functions require the approval of the City Council.
- e. Encumbrance accounting is not used by the City to record commitments related to unperformed contracts for goods or services.

The City did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2015.



**CITY OF MARSHFIELD, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE B - STEWARDSHIP AND COMPLIANCE (Continued)**

2. Deficit Fund Equity

The following funds had deficit fund equity as of December 31, 2015:

Fund	Deficit Fund Equity
Special Revenue Fund	
Public Safety	\$ 7,021
Business Improvement District	1,707
Capital Projects Funds	
Public Facilities	644,756
TID #2 (Purdy Project)	129,849
TID #4 (Downtown Redevelopment)	1,564,966
TID #5 (Mill Creek Business Park )	1,766,544

The City anticipates funding the above deficits from future revenues and tax increments of the funds. Tax incremental district #5 was recognized as a distressed TID and Tax Incremental Districts #2 and #4 are now donor TID's. This allows the donor TID's to contribute funds to the distressed TID until future revenues are being generated.

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

1. Cash and Investments

The City maintains various cash and investment accounts, including pooled funds that are available for use by all funds. Each fund's portion of these accounts is displayed on the financial statements as "Cash and investments."

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

The carrying amount of the City's cash and investments totaled \$38,487,117 on December 31, 2015 as summarized below:

Petty cash funds	\$ 8,710
Deposits with financial institutions	4,958,350
Investments	33,520,057
	<u>\$ 38,487,117</u>

Reconciliation to the basic financial statements

Government-wide Statement of Net Position	
Cash and investments	\$ 19,912,357
Restricted cash and investments	14,409,677
Fiduciary Funds Statement of Net Position	
Agency funds	
Cash and investments	4,165,083
	<u>\$ 38,487,117</u>

**CITY OF MARSHFIELD, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

Deposits and investments of the City are subject to various risks. Presented below is a discussion of the specific risks and the City's policy related to the risk.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The City's credit risk policy requires collateralization of repurchase agreements and certificates of deposit of at least 110% of the market value.

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 the combined amount of all time and savings deposits and \$250,000 for all interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available.

As of December 31, 2015, \$5,261,697 of the City's deposits with financial institutions were in excess of federal and state depository insurance limits. \$5,261,697 was collateralized with securities held by the pledging financial institution or its trust department or agent.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The City does not have an additional credit risk policy. Presented below is the actual rating as of year-end for each investment type.

Investment Type	Amount	Exempt From Disclosure	AAA	Aa	Not Rated
Federal National Mortgage Association	\$ 2,000,000	\$ -	\$ 2,000,000	\$ -	\$ -
Federal home loan bank	1,000,000	-	1,000,000	-	-
Wisconsin local government investment pool	30,520,057	-	-	-	30,520,057
<b>Totals</b>	<b>\$ 33,520,057</b>	<b>\$ -</b>	<b>\$ 3,000,000</b>	<b>\$ -</b>	<b>\$ 30,520,057</b>

**CITY OF MARSHFIELD, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments are as follows:

Issuer	Investment Type	Reported Amount	Percent of Total Investments
Federal National Mortgage Association	Federal agency securities	\$ 2,000,000	6.0%

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. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing 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.

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

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Federal National Mortgage Association	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000	\$ -
Federal home loan bank	1,000,000	-	-	1,000,000	-
Wisconsin local government investment pool	30,520,057	30,520,057	-	-	-
<b>Totals</b>	<b>\$ 33,520,057</b>	<b>\$ 30,520,057</b>	<b>\$ -</b>	<b>\$ 3,000,000</b>	<b>\$ -</b>

Investment in Wisconsin Local Government Investment Pool

The City has investments in the Wisconsin local government investment pool of \$30,520,057 at year-end. The Wisconsin local government investment pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2015, the fair value of the City's share of the LGIP's assets was substantially equal to the carrying value.

2. Property Taxes

Property taxes consist of taxes on real estate and personal property. They are levied during December of the prior year and become an enforceable lien on property the following January 1. Property taxes are payable in various options depending on the type and amount. Personal property taxes are payable on or before January 31 in full. Real estate taxes are payable in full by January 31 or in two equal installments on or before January 31 and July 31. Real estate taxes not paid by January 31 are purchased by the County as part of the February tax settlement. Delinquent personal property taxes remain the collection responsibility of the City.

**CITY OF MARSHFIELD, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

The City bills and collects its own property taxes and also levies and collects taxes for the Marshfield School District, Wood County, Marathon County, Mid State Technical College and the State of Wisconsin.

3. Restricted Assets

Restricted assets on December 31, 2015 totaled \$14,409,677 and consisted of cash and investments held for the following purposes:

	Amount
Economic Development	
Future economic development expenditures	\$ 464,825
Cable Television	
Public Access television operations	90,000
Cemetery Perpetual Care	
Care of the cemetery	107,481
Marshfield Utilities	
Bond redemption	1,973,734
Bond reserve	3,613,273
Bond proceeds	2,145,914
Future principal/interest payments	66,788
Operations and maintenance	3,622,468
Customer deposits	216,491
Total Marshfield Utilities	11,638,668
Wastewater Utility	
Equipment replacement	1,228,897
Debt service reserve	512,594
Bond proceeds	367,212
Total Wastewater Utility	2,108,703
Total Restricted Assets	\$ 14,409,677

**CITY OF MARSHFIELD, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

4. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 9,257,424	\$ 213,332	\$ 26,768	\$ 9,443,988
Construction in progress	888,071	1,679,921	183,231	2,384,761
Total capital assets, not being depreciated	<u>10,145,495</u>	<u>1,893,253</u>	<u>209,999</u>	<u>11,828,749</u>
Capital assets, being depreciated:				
Buildings and improvements	30,132,148	1,610,693	-	31,742,841
Machinery and equipment	16,513,827	709,990	289,227	16,934,590
Infrastructure	79,685,981	4,422,019	-	84,108,000
Subtotals	<u>126,331,956</u>	<u>6,742,702</u>	<u>289,227</u>	<u>132,785,431</u>
Less accumulated depreciation for:				
Buildings and improvements	12,260,355	834,027	-	13,094,382
Machinery and equipment	11,690,774	798,816	240,230	12,249,360
Infrastructure	26,163,744	2,181,421	-	28,345,165
Subtotals	<u>50,114,873</u>	<u>3,814,264</u>	<u>240,230</u>	<u>53,688,907</u>
Total capital assets, being depreciated, net	<u>76,217,083</u>	<u>2,928,438</u>	<u>48,997</u>	<u>79,096,524</u>
Governmental activities capital assets, net	<u>\$ 86,362,578</u>	<u>\$ 4,821,691</u>	<u>\$ 258,996</u>	<u>90,925,273</u>
Less related long-term debt outstanding				<u>33,099,087</u>
Net investment in capital assets				<u>\$57,826,186</u>
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 3,214,404	\$ 124,789	\$ -	\$ 3,339,193
Construction in progress	2,822,455	2,186,686	1,510,040	3,499,101
Total capital assets, not being depreciated	<u>6,036,859</u>	<u>2,311,475</u>	<u>1,510,040</u>	<u>6,838,294</u>
Capital assets, being depreciated:				
Buildings and improvements	29,947,331	434,120	130,566	30,250,885
Machinery and equipment	10,151,594	1,112,275	205,366	11,058,503
Infrastructure	129,284,992	5,732,312	782,761	134,234,543
Subtotals	<u>169,383,917</u>	<u>7,278,707</u>	<u>1,118,693</u>	<u>175,543,931</u>
Less accumulated depreciation for:				
Buildings and improvements	12,044,954	804,961	129,104	12,720,811
Machinery and equipment	7,187,155	899,628	204,414	7,882,369
Infrastructure	32,932,428	3,626,388	813,200	35,745,616
Subtotals	<u>52,164,537</u>	<u>5,330,977</u>	<u>1,146,718</u>	<u>56,348,796</u>
Total capital assets, being depreciated, net	<u>117,219,380</u>	<u>1,947,730</u>	<u>(28,025)</u>	<u>119,195,135</u>
Business-type activities capital assets, net	<u>\$ 123,256,239</u>	<u>\$ 4,259,205</u>	<u>\$ 1,482,015</u>	<u>126,033,429</u>
Less: Capital related debt				(48,943,995)
Less: Debt premium				(2,042,377)
Add: Debt discount				392
Add: Available bond proceeds				<u>2,513,126</u>
Net investment in capital assets				<u>\$77,560,575</u>

**CITY OF MARSHFIELD, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

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

Governmental activities	
General government	\$ 217,347
Public safety	492,648
Public works	2,315,465
Health and human services	11,239
Culture and recreation and education	353,419
Internal service fund	424,146
Total depreciation expense - governmental activities	<u>\$ 3,814,264</u>
Business-type activities	
Electric utility	\$ 3,190,023
Water utility	872,988
Communications utility	51,168
Wastewater utility	1,119,650
Emergency medical services	97,148
Total increase in depreciation	<u>5,330,977</u>
Depreciation charged to clearing accounts and other utilities	<u>(369,786)</u>
Total depreciation expense - business-type activities	<u>\$ 4,961,191</u>

The Utility records certain items as a removal of depreciation. This results in removal of accumulated depreciation to be in excess of the removal of the cost of the asset.

5. Interfund Receivable, Payables, and Transfers

Interfund receivables and payables between individual funds of the City, as reported in the fund financial statements, as of December 31, 2015 are detailed below:

	Interfund Receivables	Interfund Payables
Operating Accounts Between Funds		
General fund	\$ 1,855,472	\$ 38,462
Special Revenue Funds		
Cable Television Fund	-	215
Capital Projects Funds		
Infrastructure construction	75,784	-
Enterprise Funds		
Marshfield Utilities	81,917	3,026,090
Wastewater Utility	1,089,593	41,675
Internal Service Fund	5,241	1,565
Temporary Cash Advances to Finance Operating		
Cash Deficits of Other Funds		
General fund	4,530,342	-
Special Revenue Funds		
Room tax	-	700,154
Health and human services	-	7,206
Taxi system	-	74,510
Capital Projects Funds		
Public facilities capital outlay	-	571,715
TID #2 (Purdy Project)	-	96,171
TID #4 (Downtown Redevelopment)	-	1,338,949
TID #5 (Mill Creek Business Park)	-	1,615,516
Enterprise Funds		
Emergency Medical Services	-	126,121
Totals	<u>\$ 7,638,349</u>	<u>\$ 7,638,349</u>

**CITY OF MARSHFIELD, WISCONSIN**

Notes to Basic Financial Statements  
December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

	Advances to Other Funds	Advances from Other Funds
Advance to Finance Capital Asset Purchases		
General fund	\$ -	\$ 113,909
Permanent Fund		
Cemetery Perpetual Care	113,909	-
Totals	<u>\$ 113,909</u>	<u>\$ 113,909</u>

Annual payments due on the long term advances for the financing of capital asset purchases, as of December 31, 2015, are detailed below:

Year Ended December 31,	Cemetery Fund		
	Principal	Interest	Total
2016	\$ -	\$ -	\$ -
2017	13,389	1,994	15,383
2018	13,623	1,760	15,383
2019	13,862	1,521	15,383
2020	14,104	1,279	15,383
2021-2024	58,931	2,601	61,532
	<u>\$ 113,909</u>	<u>\$ 9,155</u>	<u>\$ 123,064</u>

Interfund transfers for the year ended December 31, 2015 were as follows:

	Transfers In	Transfers Out
Operating Accounts Between Funds		
General fund	\$ 1,833,820	\$ -
Special Revenue Funds		
Room tax	-	140,000
Economic development	267,409	-
Debt Service Fund	1,720,769	-
Capital Projects Funds		
Public Safety Capital Outlay Fund	143,500	-
Parks and Rec Capital Projects	140,000	46,131
TID #4 (Downtown Redevelopment)	-	793,800
TID #5 (Mill Creek Business Park)	-	652,570
TID #7 (Yellowstone Industrial Park)	-	224,122
TID #9 (Hartl Site)	-	18,946
TID #10 (Hartl Site)	14,800	-
Cemetery Perpetual Care Fund	-	571
Enterprise Funds		
Marshfield Utilities	-	2,100,658
Internal Service Fund	-	143,500
Totals	<u>\$ 4,120,298</u>	<u>\$ 4,120,298</u>

**CITY OF MARSHFIELD, WISCONSIN**

Notes to Basic Financial Statements  
December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

Transfers are used to move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them, or to move receipts restricted to debt service from the funds collecting the receipts to the debt service fund or to move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. The transfer from Marshfield Utilities is for the property tax equivalent.

6. Long-term Obligations

The following is a summary of changes in long-term obligations of the City for the year ended December 31, 2015:

	Outstanding 1/1/15	Issued	Retired	Outstanding 12/31/15	Due Within One Year
<b>Governmental activities:</b>					
General Obligation Debt					
Bonds	\$ 11,472,687	\$ 3,435,000	\$ 744,187	\$ 14,163,500	\$ 648,813
Notes	18,860,491	2,820,000	3,571,585	18,108,906	3,171,410
State trust fund	1,200,594	-	77,687	1,122,907	87,189
Total General Obligation Debt	31,533,772	6,255,000	4,393,459	33,395,313	3,907,412
Debt premium	-	76,600	76,600	-	-
Compensated absences	431,846	-	23,785	408,061	408,061
Governmental activities Long-term obligations	<u>\$ 31,965,618</u>	<u>\$ 6,331,600</u>	<u>\$ 4,493,844</u>	<u>\$ 33,803,374</u>	<u>\$ 4,315,473</u>
<b>Business-type activities:</b>					
General Obligation Debt					
Bonds	\$ 2,172,313	\$ -	\$ 150,813	\$ 2,021,500	\$ 26,187
Notes	659,509	-	163,415	496,094	163,590
State trust fund	20,000	-	551	19,449	722
Total General Obligation Debt	2,851,822	-	314,779	2,537,043	190,499
Revenue Bonds	38,325,000	3,180,000	1,555,000	39,950,000	1,795,000
Revenue bond anticipation note	2,025,000	-	-	2,025,000	-
Clean water fund program loan	5,901,948	-	1,469,996	4,431,952	1,510,585
Debt premium	2,064,102	108,666	130,391	2,042,377	-
Debt discount	(525)	-	(133)	(392)	-
Other post-employment benefits	794,217	233,529	-	1,027,746	-
Compensated absences	855,208	26,760	-	881,968	276,094
Business-type activities Long-term obligations	<u>\$ 52,816,772</u>	<u>\$ 3,548,955</u>	<u>\$ 3,470,033</u>	<u>\$ 52,895,694</u>	<u>\$ 3,772,178</u>

Interest paid during the year on long-term debt totaled \$3,035,314.

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



**CITY OF MARSHFIELD, WISCONSIN**

Notes to Basic Financial Statements  
December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

Bonds

\$5,000,000 issued 11/15/2009; \$290,000 to \$410,000 due annually through 2027; interest 3.9% to 5.85%	\$ 5,000,000
\$3,150,000 issued 4/15/2010; \$185,000 to \$280,000 due annually through 2029; interest 3.4% to 5.8%	3,150,000
\$3,030,000 issued 4/15/2013; \$100,000 to \$270,000 due annually through 2030; interest 2.0% to 2.75%	3,030,000
\$1,570,000 issued 11/15/2011; \$340,000 to \$440,000 due annually through 2022; interest 2.0% to 2.4%	1,570,000
\$3,435,000 issued 4/14/2015; \$100,000 to \$330,000 due annually through 2030; interest 2.0% to 2.5%	3,435,000

Notes

\$6,450,000 issued 5/1/2009; \$390,000 to \$985,000 due annually through 2019; interest 3.0% to 3.5%	2,965,000
\$605,000 issued 11/15/11; \$130,000 due in 2016; interest 1.6%	130,000
\$5,400,000 issued 4/12/12; \$305,000 to \$620,000 due annually through 2022; interest 2.0% to 2.1%	2,640,000
\$3,105,000 issued 4/15/2013; \$250,000 to \$470,000 due annually through 2023; interest 2.00%	2,325,000
\$6,575,000 issued 6/1/2011; \$665,000 to \$780,000 due annually through 2021; interest 1.25% to 2.70%	4,305,000
\$4,010,000 issued 4/1/2014; \$325,000 to \$630,000 due annually through 2024; interest 1.50% to 2.30%	3,420,000
\$2,820,000 issued 4/14/2015; \$230,000 to \$450,000 due annually through 2025; interest 2.0%	2,820,000

State Trust Fund

\$178,200 issued 1/12/2009; \$18,778 to \$21,439 due annually through 2019; interest 4.5%	80,365
\$400,000 issued 11/7/2012; \$42,368 to \$49,885 due annually through 2022; interest 2.75%	322,343
\$688,650 issued 12/20/2013; \$24,869 to \$52,714 due annually through 2033; interest 4.5%	669,648
\$70,000 issued 12/30/2014; \$1,896 to \$5,267 due annually through 2034; interest 4.25%	70,000

Total Outstanding General Obligation Debt

\$ 35,932,356

**CITY OF MARSHFIELD, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

Annual principal and interest maturities of the outstanding general obligation debt of \$35,932,356 on December 31, 2015 are detailed below:

Year Ended December 31	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 3,907,412	\$ 994,006	\$ 190,499	\$ 63,186	\$ 4,097,911	\$ 1,057,192
2017	3,660,378	855,723	141,480	58,888	3,801,858	914,611
2018	3,439,698	764,561	155,524	54,181	3,595,222	818,742
2019	3,312,765	673,362	560,952	45,237	3,873,717	718,599
2020	2,864,647	589,215	490,210	33,346	3,354,857	622,561
2021-2025	10,413,106	1,904,207	837,026	62,899	11,250,132	1,967,106
2026-2030	5,630,475	562,575	156,955	13,789	5,787,430	576,364
2031-2034	166,832	15,589	4,397	402	171,229	15,991
	<u>\$ 33,395,313</u>	<u>\$ 6,359,238</u>	<u>\$ 2,537,043</u>	<u>\$ 331,928</u>	<u>\$ 35,932,356</u>	<u>\$ 6,691,166</u>

Legal Margin for New Debt

The City's legal margin for creation of additional general obligation debt on December 31, 2015 was \$35,813,872 as follows:

Equalized valuation of the City	\$ 1,427,677,300
Statutory limitation percentage	(x) 5%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes	<u>71,383,865</u>
Total outstanding general obligation debt applicable to debt limitation	\$ 35,932,356
Less: Amounts available for financing general obligation debt	
Debt service fund	<u>362,363</u>
Net outstanding general obligation debt applicable to debt limitation	<u>35,569,993</u>
Legal Margin for New Debt	<u>\$ 35,813,872</u>

**CITY OF MARSHFIELD, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

Revenue Bonds

Revenue bond debt service requirements are financed from operations of the enterprise fund. Debt outstanding on December 31, 2015 totaled \$44,381,952 and was composed of the following issues:

Electric System Revenue Bonds

\$3,880,000 issued 7/15/2008; \$575,000 to \$655,000 due annually through 2018; interest 6.125%	\$ 1,855,000
\$28,090,000 issued 11/30/2010; \$670,000 to \$2,560,000 due annually through 2030; interest 3.0% to 5.5%	<u>25,415,000</u>
Total Electric System Revenue Bonds	<u>27,270,000</u>

Water System Revenue Bonds

\$1,590,000 issued 10/1/2006; \$75,000 to \$120,000 due annually through 2026; interest 4.0% to 4.5%	1,055,000
\$3,150,000 issued 6/1/2009; \$150,000 to \$265,000 due annually through 2026; interest 4.0% to 4.6%	2,595,000
\$3,450,000 issued 10/14/2014; \$170,000 to \$270,000 due annually through 2033; interest 2.0% to 3.5%	3,845,000
\$3,180,000 issued 9/15/2015; \$145,000 to \$225,000 due annually through 2034; interest 3.0% to 3.4%	<u>3,180,000</u>
Total Water System Revenue Bonds	<u>10,675,000</u>

Wastewater Utility Revenue Bonds

\$1,530,000 issued 12/1/2006; \$115,000 to \$140,000 due annually through 2021; interest at 3.75% to 4.00%	765,000
\$1,350,000 issued 5/1/2009; \$40,000 to \$455,000 due annually through 2022; interest at 4.0% to 4.5%	<u>1,240,000</u>
Total Wastewater System Revenue Bonds	<u>2,005,000</u>

Clean Water Fund Program Loan - Sewer Utility

\$3,293,243 issued 3/25/1998 with the State of Wisconsin Clean Water Fund Program; \$214,091 to \$220,002 due through 2017 including interest at 2.761%	434,093
\$19,703,149 issued 9/09/1998 through the State of Wisconsin Clean Water Fund Program; \$1,296,494 to \$1,369,075 due annually through 2018; interest at 2.761%	<u>3,997,859</u>
Total Clean Water Fund Program Loan - Sewer Utility	<u>4,431,952</u>

Total Revenue Bonds	<u>\$ 44,381,952</u>
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**CITY OF MARSHFIELD, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

Annual principal and interest maturities of the outstanding revenue bonds of \$44,381,952 on December 31, 2015 are detailed below:

Year Ended December 31	Business-type Activities		
	Principal	Interest	Total
2016	\$ 3,305,585	\$ 2,025,616	\$ 5,331,201
2017	3,582,292	1,882,084	5,464,376
2018	3,534,075	1,751,061	5,285,136
2019	2,315,000	1,628,166	3,943,166
2020	2,410,000	1,525,619	3,935,619
2021-2025	13,080,000	5,883,801	18,963,801
2026-2030	14,510,000	2,514,063	17,024,063
2031-2033	1,645,000	125,543	1,770,543
	<u>\$ 44,381,952</u>	<u>\$ 17,335,953</u>	<u>\$ 61,717,905</u>

The City has pledged future customer revenues, net of specified operating expenses, to repay the electric, water, and wastewater system revenue bonds. Proceeds from the bonds provided financing for the construction or acquisition of capital assets used by the utilities. The bonds are payable solely from customer net revenues and are payable as detailed above.

The total principal and interest remaining to be paid on the electric bonds is \$40,541,938. Principal and interest paid for the current year and total customer net revenues for the electric utility were \$2,703,944 and \$7,516,801, respectively.

The total principal and interest to be paid on the water bonds is \$14,195,094. Principal and interest paid for the current year and total customer net revenues for the water utility were \$505,862 and \$2,346,091, respectively.

The total principal and interest to be paid on the wastewater bonds is \$6,980,873. Principal and interest paid for the current year and total customer net revenues for the wastewater utility were \$1,844,181 and \$4,514,872, respectively.

Revenue Bond Anticipation Notes

Revenue bond anticipation note outstanding is detailed as follows:

Bond Anticipation Notes

\$2,025,000 issued 11/3/2014; \$2,025,000 due in 2018; interest 1.25% \$ 2,025,000

Annual principal and interest maturities for the above outstanding revenue bond anticipation note on December 31, 2015 are shown below:

Due	Business-type Activities	
	Principal	Interest
2016	\$ -	\$ 25,313
2017	-	25,313
2018	2,025,000	25,313
	<u>\$ 2,025,000</u>	<u>\$ 75,939</u>

**CITY OF MARSHFIELD, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

7. Pension Plan  
a. Plan Description

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

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.

Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and State executive participants) are entitled to receive an unreduced retirement benefit. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor.

Final average earnings is the average of the participant's three highest years' earnings. Creditable service is the creditable current and prior service expressed in years or decimal equivalents of partial years for which a participant receives earnings and makes contributions as required. The formula factor is a standard percentage based on employment category.

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

The WRS also provides death and disability benefits for employees.

b. 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:

**CITY OF MARSHFIELD, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

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

c. 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, and Executives and Elected Officials. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

The City of Marshfield and Marshfield Utilities ("the Utilities") make separate contributions to the WRS. Separate information is presented below for the City and the Utilities pension activity.

During the reporting period, the WRS recognized \$994,951 in contributions from the City and \$209,489 from the Utilities.

Contribution rates as of December 31, 2015 are:

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

d. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2015, the City reported an asset of \$2,509,393 for its proportionate share of the net pension asset. The Utilities reported an asset of \$520,231 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2014, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2013 rolled forward to December 31, 2014. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's and the Utilities' proportion of the net pension asset was based on the City's and Utilities' respective share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2014, the City's proportion was 0.10216259%, which was a decrease of 0.00148591% from its proportion measured as of December 31, 2013. At December 31, 2014, the Utilities' proportion was 0.02117968%, which was an increase of 0.00032857% from its proportion measured as of December 31, 2013.

**CITY OF MARSHFIELD, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

For the year ended December 31, 2015, the City recognized pension expense of \$995,009. For the year ended December 31, 2015, the Utilities recognized pension expense of \$202,217.

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

	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 363,784
Net differences between projected and actual earnings on pension plan investments	1,215,169
Changes in proportion and differences between employer contributions and proportionate share of contributions	45,057
Employer contributions subsequent to the measurement date	966,106
<b>Total</b>	<b>\$ 2,590,116</b>

At December 31, 2015, the Utilities 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	\$ 75,417	\$ -
Net differences between projected and actual earnings on pension plan investments	251,921	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	8,474
Employer contributions subsequent to the measurement date	211,121	-
<b>Total</b>	<b>\$ 538,459</b>	<b>\$ 8,474</b>

\$966,106 reported as deferred outflows related to pension resulting from the City's contributions and \$211,121 reported as deferred outflows related to pension resulting from the Utilities' contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset in the year ended December 31, 2016.

**CITY OF MARSHFIELD, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

Other amounts related to the City reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ended December 31	Deferred Outflow of Resources
2015	\$ 370,254
2016	370,254
2017	370,254
2018	370,254
2019	142,994

Other amounts related to the Utilities reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ended December 31	Deferred Outflow of Resources	Deferred Inflows of Resources
2015	\$ 74,629	\$ 1,932
2016	74,629	1,932
2017	74,629	1,932
2018	74,629	1,932
2019	28,822	746

e. Actuarial Assumption

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

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

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

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



**CITY OF MARSHFIELD, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (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:

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

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

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

	1% Decrease to Discount Rate (6.2%)	Current Discount Rate (7.2%)	1% Increase to Discount Rate (8.2%)
City's proportionate share of the net pension asset (liability)	\$ (7,079,429)	\$ 2,509,393	\$ 10,083,257
Utilities' proportionate share of the net pension asset (liability)	\$ (1,467,661)	\$ 520,231	\$ 2,090,187

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

**CITY OF MARSHFIELD, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

f. Payable to the WRS

At December 31, 2015 the City reported a payable of \$151,749 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2015.

At December 31, 2015 the Utilities reported a payable of \$79,461 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2015.

8. Other Post-Employment Benefits

*Plan Description* – Marshfield Utilities provides health care insurance coverage for employees as follows:

- Retirees with 15 or more years of service and who elect to retire at 62 years of age can continue with the health insurance plan until the age of 65. The employee will continue to pay the 10% portion of the premiums as do the regular full-time employees. There are 42 active and 1 retired employees in the plan.

*Annual OPEB Cost and Net OPEB Obligation* - Marshfield Utilities' annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC), and the amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of Marshfield Utilities' annual OPEB cost for the year, the amount actually contributed to the plan, and changes in Marshfield Utilities' net OPEB obligation.

Component	Amount
Annual required contribution	\$ 249,030
Interest on net OPEB	1,111
Adjustment to annual required contribution	<u>(16,612)</u>
Annual OPEB cost (expense)	233,529
OPEB obligation - beginning of year	794,217
OPEB obligation - end of year	<u>\$ 1,027,746</u>

The annual required contribution for the current year was determined as part of the December 31, 2015 actuarial valuation using the projected unit credit method. The actuarial assumptions included (a) 0.14% discount rate, and (b) projected salary increases at 3.0%.

The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with a long-term perspective of the calculations. The unfunded actuarial accrued liability is being amortized as an open level percentage amount of projected payroll. The remaining amortization period of December 31, 2015 is 30 years, and remaining amount is \$1,468,124.

*Trend Information* – Marshfield Utilities annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation is as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage Of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2013	\$ 150,951	0.0%	\$ 655,951
12/31/2014	\$ 148,252	6.7%	\$ 794,217
12/30/2015	\$ 233,529	0.0%	\$ 1,027,746

**CITY OF MARSHFIELD, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

*Funded Status and Funding Progress* - As of December 31, 2015, the most recent actuarial valuation date, Marshfield Utilities' unfunded actuarial accrued liability (UAAL) was \$1,468,124. The annual payroll for active employees covered by the plan for the 2015 fiscal year (year of study) was \$2,997,973 for a ratio of the UAAL to covered payroll of 49.0%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future, such as assumptions about future terminations, mortality, and healthcare cost trends. Actuarially determined amounts are subject to continual revision as actuarial results are compared with past experience and new estimates are made about the future.

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

In the December 31, 2015 actuarial valuation, the entry age method was used. The actuarial assumptions included a rate of 0.14% to discount expected liabilities to the valuation date. The assumed inflation rate was 3.0%. The initial healthcare trend rate was 6% for medical. The UAAL is being amortized as a level percentage of projected payrolls on an open basis. The remaining amortization period at December 31, 2015 was 30 years.

9. Fund Equity

In the fund financial statements, portions of governmental fund balances are not available for appropriation or legally restricted for use for a specific purpose. At December 31, 2015, fund balance was restricted as follows:

Special Revenue Funds	
Room Tax	\$ 236,798
Residential Rehabilitation	438,805
Economic Development	583,052
Taxi System	36,037
Cable Television	151,933
Total	<u>\$ 1,446,625</u>
Debt Service	<u>\$ 362,363</u>
Permanent Fund	
Cemetery Perpetual Care	<u>\$ 113,909</u>

**CITY OF MARSHFIELD, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

In the fund financial statements, portions of governmental fund balances are committed by City Council action. At December 31, 2015, fund balance was committed as follows:

General Fund	
Nuisance property abatement	\$ 15,000
Enterprise business system software upgrade	66,412
Electronic document management system	61,438
Library operations and maintenance	51,779
Special recreation programs	4,184
Tennis/Racquetball Center	17,726
Adult athletics	1,648
Tennis court resurfacing	15,000
Comprehensive plan professional services	10,000
Slag seal program	9,700
Total General Fund	<u>\$ 252,887</u>
Capital Project Funds	
Infrastructure Construction	\$ 195,328
Public Safety Capital Outlay	262,899
Airport Outlay	24,144
Parks and Rec Capital Projects	77,635
Tax Incremental District #7 projects	114,237
Tax Incremental District #9 projects	231,793
Tax Incremental District #10 projects	2,267
Total	<u>\$ 908,303</u>

Also in the fund financial statements, portions of governmental fund balances have been assigned to represent tentative management plans that are subject to change. At December 31, 2015, fund balance was assigned as follows:

Special Revenue Funds	
Economic Development	<u>\$ 765,447</u>

10. Minimum Fund Balance Policy

The City Council has adopted a policy that unassigned fund balance in the amount of 25%-30% of the annual General Fund budgeted expenditures be maintained for cash flow and working capital purposes. The minimum fund balance amount is calculated below as follows:

2015 General Fund Budgeted Expenditures	\$ 20,792,617
Minimum Fund Balance %	(x) 25% - 30%
Minimum Fund Balance Amount	<u>\$5,198,154 to \$6,237,785</u>

The City's general fund unassigned fund balance of \$5,891,810 is within the range of the above minimum fund balance amount.

**CITY OF MARSHFIELD, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE D - OTHER INFORMATION**

1. Segment Information

The City issues separate revenue bonds to finance its electric, water, and wastewater utilities. The Electric and Water Utilities are accounted for in a single fund but investors in those bonds rely solely on the revenue generated by the individual activities for repayment. Segment information for the Electric Utility and Water Utility is presented below. The Electric Utility provides electric services to the City and surrounding municipalities. The Water Utility provides water supply to the City and surrounding municipalities.

	Electric Utility	Water Utility
<b>CONDENSED STATEMENT OF NET POSITION</b>		
<b>Assets</b>		
Current	\$ 12,687,092	\$ 1,035,282
Due from other funds	27,696	934,161
Restricted	8,518,143	3,120,525
<b>Noncurrent</b>		
Net capital assets	57,520,650	27,791,650
Other assets	9,311,165	199,028
<b>Total Assets</b>	<b>88,064,746</b>	<b>33,080,646</b>
Deferred Outflows of Resources	419,727	118,732
<b>Liabilities</b>		
Current	4,044,926	633,511
Due to other funds	2,246,527	1,773,355
<b>Noncurrent</b>		
Long-term	29,056,860	10,923,745
<b>Total Liabilities</b>	<b>35,348,313</b>	<b>13,330,611</b>
Deferred Inflows of Resources	6,545	1,929
<b>Net Position</b>		
Net investment in capital assets	28,420,025	19,051,204
<b>Restricted</b>		
Debt service	1,852,278	-
Pensions	824,462	225,754
Unrestricted	22,032,850	589,880
<b>Total Net Position</b>	<b>\$ 53,129,615</b>	<b>\$ 19,866,838</b>

**CITY OF MARSHFIELD, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE D - OTHER INFORMATION (Continued)**

	Electric Utility	Water Utility
<b>CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION</b>		
Operating Revenues		
Charges for services	\$ 31,561,234	\$ 4,386,071
Other	451,087	121,631
Total Operating Revenues	<u>32,012,321</u>	<u>4,507,702</u>
Operating Expenses		
Operation and maintenance	23,374,832	1,507,555
Depreciation and amortization	2,966,253	726,972
Other	2,038,992	803,384
Total Operating Expenses	<u>28,380,077</u>	<u>3,037,911</u>
Operating Income	<u>3,632,244</u>	<u>1,469,791</u>
Nonoperating Income (Expenses)		
Interest revenue	694,533	3,312
Amortization of debt premium and discount	122,617	(91,696)
Interest and fiscal charges	(1,505,445)	(166,326)
Miscellaneous	120	-
Total Nonoperating Income (Expenses)	<u>(688,175)</u>	<u>(254,710)</u>
Income Before Contributions and Transfers	2,944,069	1,215,081
Customer contributions	222,094	112,492
Transfers out	(1,425,556)	(675,102)
Change in Net Position	<u>1,740,607</u>	<u>652,471</u>
Net Position - January 1, as originally reported	50,584,477	18,978,500
Cumulative Effect of Change in Accounting Principle	804,531	235,867
Net Position - January 1, restated	<u>51,389,008</u>	<u>19,214,367</u>
Net Position - December 31	<u>\$ 53,129,615</u>	<u>\$ 19,866,838</u>

**CONDENSED STATEMENT OF CASH FLOWS**

	Electric Utility	Water Utility
Cash Flows from Operating Activities	\$ 7,856,249	\$ 1,275,597
Cash Flows from Non-Capital Financing Activities	(1,495,110)	(710,933)
Cash Flows from Capital and Related Financing Activities	(5,059,791)	313,242
Cash Flows from Investing Activities	397,304	3,312
Change in Cash and Cash Equivalents	1,698,652	881,218
Cash and Cash Equivalents - January 1	15,512,215	2,239,307
Cash and Cash Equivalents - December 31	<u>\$ 17,210,867</u>	<u>\$ 3,120,525</u>

**CITY OF MARSHFIELD, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE D - OTHER INFORMATION (Continued)**

2. Tax Incremental Financing Districts

The City has established separate capital projects funds for seven Tax Incremental Financing Districts (TID) created by the City in accordance with Section 66.1105 of the Wisconsin Statutes. At the time the TID's were created, the property tax base within each TID was "frozen" and increment taxes resulting from increases to the property tax base are used to finance TID improvements, including principal and interest on long-term debt issued by the City to finance such improvements. The Statutes allow eligible project costs to be incurred up to five years prior to the maximum termination date.

Since creation of the above TID's, the City has provided various financing sources to each TID and has also recorded eligible TID project costs in other funds of the City. Project summaries of the activity and status of the five active TIDs is as follows:

	TID #2	TID #4	TID #5	TID #7	TID #9	TID #10
<b>Project revenues</b>						
Tax Increment	\$ 1,786,615	\$ 7,125,822	\$ 2,659,525	\$ 1,033,024	\$ 4,471	\$ -
Special assessments	-	265,874	-	-	-	-
Intergovernmental Revenue	394	945,073	869,652	616	5	-
Miscellaneous	47,423	215,974	618,372	458,509	-	-
Transfers from other funds	-	491,997	389,609	12,050	-	14,800
Proceeds from long-term debt	750,000	12,010,345	5,584,630	4,336,327	653,611	-
<b>Total project revenues as of</b>						
December 31, 2015	<u>2,584,432</u>	<u>21,055,085</u>	<u>10,121,788</u>	<u>5,840,526</u>	<u>658,087</u>	<u>14,800</u>
<b>Project expenditures</b>						
Conservation and development	811,353	359,756	957,765	305,258	105,853	12,533
Miscellaneous	-	1,696,481	263,793	52,214	-	-
Capital expenditures	-	12,896,146	5,597,496	3,981,407	313,954	-
Debt issuance cost	-	149,203	65,071	36,111	2,341	-
Transfer to other funds	1,902,928	7,518,465	5,004,207	1,351,299	4,146	-
<b>Total project expenditures as of</b>						
December 31, 2015	<u>2,714,281</u>	<u>22,620,051</u>	<u>11,888,332</u>	<u>5,726,289</u>	<u>426,294</u>	<u>12,533</u>
<b>Fund balance (deficit) as of</b>						
December 31, 2015	(129,849)	(1,564,966)	(1,766,544)	114,237	231,793	2,267
<b>Future requirements</b>						
Debt service	-	10,364,410	956,847	2,989,337	881,226	22,057
<b>Balance to be collected on</b>						
TID District	<u>\$ 129,849</u>	<u>\$ 11,929,376</u>	<u>\$ 2,723,391</u>	<u>\$ 2,875,100</u>	<u>\$ 649,433</u>	<u>\$ 19,790</u>
<b>Termination Date</b>	3/9/2020	9/24/2023	3/25/2030	5/22/2034	8/13/2040	9/30/2042



**CITY OF MARSHFIELD, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE D - OTHER INFORMATION (Continued)**

3. Wholesale Power Supply Contacts

On January 25, 2000, the Utilities entered into a contract for the establishment and operation of Great Lakes Utilities (GLU), a municipal electric company formed pursuant to Section 66.073 of the Wisconsin Statutes. It is a separate electric company of seventeen Wisconsin municipal electric utilities to purchase and sell power and energy from and to its members and others.

4. Property Tax Levy Limit

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2015 and 2015 budget years, the increase in the maximum allowable tax levy is limited to the percentage change in the City's January 1 equalized value as a result of net new construction. The actual limit for the City's for the 2015 budget was 1.18%. The actual limit for the City's for the 2016 budget was 1.17%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

5. Contingencies

- a. The City participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial.
- b. From time to time, the City is party to other various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and the City Attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position or results of operations.

6. Joint Ventures

a. Marshfield Fairgrounds Commission

The Marshfield Fairgrounds Commission is a joint venture between the Common Council of the City of Marshfield and the Wood County Board of Supervisors for the improvement, maintenance, repair and operation of the Marshfield Fairgrounds. The Commission Board consists of six members: three aldermen from the City of Marshfield who are appointed by the mayor with approval of the council, and three county board supervisors who are appointed by the chairman of the Wood County Board with approval of the county board. The Fairgrounds Commission has the full, complete and exclusive jurisdiction of the fairgrounds. The City of Marshfield is to provide the necessary funds for the maintenance of the land, exclusive of the buildings and similar structures, while Wood County is providing funds for the construction, improvement, repair and maintenance of the buildings located on the Marshfield Fairgrounds, other than such properties owned by third parties. Any buildings or structures constructed upon the fairgrounds by the Commission become the property of the City of Marshfield. Accordingly, the real estate and related buildings are capitalized in the governmental activities' capital assets. Complete separate financial statements for the Fairgrounds Commission may be obtained at the Finance Department, City of Marshfield, 630 S. Central Avenue, Marshfield, WI 54449.



**CITY OF MARSHFIELD, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE D - OTHER INFORMATION (Continued)**

b. University Extension Center Commission

The University Extension Center Commission is a joint venture between the Common Council of the City of Marshfield and the Wood County Board of Supervisors for the purchase of the site and construction of said center, and the care, custody, maintenance, improvement and repair of the lands and buildings during its operation as a University Extension Center. The Commission Board consists of six members: three aldermen of the City of Marshfield who are appointed by the mayor with approval of the council, and three county board supervisors who are appointed by the chairman of the Wood County Board with approval of the county board. Before September of every year, the Commission submits to the Marshfield Common Council and the Wood County Board a budget indicating the amount needed from each governing body to defray the costs of maintenance, care, custody, repair and improvement of the buildings and premises of the University of Wisconsin - Marshfield/Wood County for the ensuing year. Each municipal unit has a 50% share of the venture, and accordingly, the City's 50% share is capitalized in the governmental activities' capital assets. Complete separate financial statements for the University Extension Center Commission may be obtained at the Office of the Finance Department, 630 S. Central Avenue, Marshfield, WI 54449.

7. Prior Period Adjustments

The government-wide statement of activities includes prior period adjustments of \$494,391 which decreased the City's net position. The governmental activities and governmental fund statements include a prior period adjustment of \$333,408 which reflects the removal of the Convention and Visitor Bureau fund from the City's financial statements. The business-type activities and proprietary fund statements include a prior period adjustment of \$160,983 which reflects a billing error from 2013-2016 in the Wastewater Utility.

8. Subsequent Events

The City received State Trust Fund Loans totaling \$173,500 and \$405,000 on February 17, 2016. The loans will provide financing for the purchase of fairground land and to finance economic development programs within Tax Incremental Financing District 5.

The City issued \$3,865,000 General Obligation Notes on March 1, 2016. This issue will provide financing for various capital projects.

The City issued \$3,840,000 General Obligation Bonds on March 1, 2016. This issue will provide financing for various construction of the new City of Marshfield Library and to finance economic development programs within Tax Incremental Financing District 4.

The City is in the process of creating Tax Incremental Financing District 11.

**CITY OF MARSHFIELD, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE D - OTHER INFORMATION (Continued)**

9. Cumulative Effect of Change in Accounting Principles

The City has adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*, which revised and established new financial reporting requirements for governments that provide their employees with pension benefits. The new standards recognize pension costs as employment services are provided, rather than when the pensions are funded. The cumulative effect of this change is summarized below:

	Governmental Activities			Business-type Activities				Total
	Governmental Funds	Internal Service Funds	Total	Marshfield Utilities	Wastewater Utility	Emergency Medical Services	Total	
Net Pension Asset	\$ 3,297,353	\$ 84,293	\$ 3,381,646	\$ 822,055	\$ 194,820	\$ 509,874	\$ 1,526,749	\$ 4,908,395
Deferred Outflows of Resources	831,471	19,638	851,109	218,343	47,799	96,753	362,895	1,214,004
Total Cumulative Effect of Change in Accounting Principle	\$ 4,128,824	\$ 103,931	\$ 4,232,755	\$ 1,040,398	\$ 242,619	\$ 606,627	\$ 1,889,644	\$ 6,122,399

10. Upcoming Accounting Pronouncements

In February 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 72, *Fair Value Measurement and Application*. Statement No. 72 requires measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and acceptable valuation techniques. This Statement also requires disclosures about the impact of fair value measurements on a government's financial position. GASB Statement No. 72 is required to be adopted for years beginning after June 15, 2015. The City is currently evaluating the impact this standard will have on the financial statements when adopted.

In June 2015, the GASB issued two new standards addressing accounting and financial reporting for post-employment benefits other than pensions (OPEB). GASB Statement No. 74, *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans*, addresses reporting by OPEB plans whereas GASB Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*, addresses accounting and reporting by employer governments that provide OPEB benefits to their employees. The City will, after adoption of GASB No. 75, recognize on the face of the financial statements its net OPEB liability. GASB No. 74 is effective for fiscal years beginning after June 15, 2016 whereas GASB No. 75 is effective one year later. The City is currently evaluating the impact these standards will have on the financial statements when adopted.

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**REQUIRED SUPPLEMENTARY INFORMATION**



**CITY OF MARSHFIELD, WISCONSIN**  
 Schedule of Funding Progress  
 Other Post-employment Benefit Plan  
 December 31, 2015

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age Normal	(3) Funded Ratio (1) / (2)	(4) Unfunded Actuarial Accrued Liability (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2009	\$ -	\$ 1,206,683	0.00%	\$ 1,206,683	\$ 2,558,995	47.15%
2012	\$ -	\$ 1,354,650	0.00%	\$ 1,354,650	\$ 2,859,473	47.37%
2015	\$ -	\$ 1,468,124	0.00%	\$ 1,468,124	\$ 2,997,973	48.97%

See Notes to Required Supplemental Information.

**CITY OF MARSHFIELD, WISCONSIN**  
 Schedule of Employer Contributions  
 Other Post-employment Benefit Plan  
 For the Year Ended December 31, 2015

Year Ended December 31,	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2013	\$ -	\$ 159,978	0.00%
2014	\$ 9,986	\$ 159,978	6.24%
2015	\$ -	\$ 249,030	0.00%

See Notes to Required Supplemental Information.

**CITY OF MARSHFIELD, WISCONSIN**  
Schedule of Proportionate Share of the Net Pension Asset  
Wisconsin Retirement System  
Last 10 Fiscal Years\*

	2015
City of Marshfield	
Proportion of the net pension asset	0.10216259%
Proportionate share of the net pension asset	\$ 2,509,393
Covered-employee payroll	\$ 10,834,459
Plan fiduciary net position as a percentage of the total pension asset	102.74%

	2015
Marshfield Utilities	
Proportion of the net pension asset	0.02117968%
Proportionate share of the net pension asset	\$ 520,231
Covered-employee payroll	\$ 2,992,698
Plan fiduciary net position as a percentage of the total pension asset	102.74%

\* The amounts presented for each fiscal year were determined as of the calendar year-end of the prior year.

See Notes to Required Supplementary Information.



**CITY OF MARSHFIELD, WISCONSIN**

Schedule of Contributions  
Wisconsin Retirement System  
Last 10 Fiscal Years\*

City of Marshfield

	2015
Contractually required contributions	\$ 994,951
Contributions in relation to the contractually required contributions	\$ 994,951
Contribution deficiency (excess)	\$ -
Covered-employee payroll	\$ 10,834,459
Contributions as a percentage of covered-employee payroll	9.18%

Marshfield Utilities

	2015
Contractually required contributions	\$ 209,489
Contributions in relation to the contractually required contributions	\$ 209,489
Contribution deficiency (excess)	\$ -
Covered-employee payroll	\$ 2,992,698
Contributions as a percentage of covered-employee payroll	7.00%

\* The amounts presented for each fiscal year were determined as of the calendar year-end of the prior year.

See Notes to Required Supplementary Information.

**CITY OF MARSHFIELD, WISCONSIN**  
Notes to Required Supplementary Information  
For the Year Ended December 31, 2015

**NOTE A - GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NOS. 68 AND 71**

The City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68* for the fiscal year ended December 31, 2015. Information for prior years is not available.

**NOTE B - WISCONSIN RETIREMENT SYSTEM**

There were no changes of benefit terms or assumptions for any participating employer in WRS.

**NOTE C - SCHEDULE OF FUNDING PROGRESS**

The December 31, 2015 actuarial valuation differs from the December 31, 2012 actuarial valuation due to the following factors:

- 1) The discount rate decreased from 0.40% to 0.14%.
- 2) The healthcare cost trend in the December 31, 2012 actuarial valuation had an initial trend rate of 8% decreasing to an ultimate rate of 4.7% after ten years. The healthcare cost trend in the December 31, 2015 actuarial valuation is constant at 6% over ten years.

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## **SUPPLEMENTARY INFORMATION**



**CITY OF MARSHFIELD, WISCONSIN**

General Fund

Detailed Comparison of Budgeted and Actual Revenues and Other Financing Sources  
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Taxes</b>				
General property	\$ 9,216,031	\$ 9,205,381	\$ 9,205,381	\$ -
General sales	120	120	121	1
Mobile home fees	63,000	63,000	67,618	4,618
Payment in lieu of taxes				
Other tax exempt entities	142,600	142,600	133,302	(9,298)
Interest on taxes	2,000	2,000	906	(1,094)
<b>Total Taxes</b>	<b>9,423,751</b>	<b>9,413,101</b>	<b>9,407,328</b>	<b>(5,773)</b>
<b>Special Assessments</b>				
Water mains	42,500	42,500	29,484	(13,016)
Sidewalks	5,000	5,000	300	(4,700)
Storm sewer	-	-	9,199	9,199
Streets	252,500	252,500	244,491	(8,009)
<b>Total Special Assessments</b>	<b>300,000</b>	<b>300,000</b>	<b>283,474</b>	<b>(16,526)</b>
<b>Intergovernmental</b>				
Other public safety	10,813	10,813	10,391	(422)
Shared revenues	4,790,125	4,790,125	4,743,360	(46,765)
Fire insurance tax	51,200	51,200	60,351	9,151
Exempt computer aid	273,545	273,545	374,223	100,678
Municipal services	66,000	66,000	71,420	5,420
Transportation aids	1,273,056	1,273,056	1,270,593	(2,463)
Other state grants	62,000	62,000	62,148	148
Other highway aid	197,049	197,049	197,049	-
Police training	76,967	76,967	59,373	(17,594)
Grants from local governments	329,484	329,484	339,798	10,314
<b>Total Intergovernmental</b>	<b>7,130,239</b>	<b>7,130,239</b>	<b>7,188,706</b>	<b>58,467</b>
<b>Licenses and Permits</b>				
<b>Licenses</b>				
Liquor and malt beverages	33,400	33,400	33,292	(108)
Other business and occupational	16,000	16,000	16,465	465
Dog	8,000	8,000	9,932	1,932
<b>Permits</b>				
Building	125,000	125,000	144,667	19,667
Zoning and conditional use	8,000	8,000	7,481	(519)
<b>Total Licenses and Permits</b>	<b>190,400</b>	<b>190,400</b>	<b>211,837</b>	<b>21,437</b>
<b>Fines and Forfeits</b>				
Court penalties and fines	137,500	137,500	156,775	19,275
Parking violations	30,000	30,000	25,367	(4,633)
<b>Total Fines and Forfeits</b>	<b>167,500</b>	<b>167,500</b>	<b>182,142</b>	<b>14,642</b>

(Continued)

**CITY OF MARSHFIELD, WISCONSIN**

General Fund

Detailed Comparison of Budgeted and Actual Revenues and Other Financing Sources (Continued)  
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Public Charges for Services</b>				
Other general government	6,650	6,650	6,714	64
Vending machine commissions	400	400	137	(263)
Public safety	26,875	26,875	48,643	21,768
Public works	60,000	60,000	56,737	(3,263)
Weed and nuisance control	12,000	12,000	16,468	4,468
Health	129,600	129,600	171,618	42,018
Human services	1,150	1,150	520	(630)
Culture, recreation and education	337,824	337,824	315,204	(22,620)
Conservation and development	1,000	1,000	2,814	1,814
<b>Total Public Charges for Services</b>	<b>575,499</b>	<b>575,499</b>	<b>618,855</b>	<b>43,356</b>
<b>Intergovernmental Charges for Services</b>				
Local departments	94,080	94,080	98,385	4,305
Federal	4,500	4,500	10,818	6,318
State	6,800	6,800	7,668	868
Other local governments	11,225	11,225	17,050	5,825
<b>Total Intergovernmental Charges for Services</b>	<b>116,605</b>	<b>116,605</b>	<b>133,921</b>	<b>17,316</b>
<b>Miscellaneous</b>				
Interest on investments	45,000	45,000	59,410	14,410
Interest on special assessments	35,000	35,000	6,134	(28,866)
Rent of city buildings	347,014	347,014	370,478	23,464
Donations from individuals/organizations	8,850	52,351	15,496	(36,855)
Miscellaneous revenue	55,200	55,200	49,819	(5,381)
<b>Total Miscellaneous</b>	<b>491,064</b>	<b>534,565</b>	<b>501,337</b>	<b>(33,228)</b>
<b>Total Revenues</b>	<b>18,395,058</b>	<b>18,427,909</b>	<b>18,527,600</b>	<b>99,691</b>
<b>Other Financing Sources</b>				
Sale of capital assets	33,470	33,470	38,220	4,750
Transfer from other funds	800	800	571	(229)
Transfer from Municipal Utility PILOT	1,860,000	1,860,000	1,833,249	(26,751)
<b>Total Other Financing Sources</b>	<b>1,894,270</b>	<b>1,894,270</b>	<b>1,872,040</b>	<b>(22,230)</b>
<b>Total Revenue and Other Financing Sources</b>	<b>\$ 20,289,328</b>	<b>\$ 20,322,179</b>	<b>\$ 20,399,640</b>	<b>\$ 77,461</b>

**CITY OF MARSHFIELD, WISCONSIN**

General Fund

Detailed Comparison of Budgeted and Actual Expenditures and Other Financing Uses  
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>General Government</b>				
Legislative	\$ 78,178	\$ 75,178	\$ 72,052	\$ 3,126
Mayor	61,066	61,066	56,452	4,614
Municipal court	72,846	72,846	72,783	63
Legal	104,950	104,950	128,303	(23,353)
City administrator	345,068	345,068	274,575	70,493
Clerk	168,116	168,116	162,941	5,175
Elections	25,789	25,789	17,516	8,273
Information technology	807,330	807,330	810,584	(3,254)
Finance	592,387	592,387	549,372	43,015
Property assessment	262,038	262,038	252,487	9,551
Purchasing	6,570	6,570	3,558	3,012
City buildings	333,079	333,079	307,935	25,144
Uncollectible taxes and refunds	12,300	12,300	25,128	(12,828)
Other general government	392,908	258,677	191,264	67,413
<b>Total General Government</b>	<b>3,262,625</b>	<b>3,125,394</b>	<b>2,924,950</b>	<b>200,444</b>
<b>Public Safety</b>				
Law enforcement	5,050,821	5,148,841	4,987,144	161,697
Fire protection	2,798,770	2,800,266	2,735,638	64,628
Inspections	345,903	345,903	286,522	59,381
Emergency government	10,000	10,000	9,924	76
<b>Total Public Safety</b>	<b>8,205,494</b>	<b>8,305,010</b>	<b>8,019,228</b>	<b>285,782</b>
<b>Public Works</b>				
DPW administration	511,232	511,231	517,053	(5,822)
Street maintenance	1,452,994	1,452,994	1,437,814	15,180
Snow and ice removal	1,029,101	999,101	685,155	313,946
Traffic control	188,721	188,721	201,722	(13,001)
Street lighting	225,000	225,000	215,449	9,551
Sidewalks and crosswalks	131,797	131,797	81,163	50,634
Storm sewers	581,062	581,062	565,083	15,979
Parking lots	101,528	101,528	58,373	43,155
Airport	158,608	158,608	184,877	(26,269)
Refuse and recycling	924,305	924,305	920,794	3,511
<b>Total Public Works</b>	<b>5,304,348</b>	<b>5,274,347</b>	<b>4,867,483</b>	<b>406,864</b>

(Continued)



**CITY OF MARSHFIELD, WISCONSIN**

General Fund

Detailed Comparison of Budgeted and Actual Expenditures and Other Financing Uses (Continued)

For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Health and Human Services				
Aging	28,062	50,062	48,125	1,937
Cemetery	170,518	170,518	168,531	1,987
Total Health and Human Services	<u>198,580</u>	<u>220,580</u>	<u>216,656</u>	<u>3,924</u>
Culture, Recreation and Education				
Culture	1,537,133	1,537,133	1,542,143	(5,010)
Parks	783,982	784,732	733,491	51,241
Recreation programs and events	395,176	395,426	367,907	27,519
Recreation facilities	198,763	198,763	193,445	5,318
Zoo	259,876	277,061	264,298	12,763
Education	49,202	49,202	49,145	57
Total Culture and Recreation	<u>3,224,132</u>	<u>3,242,317</u>	<u>3,150,429</u>	<u>91,888</u>
Conservation and Development				
Tourism and economic development	422,175	437,175	413,205	23,970
Other conservation and development	157,795	187,794	169,146	18,648
Total Conservation and Development	<u>579,970</u>	<u>624,969</u>	<u>582,351</u>	<u>42,618</u>
Total Expenditures	<u>20,775,149</u>	<u>20,792,617</u>	<u>19,761,097</u>	<u>1,031,520</u>
Other Financing Uses				
Transfer to other funds	15,383	30,766	-	30,766
Total Expenditures and Other Financing Uses	<u>\$ 20,790,532</u>	<u>\$ 20,823,383</u>	<u>\$ 19,761,097</u>	<u>\$ 1,062,286</u>

**CITY OF MARSHFIELD, WISCONSIN**  
Debt Service  
Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual  
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 2,703,553	\$ 2,703,553	\$ 2,703,553	\$ -
Miscellaneous	264,766	264,766	155,148	(109,618)
Total Revenues	<u>2,968,319</u>	<u>2,968,319</u>	<u>2,858,701</u>	<u>(109,618)</u>
Expenditures				
Debt service				
Principal	4,042,351	4,042,351	4,393,459	(351,108)
Interest and fiscal charges	946,737	946,737	996,514	(49,777)
Total Expenditures	<u>4,989,088</u>	<u>4,989,088</u>	<u>5,389,973</u>	<u>(400,885)</u>
Excess of Revenues Under Expenditures	<u>(2,020,769)</u>	<u>(2,020,769)</u>	<u>(2,531,272)</u>	<u>(510,503)</u>
Other Financing Sources				
Long-term debt issued	-	-	508,402	508,402
Premium on long term debt	-	-	76,600	76,600
Transfers in	1,720,769	1,720,769	1,720,769	-
Total Other Financing Sources	<u>1,720,769</u>	<u>1,720,769</u>	<u>2,305,771</u>	<u>585,002</u>
Net Change in Fund Balance	<u>(300,000)</u>	<u>(300,000)</u>	<u>(225,501)</u>	<u>74,499</u>
Fund Balance - January 1	<u>587,864</u>	<u>587,864</u>	<u>587,864</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 287,864</u>	<u>\$ 287,864</u>	<u>\$ 362,363</u>	<u>\$ 74,499</u>

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 40,500	\$ 40,500	\$ 40,500	\$ -
Miscellaneous	4,000,000	4,365,133	659,980	(3,705,153)
<b>Total Revenues</b>	<b>4,040,500</b>	<b>4,405,633</b>	<b>700,480</b>	<b>(3,705,153)</b>
<b>Expenditures</b>				
Debt service				
Interest and fiscal charges	61,433	61,433	2,002	59,431
Capital outlay	7,180,500	7,560,633	1,765,626	5,795,007
<b>Total Expenditures</b>	<b>7,241,933</b>	<b>7,622,066</b>	<b>1,767,628</b>	<b>5,854,438</b>
<b>Excess of Revenues Under Expenditures</b>	<b>(3,201,433)</b>	<b>(3,216,433)</b>	<b>(1,067,148)</b>	<b>2,149,285</b>
<b>Other Financing Sources</b>				
Long-term debt issued	3,201,433	3,201,433	142,003	(3,059,430)
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>(15,000)</b>	<b>(925,145)</b>	<b>(910,145)</b>
<b>Fund Balance - January 1</b>	<b>280,389</b>	<b>280,389</b>	<b>280,389</b>	<b>-</b>
<b>Fund Balance (Deficit) - December 31</b>	<b>\$ 280,389</b>	<b>\$ 265,389</b>	<b>\$ (644,756)</b>	<b>\$ (910,145)</b>

# NONMAJOR GOVERNMENTAL FUNDS

## SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific resources (other than trust or major capital projects) that are legally restricted to expenditures for specified purposes. The City uses special revenue funds for the following activities:

Room Tax Fund - To account for the collection of room taxes remitted to the City by hotel/motel owners and expenditures made for upkeep of City parks

Convention & Visitors Bureau Fund - to account for room taxes received by the Bureau and expenditures made for promotion of the City

Residential Rehabilitation Fund - to account for Community Development Block Grants received to provide residential rehabilitation assistance

Economic Development Fund - to account for funds utilized for economic development loans/grants and expenditures made to promote economic development

Public Safety Fund - to account eligible grants for law enforcement and fire and rescue service operations

Health and Human Services Fund - to account for eligible grants for health and human services operations

Business Improvement District - to account for collecting and remitting assessments to the Main Street Program

Taxi System Fund - to account for grant subsidies received for operation of the local taxi system and expenditures made for the taxi system

Cable Television Fund - to account for Cable Television franchise fees received and utilized for operation of local cable access programming

Forestry Fund - to account for grant subsidies received for sustaining and managing City forest land

## CAPITAL PROJECTS FUNDS

Capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Infrastructure Construction Fund - to account for the financing and construction of street and related infrastructure projects within the City

Public Safety Capital Outlay Fund - to account for construction, improvement, and remodeling costs for public safety service buildings

Airport Outlay Fund - to account for the costs of capital improvements at the airport

Parks and Rec Capital Projects Fund - to account for funds designated for specific Parks and Recreation projects

TID #2 - to account for the City's share of the costs pertinent to the redevelopment of the Purdy School building in to an independent living senior housing facility

TID #4 - to account for the City's share of the costs pertinent to the revitalization of the downtown area

TID #5 - to account for the improvements to Mill Creek Business Park

TID #7 - to account for improvements to Yellowstone Industrial Park

TID #9 - to account for improvements to Central Avenue & Ives Street

TID #10 - to account for improvements to the Marshfield Mall

## NONMAJOR GOVERNMENTAL FUNDS

### PERMANENT FUND

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Cemetery Perpetual Care Fund – to account for the accumulation of resources to be used for the perpetual care of the City's cemetery. The principal amount of the monies received are maintained intact and invested. Investment earnings are received in the General Fund and used to offset perpetual care costs.

Financial information is presented as follows:

Combining Balance Sheet

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

**CITY OF MARSHFIELD, WISCONSIN**

Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2015

	Special Revenue Funds										Total Special Revenue Funds
	Room Tax	Convention & Visitors Bureau	Residential Rehabilitation	Economic Development	Public Safety	Health and Human Services	Business Improvement District	Taxi System	Cable Television	Forestry	
<b>ASSETS</b>											
Cash and investments	\$ -	\$ -	\$ 45,670	\$ 784,956	\$ 20,065	\$ -	\$ 2,132	\$ -	\$ 68,254	\$ -	\$ 921,077
Restricted cash and investments	-	-	-	464,825	-	-	-	-	90,000	-	554,825
Receivables											
Taxes	-	-	-	-	-	-	66,000	12,599	-	25,000	103,599
Accounts	-	-	-	-	-	-	-	1,885	-	-	1,885
Special assessments	-	-	-	-	-	-	863	-	-	-	863
Loans	-	-	394,200	118,227	-	-	-	-	-	-	512,427
Other	1,016,934	-	-	-	-	-	-	-	-	-	1,016,934
Due from other funds	-	-	-	-	-	-	-	-	-	-	-
Advance to other funds	-	-	-	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	7,206	-	120,953	-	-	128,159
<b>TOTAL ASSETS</b>	<b>\$ 1,016,934</b>	<b>\$ -</b>	<b>\$ 439,870</b>	<b>\$ 1,368,008</b>	<b>\$ 20,065</b>	<b>\$ 7,206</b>	<b>\$ 68,995</b>	<b>\$ 135,437</b>	<b>\$ 158,254</b>	<b>\$ 25,000</b>	<b>\$ 3,239,769</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>											
Liabilities											
Accounts payable	\$ 79,982	\$ -	\$ 1,065	\$ 19,509	\$ 647	\$ -	\$ 2,132	\$ 6,240	\$ 6,106	\$ -	\$ 115,681
Due to other funds	700,154	-	-	-	-	7,206	-	74,510	215	-	782,085
Due to other governments	-	-	-	-	-	-	2,570	-	-	-	2,570
Unearned revenues	-	-	-	-	26,439	-	-	-	-	-	26,439
Total Liabilities	780,136	-	1,065	19,509	27,086	7,206	4,702	80,750	6,321	-	926,775
Deferred Inflows of Resources											
Taxes	-	-	-	-	-	-	66,000	18,650	-	25,000	109,650
Special assessments	-	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	66,000	18,650	-	25,000	109,650
Fund Balances (Deficits)											
Nonspendable											
County held special assessments and charges	-	-	-	-	-	-	863	-	-	-	863
Cemetery perpetual care	-	-	-	-	-	-	-	-	-	-	-
Restricted for											
Future expenditures	236,798	-	438,805	583,052	-	-	-	36,037	151,933	-	1,446,625
Committed	-	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	765,447	-	-	-	-	-	-	765,447
Unassigned (deficit)	-	-	-	-	(7,021)	-	(2,570)	-	-	-	(9,591)
Total Fund Balances (Deficits)	236,798	-	438,805	1,348,499	(7,021)	-	(1,707)	36,037	151,933	-	2,203,344
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 1,016,934</b>	<b>\$ -</b>	<b>\$ 439,870</b>	<b>\$ 1,368,008</b>	<b>\$ 20,065</b>	<b>\$ 7,206</b>	<b>\$ 68,995</b>	<b>\$ 135,437</b>	<b>\$ 158,254</b>	<b>\$ 25,000</b>	<b>\$ 3,239,769</b>

(Continued)

**CITY OF MARSHFIELD, WISCONSIN**

Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2015

	Capital Project Funds							
	Infrastructure Construction	Public Safety Capital Outlay	Airport Outlay	Parks and Rec Capital Projects	TID #2 (Purdy Project)	TID #4 (Downtown Redevelopment)	TID #5 (Mill Creek Business Park)	TID #7 (Yellowstone Industrial Park)
<b>ASSETS</b>								
Cash and investments	\$ 162,994	\$ 262,899	\$ 30,665	\$ 92,236	\$ -	\$ -	\$ -	\$ 195,953
Restricted cash and investments	-	-	-	-	-	-	-	-
Receivables								
Taxes	-	-	13,511	30,399	70,117	483,229	314,436	170,131
Accounts	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	368,119	-	-
Loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Due from other funds	75,784	-	-	-	-	-	-	-
Advance to other funds	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 238,778</b>	<b>\$ 262,899</b>	<b>\$ 44,176</b>	<b>\$ 122,635</b>	<b>\$ 70,117</b>	<b>\$ 851,348</b>	<b>\$ 314,436</b>	<b>\$ 366,084</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>								
<b>Liabilities</b>								
Accounts payable	\$ 38,599	\$ -	\$ 32	\$ -	\$ -	\$ 13,283	\$ -	\$ -
Due to other funds	-	-	-	-	96,171	1,338,949	1,615,516	-
Due to other governments	4,851	-	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>43,450</b>	<b>-</b>	<b>32</b>	<b>-</b>	<b>96,171</b>	<b>1,352,232</b>	<b>1,615,516</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>								
Taxes	-	-	20,000	45,000	103,795	695,963	465,464	251,847
Special assessments	-	-	-	-	-	368,119	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>20,000</b>	<b>45,000</b>	<b>103,795</b>	<b>1,064,082</b>	<b>465,464</b>	<b>251,847</b>
<b>Fund Balances (Deficits)</b>								
<b>Nonspendable</b>								
County held special assessments and charges	-	-	-	-	-	-	-	-
Cemetery perpetual care	-	-	-	-	-	-	-	-
<b>Restricted for</b>								
Future expenditures	-	-	-	-	-	-	-	-
<b>Committed</b>	<b>195,328</b>	<b>262,899</b>	<b>24,144</b>	<b>77,635</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>114,237</b>
Assigned	-	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	(129,849)	(1,564,966)	(1,766,544)	-
<b>Total Fund Balances (Deficits)</b>	<b>195,328</b>	<b>262,899</b>	<b>24,144</b>	<b>77,635</b>	<b>(129,849)</b>	<b>(1,564,966)</b>	<b>(1,766,544)</b>	<b>114,237</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 238,778</b>	<b>\$ 262,899</b>	<b>\$ 44,176</b>	<b>\$ 122,635</b>	<b>\$ 70,117</b>	<b>\$ 851,348</b>	<b>\$ 314,436</b>	<b>\$ 366,084</b>

(Continued)

**CITY OF MARSHFIELD, WISCONSIN**

Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2015

	Capital Project Funds (Continued)			Permanent Fund	Total Nonmajor Governmental Funds
	TID #9 (Hartl Site)	TID #10 (Marshfield Mall)	Total Capital Projects Funds	Cemetery Perpetual Care	
<b>ASSETS</b>					
Cash and investments	\$ 238,592	\$ 2,377	\$ 985,716	\$ -	\$ 1,906,793
Restricted cash and investments	-	-	-	107,481	662,306
Receivables					
Taxes	14,154	-	1,095,977	-	1,199,576
Accounts	-	-	-	-	1,885
Special assessments	-	-	368,119	-	368,982
Loans	-	-	-	-	512,427
Other	-	-	-	-	1,016,934
Due from other funds	-	-	75,784	-	75,784
Advance to other funds	-	-	-	113,909	113,909
Due from other governments	-	-	-	-	128,159
<b>TOTAL ASSETS</b>	<b>\$ 252,746</b>	<b>\$ 2,377</b>	<b>\$ 2,525,596</b>	<b>\$ 221,390</b>	<b>\$ 5,986,755</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ -	\$ 110	\$ 52,024	\$ -	\$ 167,705
Due to other funds	-	-	3,050,636	-	3,832,721
Due to other governments	-	-	4,851	-	7,421
Unearned revenues	-	-	-	-	26,439
<b>Total Liabilities</b>	<b>-</b>	<b>110</b>	<b>3,107,511</b>	<b>-</b>	<b>4,034,286</b>
Deferred Inflows of Resources					
Taxes	20,953	-	1,603,022	-	1,712,672
Special assessments	-	-	368,119	-	368,119
<b>Total Deferred Inflows of Resources</b>	<b>20,953</b>	<b>-</b>	<b>1,971,141</b>	<b>-</b>	<b>2,080,791</b>
Fund Balances (Deficits)					
Nonspendable					
County held special assessments and charges	-	-	-	-	863
Cemetery perpetual care	-	-	-	107,481	107,481
Restricted for					
Future expenditures	-	-	-	113,909	1,560,534
Committed	231,793	2,267	908,303	-	908,303
Assigned	-	-	-	-	765,447
Unassigned (deficit)	-	-	(3,461,359)	-	(3,470,950)
<b>Total Fund Balances (Deficits)</b>	<b>231,793</b>	<b>2,267</b>	<b>(2,553,056)</b>	<b>221,390</b>	<b>(128,322)</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 252,746</b>	<b>\$ 2,377</b>	<b>\$ 2,525,596</b>	<b>\$ 221,390</b>	<b>\$ 5,986,755</b>



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

	Special Revenue Funds										
	Room Tax	Convention & Visitors Bureau	Residential Rehabilitation	Economic Development	Public Safety	Health and Human Services	Business Improvement District	Taxi System	Cable Television	Forestry	Total Special Revenue Funds
<b>Revenues</b>											
Taxes	\$ 346,765	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 346,765
Special assessments	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	30,000	-	120,855	-	420,448	-	-	571,303
Licenses and permits	-	-	-	-	-	-	-	-	242,649	-	242,649
Public charges for services	-	-	-	-	17,217	-	65,187	-	1,676	-	84,080
Intergovernmental charges for services	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	1,296,851	-	260	5,797	146	-	426	3,040	-	-	1,306,520
<b>Total Revenues</b>	<b>1,643,616</b>	<b>-</b>	<b>260</b>	<b>35,797</b>	<b>17,363</b>	<b>120,855</b>	<b>65,613</b>	<b>423,488</b>	<b>244,325</b>	<b>-</b>	<b>2,551,317</b>
<b>Expenditures</b>											
<b>Current</b>											
General government	-	-	-	-	-	-	-	-	207,594	-	207,594
Public safety	-	-	-	-	20,468	-	-	-	-	-	20,468
Public works	-	-	-	-	-	-	-	432,352	-	-	432,352
Health and human services	-	-	-	-	-	120,855	-	-	-	-	120,855
Culture and recreation	1,500,377	-	-	-	-	-	-	-	-	-	1,500,377
Conservation and development	-	-	1,872	142,413	-	-	67,320	-	-	-	211,605
<b>Debt service</b>											
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	-	-
<b>Capital outlay</b>											
Capital outlay	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>1,500,377</b>	<b>-</b>	<b>1,872</b>	<b>142,413</b>	<b>20,468</b>	<b>120,855</b>	<b>67,320</b>	<b>432,352</b>	<b>207,594</b>	<b>-</b>	<b>2,493,251</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>143,239</b>	<b>-</b>	<b>(1,612)</b>	<b>(106,616)</b>	<b>(3,105)</b>	<b>-</b>	<b>(1,707)</b>	<b>(8,864)</b>	<b>36,731</b>	<b>-</b>	<b>58,066</b>
<b>Other Financing Sources (Uses)</b>											
Long-term debt issued	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	267,409	-	-	-	-	-	-	267,409
Transfers out	(140,000)	-	-	-	-	-	-	-	-	-	(140,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(140,000)</b>	<b>-</b>	<b>-</b>	<b>267,409</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>127,409</b>
<b>Net Change in Fund Balances</b>	<b>3,239</b>	<b>-</b>	<b>(1,612)</b>	<b>160,793</b>	<b>(3,105)</b>	<b>-</b>	<b>(1,707)</b>	<b>(8,864)</b>	<b>36,731</b>	<b>-</b>	<b>185,475</b>
<b>Fund Balances (Deficits) - January 1, as Originally Reported</b>	<b>233,559</b>	<b>333,408</b>	<b>440,417</b>	<b>1,187,706</b>	<b>(3,916)</b>	<b>-</b>	<b>-</b>	<b>44,901</b>	<b>115,202</b>	<b>-</b>	<b>2,351,277</b>
<b>Prior Period Adjustment</b>	<b>-</b>	<b>(333,408)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(333,408)</b>
<b>Fund Balances (Deficits) - January 1, as Restated</b>	<b>233,559</b>	<b>-</b>	<b>440,417</b>	<b>1,187,706</b>	<b>(3,916)</b>	<b>-</b>	<b>-</b>	<b>44,901</b>	<b>115,202</b>	<b>-</b>	<b>2,017,869</b>
<b>Fund Balances (Deficits) - December 31</b>	<b>\$ 236,798</b>	<b>\$ -</b>	<b>\$ 438,805</b>	<b>\$ 1,348,499</b>	<b>\$ (7,021)</b>	<b>\$ -</b>	<b>\$ (1,707)</b>	<b>\$ 36,037</b>	<b>\$ 151,933</b>	<b>\$ -</b>	<b>\$ 2,203,344</b>

(Continued)

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

	Capital Project Funds							
	Infrastructure Construction	Public Safety Capital Outlay	Airport Outlay	Parks and Rec Capital projects	TID #2 (Purdy Project)	TID #4 (Downtown Redevelopment)	TID #5 (Mill Creek Business Park)	TID #7 (Yellowstone Industrial Park)
Revenues								
Taxes	\$ 145,776	\$ 6,800	\$ -	\$ 25,000	\$ 111,352	\$ 759,877	\$ 438,691	\$ 222,088
Special assessments	-	-	-	-	-	178,528	-	-
Intergovernmental	23,424	-	-	-	15	21,693	184,849	237
Licenses and permits	-	-	-	-	-	-	-	-
Public charges for services	-	-	-	-	-	-	-	-
Intergovernmental charges for services	181,614	-	-	-	-	-	-	-
Miscellaneous	-	-	-	25,000	-	7,938	100	-
<b>Total Revenues</b>	<b>350,814</b>	<b>6,800</b>	<b>-</b>	<b>50,000</b>	<b>111,367</b>	<b>968,036</b>	<b>623,640</b>	<b>222,325</b>
Expenditures								
Current								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	138,693	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Conservation and development	45,988	-	-	-	369	144,665	402,764	3,108
Debt service								
Interest and fiscal charges	28,289	-	-	3,004	-	42,699	-	272
Capital outlay	2,106,052	6,800	32	300,347	-	2,861,588	-	32,497
<b>Total Expenditures</b>	<b>2,319,022</b>	<b>6,800</b>	<b>32</b>	<b>303,351</b>	<b>369</b>	<b>3,048,952</b>	<b>402,764</b>	<b>35,877</b>
Excess of Revenues Over (Under)								
Expenditures	(1,968,208)	-	(32)	(253,351)	110,998	(2,080,916)	220,876	186,448
Other Financing Sources (Uses)								
Long-term debt issued	2,005,668	-	-	213,004	-	3,190,691	-	20,271
Sale of capital assets	-	-	-	-	-	-	-	60,000
Transfers in	-	143,500	-	140,000	-	-	-	-
Transfers out	-	-	-	(46,131)	-	(793,800)	(652,570)	(224,122)
<b>Total Other Financing Sources (Uses)</b>	<b>2,005,668</b>	<b>143,500</b>	<b>-</b>	<b>306,873</b>	<b>-</b>	<b>2,396,891</b>	<b>(652,570)</b>	<b>(143,851)</b>
<b>Net Change in Fund Balances</b>	<b>37,460</b>	<b>143,500</b>	<b>(32)</b>	<b>53,522</b>	<b>110,998</b>	<b>315,975</b>	<b>(431,694)</b>	<b>42,597</b>
Fund Balances (Deficits) - January 1, as Originally Reported	157,868	119,399	24,176	24,113	(240,847)	(1,880,941)	(1,334,850)	71,640
Prior Period Adjustment	-	-	-	-	-	-	-	-
Fund Balances (Deficits) - January 1, as Restated	157,868	119,399	24,176	24,113	(240,847)	(1,880,941)	(1,334,850)	71,640
<b>Fund Balances (Deficits) - December 31</b>	<b>\$ 195,328</b>	<b>\$ 262,899</b>	<b>\$ 24,144</b>	<b>\$ 77,635</b>	<b>\$ (129,849)</b>	<b>\$ (1,564,966)</b>	<b>\$ (1,766,544)</b>	<b>\$ 114,237</b>

(Continued)

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

	Capital Project Funds (Continued)			Permanent Fund	Total Nonmajor Governmental Funds
	TID #9 (Hartl Site)	TID #10 (Marshfield Mall)	Total Capital Project Funds	Cemetery Perpetual Care	
<b>Revenues</b>					
Taxes	\$ 4,471	\$ -	\$ 1,714,055	\$ -	\$ 2,060,820
Special assessments	-	-	178,528	-	178,528
Intergovernmental	5	-	230,223	-	801,526
Licenses and permits	-	-	-	-	242,649
Public charges for services	-	-	-	6,221	90,301
Intergovernmental charges for services	-	-	181,614	-	181,614
Miscellaneous	-	-	33,038	5,247	1,344,805
<b>Total Revenues</b>	<b>4,476</b>	<b>-</b>	<b>2,337,458</b>	<b>11,468</b>	<b>4,900,243</b>
<b>Expenditures</b>					
Current					
General government	-	-	-	-	207,594
Public safety	-	-	-	-	20,468
Public works	83,924	-	222,617	-	654,969
Health and human services	-	-	-	-	120,855
Culture and recreation	-	-	-	-	1,500,377
Conservation and development	20,369	12,533	629,796	-	841,401
Debt service					
Interest and fiscal charges	2,341	-	76,605	-	76,605
Capital outlay	-	-	5,307,316	-	5,307,316
<b>Total Expenditures</b>	<b>106,634</b>	<b>12,533</b>	<b>6,236,334</b>	<b>-</b>	<b>8,729,585</b>
<b>Excess of Revenues Over (Under)</b>					
Expenditures	(102,158)	(12,533)	(3,898,876)	11,468	(3,829,342)
<b>Other Financing Sources (Uses)</b>					
Long-term debt issued	174,961	-	5,604,595	-	5,604,595
Sale of capital assets	-	-	60,000	-	60,000
Transfers in	-	14,800	298,300	-	565,709
Transfers out	(18,946)	-	(1,735,569)	(571)	(1,876,140)
<b>Total Other Financing Sources (Uses)</b>	<b>156,015</b>	<b>14,800</b>	<b>4,227,326</b>	<b>(571)</b>	<b>4,354,164</b>
<b>Net Change in Fund Balances</b>	<b>53,857</b>	<b>2,267</b>	<b>328,450</b>	<b>10,897</b>	<b>524,822</b>
<b>Fund Balances (Deficits) - January 1, as Originally Reported</b>	<b>177,936</b>	<b>-</b>	<b>(2,881,506)</b>	<b>210,493</b>	<b>(319,736)</b>
<b>Prior Period Adjustment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(333,408)</b>
<b>Fund Balances (Deficits) - January 1, as Restated</b>	<b>177,936</b>	<b>-</b>	<b>(2,881,506)</b>	<b>210,493</b>	<b>(653,144)</b>
<b>Fund Balances (Deficits) - December 31</b>	<b>\$ 231,793</b>	<b>\$ 2,267</b>	<b>\$ (2,553,056)</b>	<b>\$ 221,390</b>	<b>\$ (128,322)</b>

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 325,000	\$ 330,000	\$ 346,765	\$ 16,765
Miscellaneous	500,000	632,156	1,296,851	664,695
Total Revenues	825,000	962,156	1,643,616	681,460
Expenditures				
Current				
Culture and recreation	600,000	732,156	1,500,377	(768,221)
Excess of Revenues Over Expenditures	225,000	230,000	143,239	(86,761)
Other Financing Uses				
Transfers out	(324,178)	(324,178)	(140,000)	184,178
Net Change in Fund Balance	(99,178)	(94,178)	3,239	97,417
Fund Balance - January 1	233,559	233,559	233,559	-
Fund Balance - December 31	\$ 134,381	\$ 139,381	\$ 236,798	\$ 97,417

**CITY OF MARSHFIELD, WISCONSIN**  
Convention & Visitors Bureau Special Revenue Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual  
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Miscellaneous	\$ 34,700	\$ 34,700	\$ -	\$ (34,700)
Expenditures				
Current				
Culture and recreation	297,646	297,646	-	297,646
Excess of Revenues Under Expenditures	(262,946)	(262,946)	-	262,946
Other Financing Sources				
Transfers in	184,178	184,178	-	(184,178)
Net Change in Fund Balance	(78,768)	(78,768)	-	78,768
Fund Balance - January 1, as originally reported	333,408	333,408	333,408	-
Prior Period Adjustment	(333,408)	(333,408)	(333,408)	-
Fund Balance - January 1, as restated	-	-	-	-
Fund Balance - December 31	\$ (78,768)	\$ (78,768)	\$ -	\$ 78,768

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Miscellaneous	\$ 300	\$ 300	\$ 260	\$ (40)
Expenditures				
Current				
Conservation and development	300	300	1,872	(1,572)
Net Change in Fund Balance	-	-	(1,612)	(1,612)
Fund Balance - January 1	440,417	440,417	440,417	-
Fund Balance - December 31	\$ 440,417	\$ 440,417	\$ 438,805	\$ (1,612)

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ -	\$ 30,000	\$ 30,000
Miscellaneous	5,530	5,530	5,797	267
Total Revenues	5,530	5,530	35,797	30,267
Expenditures				
Current				
Conservation and development	258,894	283,894	142,413	141,481
Excess of Revenues Under Expenditures	(253,364)	(278,364)	(106,616)	171,748
Other Financing Sources				
Transfers in	288,000	288,000	267,409	(20,591)
Net Change in Fund Balance	34,636	9,636	160,793	151,157
Fund Balance - January 1	1,187,706	1,187,706	1,187,706	-
Fund Balance - December 31	\$ 1,222,342	\$ 1,197,342	\$ 1,348,499	\$ 151,157

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines and forfeits	\$ -	\$ 3,000	\$ -	\$ (3,000)
Public charges for services	-	19,577	17,217	(2,360)
Miscellaneous	-	-	146	146
Total Revenues	-	22,577	17,363	(5,214)
Expenditures				
Current				
Public safety	-	22,577	20,468	2,109
Net Change in Fund Balance	-	-	(3,105)	(3,105)
Fund Balance (Deficit) - January 1	(3,916)	(3,916)	(3,916)	-
Fund Balance (Deficit) - December 31	\$ (3,916)	\$ (3,916)	\$ (7,021)	\$ (3,105)



**CITY OF MARSHFIELD, WISCONSIN**  
 Health and Human Services Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget and Actual  
 For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ -	\$ 120,855	\$ 120,855
Expenditures				
Current				
Health and human services	-	-	120,855	(120,855)
Net Change in Fund Balance	-	-	-	-
Fund Balance - January 1	-	-	-	-
Fund Balance - December 31	\$ -	\$ -	\$ -	\$ -

**CITY OF MARSHFIELD, WISCONSIN**  
 Business Improvement District Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget and Actual  
 For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Public charges for services	\$ 66,000	\$ 66,000	\$ 65,187	\$ (813)
Miscellaneous	100	100	426	326
Total Revenues	<u>66,100</u>	<u>66,100</u>	<u>65,613</u>	<u>(487)</u>
Expenditures				
Current				
Conservation and development	<u>66,100</u>	<u>66,100</u>	<u>67,320</u>	<u>(1,220)</u>
Net Change in Fund Balance	-	-	(1,707)	(1,707)
Fund Balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance (Deficit) - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,707)</u>	<u>\$ (1,707)</u>

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 494,000	\$ 494,000	\$ 420,448	\$ (73,552)
Miscellaneous	-	-	3,040	3,040
Total Revenues	494,000	494,000	423,488	(70,512)
Expenditures				
Current				
Public works	521,150	521,150	432,352	88,798
Net Change in Fund Balance	(27,150)	(27,150)	(8,864)	18,286
Fund Balance - January 1	44,901	44,901	44,901	-
Fund Balance - December 31	\$ 17,751	\$ 17,751	\$ 36,037	\$ 18,286

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Licenses and permits	\$ 225,000	\$ 225,000	\$ 242,649	\$ 17,649
Public charges for services	1,500	1,500	1,676	176
Total Revenues	<u>226,500</u>	<u>226,500</u>	<u>244,325</u>	<u>17,825</u>
Expenditures				
Current				
General government	<u>225,577</u>	<u>228,577</u>	<u>207,594</u>	<u>20,983</u>
Net Change in Fund Balance	923	(2,077)	36,731	38,808
Fund Balance - January 1	<u>115,202</u>	<u>115,202</u>	<u>115,202</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 116,125</u>	<u>\$ 113,125</u>	<u>\$ 151,933</u>	<u>\$ 38,808</u>

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Public charges for services	-	-	-	-
Total Revenues	-	-	-	-
Expenditures				
Current				
General government	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Fund Balance - January 1	-	-	-	-
Fund Balance - December 31	\$ -	\$ -	\$ -	\$ -

**CITY OF MARSHFIELD, WISCONSIN**  
 Infrastructure Construction Capital Projects Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget and Actual  
 For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 141,926	\$ 145,776	\$ 145,776	\$ -
Intergovernmental	-	-	23,424	23,424
Intergovernmental charges for services	227,581	227,581	181,614	(45,967)
Total Revenues	<u>369,507</u>	<u>373,357</u>	<u>350,814</u>	<u>(22,543)</u>
Expenditures				
Current				
Public works	88,531	88,531	138,693	(50,162)
Conservation and development	118,667	122,517	45,988	76,529
Debt service				
Interest and fiscal charges	20,234	20,234	28,289	(8,055)
Capital outlay	1,981,997	1,981,997	2,106,052	(124,055)
Total Expenditures	<u>2,209,429</u>	<u>2,213,279</u>	<u>2,319,022</u>	<u>(105,743)</u>
Excess of Revenues Under Expenditures	(1,839,922)	(1,839,922)	(1,968,208)	(128,286)
Other Financing Sources				
Long-term debt issued	1,997,614	1,997,614	2,005,668	8,054
Net Change in Fund Balance	157,692	157,692	37,460	(120,232)
Fund Balance - January 1	<u>157,868</u>	<u>157,868</u>	<u>157,868</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 315,560</u>	<u>\$ 315,560</u>	<u>\$ 195,328</u>	<u>\$ (120,232)</u>

**CITY OF MARSHFIELD, WISCONSIN**  
 Public Safety Capital Outlay Capital Projects Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget and Actual  
 For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ -	\$ 6,800	\$ 6,800	\$ -
Expenditures				
Capital outlay	-	6,800	6,800	-
Excess of Revenues Over Expenditures	-	-	-	-
Other Financing Sources				
Transfers in	143,500	143,500	143,500	-
Net Change in Fund Balance	143,500	143,500	143,500	-
Fund Balance - January 1	119,399	119,399	119,399	-
Fund Balance - December 31	\$ 262,899	\$ 262,899	\$ 262,899	\$ -

**CITY OF MARSHFIELD, WISCONSIN**  
 Airport Outlay Capital Projects Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget and Actual  
 For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Capital outlay	\$ 10,000	\$ 10,000	\$ 32	\$ 9,968
Net Change in Fund Balance	(10,000)	(10,000)	(32)	9,968
Fund Balance - January 1	24,176	24,176	24,176	-
Fund Balance - December 31	\$ 14,176	\$ 14,176	\$ 24,144	\$ 9,968



**CITY OF MARSHFIELD, WISCONSIN**  
Parks & Rec Capital Projects Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual  
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 25,000	\$ 25,000	\$ 25,000	\$ -
Miscellaneous	134,000	134,000	25,000	(109,000)
Total Revenues	<u>159,000</u>	<u>159,000</u>	<u>50,000</u>	<u>(109,000)</u>
Expenditures				
Debt service				
Interest and fiscal charges	2,149	2,149	3,004	(855)
Capital outlay	434,998	608,498	300,347	308,151
Total Expenditures	<u>437,147</u>	<u>610,647</u>	<u>303,351</u>	<u>307,296</u>
Excess of Revenues Under Expenditures	<u>(278,147)</u>	<u>(451,647)</u>	<u>(253,351)</u>	<u>198,296</u>
Other Financing Sources (Uses)				
Long-term debt issued	212,149	385,649	213,004	(172,645)
Transfers in	140,000	140,000	140,000	-
Transfers out	(46,131)	(46,131)	(46,131)	-
Total Other Financing Sources (Uses)	<u>306,018</u>	<u>479,518</u>	<u>306,873</u>	<u>(172,645)</u>
Net Change in Fund Balance	27,871	27,871	53,522	25,651
Fund Balance - January 1	<u>24,113</u>	<u>24,113</u>	<u>24,113</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 51,984</u>	<u>\$ 51,984</u>	<u>\$ 77,635</u>	<u>\$ 25,651</u>

**CITY OF MARSHFIELD, WISCONSIN**  
TID #2 (Purdy Project) Capital Projects Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual  
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 112,442	\$ 112,442	\$ 111,352	\$ (1,090)
Intergovernmental	20	20	15	(5)
Total Revenues	<u>112,462</u>	<u>112,462</u>	<u>111,367</u>	<u>(1,095)</u>
Expenditures				
Current				
Conservation and development	369	369	369	-
Net Change in Fund Balance	112,093	112,093	110,998	(1,095)
Fund Balance (Deficit) - January 1	<u>(240,847)</u>	<u>(240,847)</u>	<u>(240,847)</u>	<u>-</u>
Fund Balance (Deficit) - December 31	<u>\$ (128,754)</u>	<u>\$ (128,754)</u>	<u>\$ (129,849)</u>	<u>\$ (1,095)</u>

**CITY OF MARSHFIELD, WISCONSIN**  
TID #4 (Downtown Redevelopment) Capital Projects Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual  
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 767,315	\$ 767,315	\$ 759,877	\$ (7,438)
Special assessments	50,000	50,000	178,528	128,528
Intergovernmental	27,000	27,000	21,693	(5,307)
Miscellaneous	20	20	7,938	7,918
<b>Total Revenues</b>	<b>844,335</b>	<b>844,335</b>	<b>968,036</b>	<b>123,701</b>
<b>Expenditures</b>				
Current				
Conservation and development	40,515	47,115	144,665	(97,550)
Debt service				
Interest and fiscal charges	32,213	32,213	42,699	(10,486)
Capital outlay	3,107,994	3,107,994	2,861,588	246,406
<b>Total Expenditures</b>	<b>3,180,722</b>	<b>3,187,322</b>	<b>3,048,952</b>	<b>138,370</b>
<b>Excess of Revenues Under Expenditures</b>	<b>(2,336,387)</b>	<b>(2,342,987)</b>	<b>(2,080,916)</b>	<b>262,071</b>
<b>Other Financing Sources (Uses)</b>				
Long-term debt issued	3,180,205	3,180,205	3,190,691	10,486
Transfers out	(793,800)	(793,800)	(793,800)	-
<b>Total Other Financing Sources (Uses)</b>	<b>2,386,405</b>	<b>2,386,405</b>	<b>2,396,891</b>	<b>10,486</b>
<b>Net Change in Fund Balance</b>	<b>50,018</b>	<b>43,418</b>	<b>315,975</b>	<b>272,557</b>
<b>Fund Balance (Deficit) - January 1</b>	<b>(1,880,941)</b>	<b>(1,880,941)</b>	<b>(1,880,941)</b>	<b>-</b>
<b>Fund Balance (Deficit) - December 31</b>	<b>\$ (1,830,923)</b>	<b>\$ (1,837,523)</b>	<b>\$ (1,564,966)</b>	<b>\$ 272,557</b>

**CITY OF MARSHFIELD, WISCONSIN**  
TID #5 (Mill Creek Business Park) Capital Projects Fund  
Schedule -of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 442,985	\$ 442,985	\$ 438,691	\$ (4,294)
Intergovernmental	210,000	210,000	184,849	(25,151)
Miscellaneous	100	100	100	-
Total Revenues	<u>653,085</u>	<u>653,085</u>	<u>623,640</u>	<u>(29,445)</u>
Expenditures				
Current				
Conservation and development	515	405,515	402,764	2,751
Excess of Revenues Over Expenditures	<u>652,570</u>	<u>247,570</u>	<u>220,876</u>	<u>(26,694)</u>
Other Financing Sources (Uses)				
Long-term debt issued	-	405,000	-	(405,000)
Transfers out	(652,570)	(652,570)	(652,570)	-
Total Other Financing Sources (Uses)	<u>(652,570)</u>	<u>(247,570)</u>	<u>(652,570)</u>	<u>(405,000)</u>
Net Change in Fund Balance	-	-	(431,694)	(431,694)
Fund Balance (Deficit) - January 1	<u>(1,334,850)</u>	<u>(1,334,850)</u>	<u>(1,334,850)</u>	<u>-</u>
Fund Balance (Deficit) - December 31	<u>\$ (1,334,850)</u>	<u>\$ (1,334,850)</u>	<u>\$ (1,766,544)</u>	<u>\$ (431,694)</u>

**CITY OF MARSHFIELD, WISCONSIN**  
TID #7 (Yellowstone Industrial Park) Capital Projects Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual  
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 224,262	\$ 224,262	\$ 222,088	\$ (2,174)
Intergovernmental	375	375	237	(138)
Miscellaneous	67,000	67,000	-	(67,000)
Total Revenues	<u>291,637</u>	<u>291,637</u>	<u>222,325</u>	<u>(69,312)</u>
Expenditures				
Current				
Conservation and development	25,515	375,515	3,108	372,407
Debt service				
Interest and fiscal charges	205	205	272	(67)
Capital outlay	17,000	17,000	32,497	(15,497)
Total Expenditures	<u>42,720</u>	<u>392,720</u>	<u>35,877</u>	<u>356,843</u>
Excess of Revenues Over (Under) Expenditures	<u>248,917</u>	<u>(101,083)</u>	<u>186,448</u>	<u>287,531</u>
Other Financing Sources (Uses)				
Long-term debt issued	20,205	370,205	20,271	(349,934)
Sale of capital assets	-	-	60,000	60,000
Transfers out	(224,122)	(224,122)	(224,122)	-
Total Other Financing Sources (Uses)	<u>(203,917)</u>	<u>146,083</u>	<u>(143,851)</u>	<u>(289,934)</u>
Net Change in Fund Balance	45,000	45,000	42,597	(2,403)
Fund Balance - January 1	<u>71,640</u>	<u>71,640</u>	<u>71,640</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 116,640</u>	<u>\$ 116,640</u>	<u>\$ 114,237</u>	<u>\$ (2,403)</u>

**CITY OF MARSHFIELD, WISCONSIN**  
TID #9 (Hartl Site) Capital Projects Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual  
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 4,515	\$ 4,515	\$ 4,471	\$ (44)
Intergovernmental	-	-	5	5
Total Revenues	<u>4,515</u>	<u>4,515</u>	<u>4,476</u>	<u>(39)</u>
Expenditures				
Current				
Public works	172,620	172,620	83,924	88,696
Conservation and development	369	369	20,369	(20,000)
Debt service				
Interest and fiscal charges	1,766	1,766	2,341	(575)
Total Expenditures	<u>174,755</u>	<u>174,755</u>	<u>106,634</u>	<u>68,121</u>
Excess of Revenues Under Expenditures	<u>(170,240)</u>	<u>(170,240)</u>	<u>(102,158)</u>	<u>68,082</u>
Other Financing Sources (Uses)				
Long-term debt issued	174,386	174,386	174,961	575
Transfers out	(4,146)	(18,946)	(18,946)	-
Total Other Financing Sources (Uses)	<u>170,240</u>	<u>155,440</u>	<u>156,015</u>	<u>575</u>
Net Change in Fund Balance	-	(14,800)	53,857	68,657
Fund Balance - January 1	<u>177,936</u>	<u>177,936</u>	<u>177,936</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 177,936</u>	<u>\$ 163,136</u>	<u>\$ 231,793</u>	<u>\$ 68,657</u>

**CITY OF MARSHFIELD, WISCONSIN**  
TID #10 (Marshfield Mall) Capital Projects Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual  
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Expenditures				
Current				
Conservation and development	-	14,800	12,533	2,267
Excess of Revenues Under Expenditures	-	(14,800)	(12,533)	2,267
Other Financing Sources				
Transfers in	-	14,800	14,800	-
Net Change in Fund Balance	-	-	2,267	2,267
Fund Balance - January 1	-	-	-	-
Fund Balance - December 31	\$ -	\$ -	\$ 2,267	\$ 2,267

**CITY OF MARSHFIELD, WISCONSIN**  
 Combining Statement of Net Position  
 Fiduciary Fund - Agency Funds  
 December 31, 2015

	Payroll Deductions Fund	Performance Bonds	Property Tax Fund	Sales Tax	Total
<b>ASSETS</b>					
Cash and investments	\$ 643,184	\$ 26,300	\$ 3,492,982	\$ 2,617	\$ 4,165,083
Receivables					
Taxes	-	-	17,507,447	-	17,507,447
Other	-	-	-	99	99
<b>Total Assets</b>	<b>\$ 643,184</b>	<b>\$ 26,300</b>	<b>\$ 21,000,429</b>	<b>\$ 2,716</b>	<b>\$ 21,672,629</b>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ -	\$ 10,375	\$ -	\$ 10,375
Accrued payroll deductions	643,184	-	-	-	643,184
Special deposits	-	26,300	-	-	26,300
Due to other governments	-	-	20,990,054	2,716	20,992,770
<b>Total Liabilities</b>	<b>\$ 643,184</b>	<b>\$ 26,300</b>	<b>\$ 21,000,429</b>	<b>\$ 2,716</b>	<b>\$ 21,672,629</b>



**CITY OF MARSHFIELD, WISCONSIN**  
**COMBINING STATEMENT OF CHANGES IN ASSETS**  
**AND LIABILITIES - ALL AGENCY FUNDS**  
**YEAR ENDED DECEMBER 31, 2015**

	BALANCE 1/1/15	ADDITIONS	DEDUCTIONS	BALANCE 12/31/15
<b>Payroll Deductions</b>				
ASSETS				
Cash	\$ 391,490	\$ 398,575	\$ 146,881	\$ 643,184
Receivables-Other	11,656	57,634	69,290	-
<b>TOTAL ASSETS</b>	<b>\$ 403,146</b>	<b>\$ 456,209</b>	<b>\$ 216,171</b>	<b>\$ 643,184</b>
LIABILITIES				
Payroll Deductions	\$ 403,146	\$ 16,727,374	\$ 16,487,336	\$ 643,184
<b>Performance Bonds</b>				
ASSETS				
Cash and Investments	\$ 15,300	\$ 41,000	\$ 30,000	\$ 26,300
LIABILITIES				
Special Deposits	\$ 15,300	\$ 12,000	\$ 1,000	\$ 26,300
<b>Property Tax</b>				
ASSETS				
Cash	\$ 5,836,242	\$ 18,652,205	\$ 20,995,465	\$ 3,492,982
Taxes Receivable	15,016,192	44,245,628	41,754,373	17,507,447
<b>TOTAL ASSETS</b>	<b>\$ 20,852,434</b>	<b>\$ 62,897,833</b>	<b>\$ 62,749,838</b>	<b>\$ 21,000,429</b>
LIABILITIES				
Accounts Payable	\$ 3,535	\$ 20,001	\$ 13,161	\$ 10,375
Due to Other Governments	20,848,899	44,369,273	44,228,118	20,990,054
<b>TOTAL LIABILITIES</b>	<b>\$ 20,852,434</b>	<b>\$ 44,389,274</b>	<b>\$ 44,241,279</b>	<b>\$ 21,000,429</b>
<b>State of Wisconsin</b>				
ASSETS				
Cash	\$ 2,531	\$ 3,669	\$ 3,583	\$ 2,617
Receivables-Other	265	99	265	\$ 99
<b>TOTAL ASSETS</b>	<b>\$ 2,796</b>	<b>\$ 3,768</b>	<b>\$ 3,848</b>	<b>\$ 2,716</b>
LIABILITIES				
Due to Other Governments	\$ 2,796	\$ 22,064	\$ 22,144	\$ 2,716
<b>TOTAL - ALL AGENCY FUNDS</b>				
ASSETS				
Cash and Investments	\$ 6,245,563	\$ 19,095,449	\$ 21,175,929	\$ 4,165,083
Taxes Receivable	15,016,192	44,245,628	41,754,373	17,507,447
Receivables-Other	11,921	57,733	69,555	99
<b>TOTAL ASSETS</b>	<b>\$ 21,273,676</b>	<b>\$ 63,398,810</b>	<b>\$ 62,999,857</b>	<b>\$ 21,672,629</b>
LIABILITIES				
Accounts Payable	\$ 3,535	\$ 20,001	\$ 13,161	\$ 10,375
Payroll Deductions	403,146	16,727,374	16,487,336	643,184
Special Deposits	15,300	12,000	1,000	26,300
Due to Other Governments	20,851,695	44,391,337	44,250,262	20,992,770
<b>TOTAL LIABILITIES</b>	<b>\$ 21,273,676</b>	<b>\$ 61,150,712</b>	<b>\$ 60,751,759</b>	<b>\$ 21,672,629</b>

## **STATISTICAL SECTION**



**CITY OF MARSHFIELD, WISCONSIN**  
**INDEX TO THE STATISTICAL SECTION**  
December 31, 2015

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III. Debt Capacity These schedules present information about the affordability of the City's current levels of outstanding debt and ability to issue additional debt in the future.	122-126
IV. Demographic and Economic Information These schedules contain demographic and economic indicators about the environment within which the City's financial activities take place.	127-128
V. Operating Information These schedules include service and infrastructure data about how the information in the City's financial report relates to the services the City provides and activities it performs.	129-131

**Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.**



## CITY OF MARSHFIELD, WISCONSIN

## Net Position by Component

## Last Ten Fiscal Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Governmental Activities</b>										
Net investment in capital assets	\$ 38,517,647	\$ 40,985,589	\$ 49,359,157	\$ 48,640,592	\$ 51,905,874	\$ 52,668,321	\$ 55,081,370	\$ 58,108,935	\$ 55,626,337	\$ 57,826,186
Restricted	5,276,019	8,674,245	2,383,051	2,511,961	2,194,391	2,883,068	2,252,707	1,995,950	2,565,407	6,417,199
Unrestricted	3,675,874	2,868,674	3,347,412	8,540,862	5,899,831	5,081,837	5,107,094	3,513,116	3,426,145	4,156,459
<b>Total governmental activities net position</b>	<b>\$ 47,469,540</b>	<b>\$ 52,528,508</b>	<b>\$ 55,089,620</b>	<b>\$ 59,693,415</b>	<b>\$ 60,000,096</b>	<b>\$ 60,633,226</b>	<b>\$ 62,441,171</b>	<b>\$ 63,618,001</b>	<b>\$ 61,617,889</b>	<b>\$ 68,399,844</b>
<b>Business-type Activities</b>										
Net investment in capital assets	\$ 56,130,553	\$ 62,317,775	\$ 66,060,210	\$ 64,834,285	\$ 73,465,761	\$ 71,040,052	\$ 73,537,922	\$ 74,831,229	\$ 77,355,354	\$ 77,560,575
Restricted	8,759,289	5,814,338	4,848,441	5,078,315	10,153,697	8,437,072	8,011,411	3,057,215	3,050,999	4,844,079
Unrestricted	7,740,297	7,144,509	9,443,954	13,367,865	3,001,171	9,315,094	12,751,544	20,072,129	22,818,697	28,297,989
<b>Total business-type activities net position</b>	<b>\$ 72,630,139</b>	<b>\$ 75,276,622</b>	<b>\$ 80,352,605</b>	<b>\$ 83,280,465</b>	<b>\$ 86,620,629</b>	<b>\$ 88,792,218</b>	<b>\$ 94,300,877</b>	<b>\$ 97,960,573</b>	<b>\$ 103,225,050</b>	<b>\$ 110,702,643</b>
<b>Primary government</b>										
Net investment in capital assets	\$ 94,648,200	\$ 103,303,364	\$ 115,419,367	\$ 113,474,877	\$ 125,371,635	\$ 123,708,373	\$ 128,619,292	\$ 132,940,164	\$ 132,981,691	\$ 135,386,761
Restricted	14,035,308	14,488,583	7,231,492	7,590,276	12,348,088	11,320,140	10,264,118	5,053,165	5,616,406	11,261,278
Unrestricted	11,416,171	10,013,183	12,791,366	21,908,727	8,901,002	14,396,931	17,858,638	23,585,245	26,244,842	32,454,448
<b>Total primary government net position</b>	<b>\$ 120,099,679</b>	<b>\$ 127,805,130</b>	<b>\$ 135,442,225</b>	<b>\$ 142,973,880</b>	<b>\$ 146,620,725</b>	<b>\$ 149,425,444</b>	<b>\$ 156,742,048</b>	<b>\$ 161,578,574</b>	<b>\$ 164,842,939</b>	<b>\$ 179,102,487</b>

**CITY OF MARSHFIELD, WISCONSIN**

Changes in Net Position  
Last Ten Fiscal Years

	2006	2007	2008	2009
<b>EXPENSES</b>				
<b>Governmental Activities:</b>				
General government	\$ 2,837,959	\$ 3,003,721	\$ 3,229,005	\$ 3,230,673
Public safety	7,049,167	7,139,830	7,366,395	7,426,153
Public works	6,562,636	7,140,078	6,690,349	5,769,972
Health and human services	145,191	150,081	461,958	464,500
Culture, recreation and education	3,153,481	3,400,317	3,136,079	3,333,826
Conservation and development	806,118	742,530	833,929	1,053,903
Interest on debt	1,057,498	945,708	934,124	876,142
Total governmental activities expenses	<u>21,612,050</u>	<u>22,522,265</u>	<u>22,651,839</u>	<u>22,155,169</u>
<b>Business-type Activities</b>				
Electric utility	23,155,498	28,000,226	24,666,782	25,213,657
Water utility	2,243,908	2,526,510	2,483,984	2,678,088
Communications	30,818	24,702	28,707	35,527
Wastewater	3,524,068	3,618,360	3,691,492	3,707,471
EMS	774,251	858,601	875,909	955,215
Total business-type activities expenses	<u>29,728,543</u>	<u>35,028,399</u>	<u>31,746,874</u>	<u>32,589,958</u>
Total primary government expenses	<u>\$ 51,340,593</u>	<u>\$ 57,550,664</u>	<u>\$ 54,398,713</u>	<u>\$ 54,745,127</u>
<b>PROGRAM REVENUES</b>				
<b>Governmental Activities:</b>				
Charges for services				
General government	\$ 752,306	\$ 778,777	\$ 783,088	\$ 781,435
Public safety	241,567	315,359	319,526	267,262
Public works	148,087	249,416	133,232	186,980
Health and human services	113,364	137,203	132,075	119,720
Culture and recreation	286,341	304,686	317,457	323,267
Conservation and development	68,206	66,176	59,973	66,903
Operating Grants and contributions	3,415,892	5,375,169	3,030,381	4,642,681
Capital grants and contributions	-	-	-	-
Total governmental activities revenues	<u>5,025,763</u>	<u>7,226,786</u>	<u>4,775,732</u>	<u>6,388,248</u>
<b>Business-type Activities</b>				
Charges for services				
Electric utility	24,326,967	28,623,244	26,470,222	26,080,435
Water utility	2,940,572	3,026,993	3,500,614	3,493,170
Communications	56,570	56,570	66,386	67,576
Wastewater	4,605,808	4,482,341	4,912,487	4,867,997
EMS	840,421	924,049	928,755	979,562
Operating Grants and contributions	2,687,493	729,069	818,916	607,705
Capital grants and contributions	-	-	-	-
Total business-type activities revenues	<u>35,457,831</u>	<u>37,842,266</u>	<u>36,697,380</u>	<u>36,096,445</u>
Total primary government revenues	<u>\$ 40,483,594</u>	<u>\$ 45,069,052</u>	<u>\$ 41,473,112</u>	<u>\$ 42,484,693</u>
<b>NET REVENUE (EXPENSE)</b>				
Governmental Activities:	\$ (16,586,287)	\$ (15,295,479)	\$ (17,876,107)	\$ (15,766,921)
Business-type Activities	5,729,288	2,813,867	4,950,506	3,506,487
Total primary government net (expense)	<u>\$ (10,856,999)</u>	<u>\$ (12,481,612)</u>	<u>\$ (12,925,601)</u>	<u>\$ (12,260,434)</u>

(Continued)

2010	2011	2012	2013	2014	2015
\$ 3,260,294	\$ 3,398,507	\$ 2,684,149	\$ 3,381,375	\$ 3,441,510	\$ 3,266,642
9,594,245	8,309,279	8,329,869	8,475,418	8,234,603	8,254,710
5,520,843	6,800,762	6,899,118	7,472,309	7,993,577	8,351,800
548,620	388,087	493,887	319,519	317,792	340,197
3,399,249	3,679,970	3,767,000	3,536,597	3,678,439	3,841,342
1,732,273	1,343,624	1,209,269	1,318,383	981,828	1,447,241
1,128,733	1,061,916	985,986	846,986	968,197	1,026,058
<u>25,184,257</u>	<u>24,982,145</u>	<u>24,369,278</u>	<u>25,350,587</u>	<u>25,615,946</u>	<u>26,527,990</u>
26,533,890	28,610,771	27,514,913	30,002,392	33,302,471	29,765,620
3,021,251	2,974,484	2,945,857	2,925,812	3,560,182	3,295,933
44,606	45,907	53,733	70,902	90,439	74,834
3,856,213	3,905,893	3,660,710	3,745,452	3,793,962	3,673,007
1,104,934	1,193,145	1,212,512	1,225,446	1,249,425	1,386,941
<u>34,560,894</u>	<u>36,730,200</u>	<u>35,387,725</u>	<u>37,970,004</u>	<u>41,996,479</u>	<u>38,196,335</u>
<u>\$ 59,745,151</u>	<u>\$ 61,712,345</u>	<u>\$ 59,757,003</u>	<u>\$ 63,320,591</u>	<u>\$ 67,612,425</u>	<u>\$ 64,724,325</u>
\$ 810,056	\$ 811,491	\$ 881,778	\$ 879,395	\$ 871,332	\$ 1,028,929
253,590	223,238	206,690	205,652	174,564	210,527
64,430	59,422	48,534	333,649	356,976	253,984
134,968	152,351	147,328	157,170	163,552	178,359
320,980	324,168	338,618	305,141	308,719	315,204
120,376	73,929	71,071	70,974	65,628	68,001
2,907,232	2,924,600	2,503,681	2,746,492	2,719,996	2,802,378
-	-	-	278,066	600,630	2,641,925
<u>4,611,632</u>	<u>4,569,199</u>	<u>4,197,700</u>	<u>4,976,539</u>	<u>5,261,397</u>	<u>7,499,307</u>
29,380,427	29,839,492	30,502,556	31,867,176	35,750,048	32,012,321
3,515,209	3,521,334	4,197,018	4,221,568	4,260,622	4,507,702
70,746	78,046	185,923	186,614	206,794	239,655
4,627,965	4,970,967	5,171,478	5,543,048	6,448,367	6,735,174
984,921	1,146,240	1,164,717	1,112,677	1,139,247	1,176,846
432,654	564,255	1,085,913	50,697	50,531	62,739
-	-	-	256,037	538,512	443,704
<u>39,011,922</u>	<u>40,120,334</u>	<u>42,307,605</u>	<u>43,237,817</u>	<u>48,394,121</u>	<u>45,178,141</u>
<u>\$ 43,623,554</u>	<u>\$ 44,689,533</u>	<u>\$ 46,505,305</u>	<u>\$ 48,214,356</u>	<u>\$ 53,655,518</u>	<u>\$ 52,677,448</u>
\$ (20,572,625)	\$ (20,412,946)	\$ (20,171,578)	\$ (20,374,048)	\$ (20,354,549)	\$ (19,028,683)
4,451,028	3,390,134	6,919,880	5,267,813	6,397,642	6,981,806
<u>\$ (16,121,597)</u>	<u>\$ (17,022,812)</u>	<u>\$ (13,251,698)</u>	<u>\$ (15,106,235)</u>	<u>\$ (13,956,907)</u>	<u>\$ (12,046,877)</u>



**CITY OF MARSHFIELD, WISCONSIN**  
**Changes in Net Position (Continued)**  
**Last Ten Fiscal Years**

	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
<b>GENERAL REVENUES AND OTHER</b>				
<b>CHANGES IN NET POSITION</b>				
<b>Governmental Activities:</b>				
Taxes				
Property taxes	\$ 11,853,933	\$ 11,983,483	\$ 12,152,349	\$ 12,426,456
Public accommodation taxes	268,552	298,206	310,200	272,087
Other taxes	120,326	121,963	125,787	128,671
State shared revenues	5,677,253	5,796,398	5,758,678	5,669,086
Interest and investment income	563,694	654,187	519,600	177,816
Miscellaneous	109,476	170,885	195,002	222,511
Gain on disposal of capital assets	-	-	-	-
Transfers	1,386,151	1,329,331	1,375,603	1,474,088
<b>Total governmental activities</b>	<b>19,979,385</b>	<b>20,354,453</b>	<b>20,437,219</b>	<b>20,370,715</b>
<b>Business-type Activities</b>				
Interest and investment income	1,006,583	1,161,950	1,525,548	903,486
Miscellaneous	-	-	-	-
Gain on disposal of capital assets	-	-	(24,468)	(8,026)
Transfers	(1,386,151)	(1,329,331)	(1,375,603)	(1,474,088)
<b>Total business-type activities</b>	<b>(379,568)</b>	<b>(167,381)</b>	<b>125,477</b>	<b>(578,628)</b>
<b>Total primary government</b>	<b>\$ 19,599,817</b>	<b>\$ 20,187,072</b>	<b>\$ 20,562,696</b>	<b>\$ 19,792,087</b>
<b>CHANGE IN NET POSITION</b>				
Governmental Activities:	\$ 3,393,098	\$ 5,058,974	\$ 2,561,112	\$ 4,603,794
Business-type Activities	5,349,720	2,646,486	5,075,983	2,927,859
<b>Total primary government</b>	<b>\$ 8,742,818</b>	<b>\$ 7,705,460</b>	<b>\$ 7,637,095</b>	<b>\$ 7,531,653</b>

	2010	2011	2012	2013	2014	2015
\$	12,568,324	\$ 12,895,833	\$ 13,061,346	\$ 13,254,727	\$ 13,393,800	\$ 13,663,489
	267,453	297,055	295,327	307,411	327,018	346,765
	134,724	134,366	136,870	193,692	195,640	201,041
	5,577,595	5,445,527	5,231,561	5,260,401	5,290,897	5,324,382
	202,382	123,621	87,063	95,451	88,259	81,017
	342,746	389,034	1,114,030	270,417	201,475	145,707
	-	-	-	58,139	14,157	48,232
	1,798,654	1,760,640	2,053,326	2,110,640	2,051,368	2,100,658
	<u>20,891,878</u>	<u>21,046,076</u>	<u>21,979,523</u>	<u>21,550,878</u>	<u>21,562,614</u>	<u>21,911,291</u>
	695,273	542,095	640,624	874,527	840,974	733,312
	-	-	-	122,259	135,989	138,122
	(6,873)	-	1,481	-	73,475	(3,650)
	<u>(1,794,421)</u>	<u>(1,760,640)</u>	<u>(2,053,326)</u>	<u>(2,110,640)</u>	<u>(2,051,368)</u>	<u>(2,100,658)</u>
	<u>(1,106,021)</u>	<u>(1,218,545)</u>	<u>(1,411,221)</u>	<u>(1,113,854)</u>	<u>(1,000,930)</u>	<u>(1,232,874)</u>
\$	<u>19,785,857</u>	<u>19,827,531</u>	<u>20,568,302</u>	<u>20,437,024</u>	<u>20,561,684</u>	<u>20,678,417</u>
\$	319,253	\$ 633,130	\$ 1,807,945	\$ 1,176,830	\$ 1,208,065	\$ 2,882,608
	3,345,007	2,171,589	5,508,659	4,153,959	5,396,712	5,748,932
\$	<u>3,664,260</u>	<u>2,804,719</u>	<u>7,316,604</u>	<u>5,330,789</u>	<u>6,604,777</u>	<u>8,631,540</u>

**CITY OF MARSHFIELD, WISCONSIN**  
**FUND BALANCES, GOVERNMENTAL FUNDS**  
 Last Ten Fiscal Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General Fund</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 716	\$ 38,143	\$ 113,577	\$ 225,978	\$ 292,200
Committed	-	-	-	-	-	231,659	179,748	238,403	256,867	252,887
Unassigned	-	-	-	-	-	6,653,694	6,293,231	5,730,141	5,315,509	5,891,810
Reserved	-	118,412	104,686	27,492	6,632	-	-	-	-	-
Unreserved, designated	545,491	416,491	353,590	426,747	366,633	-	-	-	-	-
Unreserved, undesignated	6,278,496	6,569,455	6,455,755	6,530,492	7,366,688	-	-	-	-	-
<b>Total General Fund</b>	<b>\$6,823,987</b>	<b>\$7,104,358</b>	<b>\$6,914,031</b>	<b>\$6,984,731</b>	<b>\$7,739,953</b>	<b>\$6,886,069</b>	<b>\$6,511,122</b>	<b>\$6,082,121</b>	<b>\$5,798,354</b>	<b>\$6,436,897</b>
<b>All other governmental funds</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 800,856	\$ 780,973	\$ 730,756	\$ 722,332	\$ 108,344
Restricted	-	-	-	-	-	1,389,534	1,471,734	1,621,586	1,844,832	1,922,897
Committed	-	-	-	-	-	93,429	95,998	614,088	855,521	908,303
Assigned	-	-	-	-	-	1,269,893	1,158,874	559,989	588,143	765,447
Unassigned	-	-	-	-	-	(4,003,357)	(3,421,178)	(3,388,117)	(3,462,311)	(4,115,706)
Reserved	5,276,720	4,650,695	2,383,051	5,851,366	2,187,759	-	-	-	-	-
Unreserved, designated, reported in										
Special revenue	710,040	782,896	1,230,321	705,125	158,187	-	-	-	-	-
Capital projects	536,598	739,459	1,569,584	1,178,070	-	-	-	-	-	-
Unreserved, undesignated, reported in										
Special revenue	(10)	(839)	22,986	98,432	80,880	-	-	-	-	-
Capital projects	(3,748,977)	(3,256,495)	(3,710,977)	(2,611,601)	(3,724,008)	-	-	-	-	-
<b>Total all other governmental funds</b>	<b>\$2,774,371</b>	<b>\$2,915,716</b>	<b>\$1,494,965</b>	<b>\$5,221,392</b>	<b>\$(1,297,182)</b>	<b>\$ (449,645)</b>	<b>\$ 86,401</b>	<b>\$ 138,302</b>	<b>\$ 548,517</b>	<b>\$ (410,715)</b>

Note: The City began to report new fund balance classifications when it implemented GASB Statement 54 in fiscal year 2011.

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**CITY OF MARSHFIELD, WISCONSIN**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
 Last Ten Fiscal Years

	2006	2007	2008	2009
<b>REVENUES</b>				
Taxes	\$ 12,244,384	\$ 12,404,111	\$ 12,589,794	\$ 12,828,566
Special assessments	451,081	416,277	433,610	545,014
Intergovernmental	8,178,745	9,778,939	8,325,247	8,426,325
Licenses and permits	359,464	386,347	382,488	367,784
Fines and forfeits	111,511	134,092	141,603	125,395
Public charges for services	827,243	1,008,067	897,936	908,681
Intergovernmental charges for services	-	-	-	-
Miscellaneous	1,009,631	2,220,057	1,094,169	2,149,237
<b>Total revenues</b>	<b>23,182,059</b>	<b>26,347,890</b>	<b>23,864,847</b>	<b>25,351,002</b>
<b>EXPENDITURES</b>				
General government	2,656,891	2,886,509	3,023,589	3,082,462
Public safety	6,842,836	6,891,604	7,126,431	7,378,977
Public works	5,063,692	5,733,327	6,087,393	6,034,196
Health and human services	140,662	149,944	165,838	159,155
Culture and recreation	2,884,804	3,057,845	3,119,227	3,167,467
Conservation and development	806,118	721,646	797,444	840,193
Debt service				
Principal	5,955,762	3,202,824	3,176,322	3,122,619
Interest and fiscal charges	1,039,318	932,975	914,459	817,643
Capital outlay	4,149,499	5,533,825	2,530,625	7,957,509
<b>Total expenditures</b>	<b>29,539,582</b>	<b>29,110,499</b>	<b>26,941,328</b>	<b>32,560,221</b>
<b>Excess of revenues under expenditures</b>	<b>(6,357,523)</b>	<b>(2,762,609)</b>	<b>(3,076,481)</b>	<b>(7,209,219)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Long-term debt issued	4,685,000	1,855,000	89,800	9,516,560
Debt premium	-	-	-	-
Refunding bonds issued	2,935,989	-	-	2,635,000
Payment to refunded bond escrow agent	-	-	-	(2,635,000)
Sale of capital assets	-	-	-	15,695
Transfers in	1,063,913	3,878,900	3,145,115	1,424,337
Transfer in (out) - proprietary fund	1,386,151	1,329,331	1,375,603	1,474,089
Transfers out	(1,063,913)	(3,878,900)	(3,145,115)	(1,424,337)
<b>Total other financing sources (uses)</b>	<b>9,007,140</b>	<b>3,184,331</b>	<b>1,465,403</b>	<b>11,006,344</b>
<b>Net change in fund balances</b>	<b>\$ 2,649,617</b>	<b>\$ 421,722</b>	<b>\$ (1,611,078)</b>	<b>\$ 3,797,125</b>
Capital outlay reported above	\$ 4,149,499	\$ 5,533,825	\$ 2,530,625	\$ 7,957,509
Items capitalized not recorded as capital outlay (Items not capitalized)	(177,574)	(160,943)	522,999	(1,838,981)
<b>Acquisition and construction of capital assets</b>	<b>\$ 3,971,925</b>	<b>\$ 5,372,882</b>	<b>\$ 3,053,624</b>	<b>\$ 6,118,528</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>27.4%</b>	<b>17.4%</b>	<b>17.1%</b>	<b>14.9%</b>

2010	2011	2012	2013	2014	2015
\$ 12,972,357	\$ 13,328,682	\$ 13,494,328	\$ 13,760,349	\$ 13,925,200	\$ 14,212,201
331,540	283,843	327,540	266,163	504,846	462,002
8,264,185	8,191,364	7,749,412	7,864,851	7,869,686	7,990,232
381,728	377,060	457,686	466,748	442,718	454,486
115,316	112,229	94,403	116,607	121,775	182,142
848,648	794,286	797,452	690,229	684,845	709,156
-	-	-	342,584	378,092	315,535
1,066,060	900,544	1,547,177	859,607	771,750	2,661,270
23,979,834	23,988,008	24,467,998	24,367,138	24,698,912	26,987,024
3,161,276	3,140,869	3,135,068	3,262,634	3,191,309	3,132,544
7,789,867	8,133,175	8,012,919	8,103,390	7,928,718	8,039,696
5,163,379	5,611,502	5,162,878	5,635,896	6,061,752	5,522,452
228,534	312,268	329,030	325,544	310,670	337,511
3,438,803	3,318,627	3,220,449	3,280,441	3,417,501	4,650,806
1,346,945	877,973	866,422	988,383	981,828	1,423,752
2,921,135	2,907,297	6,347,193	4,186,216	4,363,784	4,393,459
1,061,260	1,099,300	1,005,542	1,005,086	1,015,566	1,075,121
8,374,827	7,011,195	4,595,724	7,097,681	3,660,130	7,072,942
33,486,026	32,412,206	32,675,225	33,885,271	30,931,258	35,648,283
(9,506,192)	(8,424,198)	(8,207,227)	(9,518,133)	(6,232,346)	(8,661,259)
3,300,000	6,653,045	6,315,000	6,803,650	4,080,000	6,255,000
-	-	-	187,097	52,597	76,600
706,717	-	-	-	-	-
(2,049,957)	-	-	-	-	-
-	4,166	-	39,647	31,328	98,220
1,322,191	1,734,655	1,730,075	2,105,845	2,959,725	1,876,140
3,137,661	1,760,640	1,795,158	2,110,640	2,051,368	2,244,158
(2,661,198)	(1,734,655)	(1,471,907)	(2,105,845)	(2,816,225)	(1,876,140)
3,755,414	8,417,851	8,368,326	9,141,034	6,358,793	8,673,978
\$ (5,750,778)	\$ (6,347)	\$ 161,099	\$ (377,099)	\$ 126,447	\$ 12,719
\$ 8,374,827	\$ 7,011,195	\$ 4,595,724	\$ 7,097,681	\$ 3,660,130	\$ 7,072,942
3,126,626	967,476	393,674	215,631	359,291	935,964
\$ 11,501,453	\$ 7,978,671	\$ 4,989,398	\$ 7,313,312	\$ 4,019,421	\$ 8,008,906
18.1%	16.4%	26.6%	19.5%	20.0%	19.8%

**CITY OF MARSHFIELD, WISCONSIN**  
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Manufacturing Property</b>	<b>Agriculture / Forest / Swamp Property</b>	<b>Personal Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>	<b>Taxable Assessed Value as a Percentage of Actual Taxable Value</b>
2006	656,364,000	388,587,000	43,050,900	1,581,700	64,059,890	1,153,643,490	9.91	1,240,171,500	93.023%
2007	662,646,600	395,293,800	41,810,400	1,634,800	67,965,810	1,169,351,410	9.87	1,282,755,200	91.159%
2008	669,688,800	413,906,200	41,306,300	1,568,100	68,327,430	1,194,796,830	9.87	1,329,959,000	89.837%
2009	674,928,600	429,442,500	41,040,400	1,488,400	57,468,880	1,204,368,780	9.86	1,333,749,900	90.299%
2010	772,419,000	476,651,000	43,076,300	1,168,300	59,363,440	1,352,678,040	8.96	1,332,746,600	101.496%
2011	775,078,300	489,813,200	44,208,900	780,600	58,104,360	1,367,985,360	8.96	1,365,646,700	100.171%
2012	777,592,400	490,659,100	50,873,800	751,000	61,394,020	1,381,270,320	8.95	1,365,292,300	101.170%
2013	778,926,900	492,479,400	52,313,700	744,000	69,276,820	1,393,740,820	8.98	1,359,235,300	102.539%
2014	780,533,800	503,846,500	52,907,000	697,500	69,720,560	1,407,705,360	9.02	1,405,306,700	100.171%
2015	783,243,400	515,598,700	53,607,600	692,000	72,025,400	1,425,167,100	9.07	1,427,677,300	99.824%

**Source:** City of Marshfield Assessor's Office and Finance Department.

**Notes:** Taxable property within the City is reassessed once every four years on average. The City is required under section 70.05(5)(d) Wis. stats. to maintain assessed values within 10% of equalized (full) value. Estimated actual taxable (full) value is calculated by dividing taxable assessed value by those percentages. Tax rates are per \$1,000 of assessed value.

**CITY OF MARSHFIELD, WISCONSIN**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
 Last Ten Fiscal Years  
*(rate per \$1,000 of assessed value)*

Fiscal Year	City of Marshfield			Overlapping Rates								
	Operating Millage	Debt Service Millage (1)	City Direct Tax Rate	Wood County	Marshfield School District - Wood	Mid-State Technical College - Wood	State of Wisconsin - Wood	Marathon County	Marshfield School District - Marathon	Mid-State Technical College - Marathon	State of Wisconsin - Marathon	
2006	7.49	2.42	9.91	5.18	7.78	1.62	0.19	5.25	7.54	1.57	0.18	
2007	7.56	2.31	9.87	5.26	7.46	1.62	0.19	5.31	7.28	1.58	0.18	
2008	7.61	2.26	9.87	5.24	8.84	1.65	0.19	5.12	8.51	1.59	0.18	
2009	7.60	2.26	9.86	5.21	9.64	1.70	0.19	5.15	9.41	1.66	0.18	
2010	6.90	2.06	8.96	4.64	9.13	1.62	0.17	4.61	8.95	1.59	0.16	
2011	7.08	1.88	8.96	4.68	9.37	1.70	0.17	4.76	9.37	1.70	0.17	
2012	6.78	2.17	8.95	4.64	9.64	1.72	0.17	4.65	9.51	1.69	0.17	
2013	7.14	1.84	8.98	4.58	9.43	1.69	0.17	4.54	9.19	1.65	0.16	
2014	6.99	2.03	9.02	4.79	9.69	0.83	0.17	4.82	9.85	0.84	0.17	
2015	7.07	2.00	9.07	4.82	9.58	0.84	0.17	4.67	9.46	0.83	0.17	

Source: City of Marshfield Assessor's Office and Finance Department.

Notes: Overlapping rates presented are those applied to taxable property within the City of Marshfield based on the County the property is located in. The majority of the City is located in Wood County.



**CITY OF MARSHFIELD, WISCONSIN**  
**PRINCIPAL PROPERTY TAX PAYERS**  
 Current Year and Nine Years Ago

		2015			2007		
		Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
<b>Taxpayer</b>	<b>Type of Business</b>						
Marshfield Clinic	Healthcare	\$ 155,719,500	1	10.93%	\$ 95,142,200	1	8.14%
Wal-Mart Development	Retail Sales Development	22,508,500	2	1.58%	21,783,280	2	1.86%
Menards Development	Home Improvement Retail	12,658,500	3	0.89%	11,827,190	5	1.01%
V & H Ford Development	Auto / Heavy Truck Sales & Service	12,036,500	4	0.84%	11,485,370	6	0.98%
Festival Foods Development	Grocery / Office Products / Apartments	11,121,199	5	0.78%	9,937,520	7	0.85%
Roehl Development	Trucking / Hotel & Conference Center	10,768,000	6	0.76%	-	-	-
Prevention Genetics	Medical Research	9,908,100	7	0.70%	-	-	-
Carbo Ceramics	Oil / Natural Gas Frac Sand Processing	8,672,200	8	0.61%	-	-	-
Security Health	Health Insurance	8,046,000	9	0.56%	-	-	-
Figi's - AFIG	Mail Order Cheese/Sausage/Gift Distributor	8,161,760	10	0.55%	-	-	-
Masonite (Marshfield Door Systems)	Wood Doors / Molded Products Manufacturer	-	-	-	9,730,100	8	0.83%
Badger Housing	Apartment Complexes	-	-	-	13,954,680	3	1.19%
Ken Staab Partnerships	Residential / Commercial Construction	-	-	-	11,965,970	4	1.02%
Wick Building Systems	Modular Homes, Building Materials	-	-	-	7,884,700	10	0.67%
Northway Mall Development	Shopping Mall	-	-	-	9,536,880	9	0.82%
Total		<u>\$ 259,600,259</u>		<u>18.20%</u>	<u>\$ 203,247,890</u>		<u>17.37%</u>
Total 2015 Assessed Value		<u>\$ 1,425,167,100</u>					

Source: City of Marshfield Assessor's Office and Finance Department

**CITY OF MARSHFIELD, WISCONSIN**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
 Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	11,946,878	11,926,714	99.8%	19,369	11,946,083	100.0%
2007	12,069,068	12,036,907	99.7%	24,904	12,061,811	99.9%
2008	12,366,755	12,325,459	99.7%	38,500	12,363,959	100.0%
2009	12,512,424	12,460,027	99.6%	41,228	12,501,255	99.9%
2010	12,847,458	12,786,813	99.5%	60,501	12,847,314	100.0%
2011	13,009,947	12,975,761	99.7%	43,220	13,018,981	100.0%
2012	13,256,652	13,222,017	99.7%	31,867	13,253,884	100.0%
2013	13,393,800	13,234,469	98.8%	168,185	13,402,654	100.0%
2014	13,663,489	13,431,921	98.3%	232,387	13,664,309	100.0%
2015	13,864,222	13,817,480	99.7%	50,803	13,868,283	100.0%

Source: City of Marshfield Finance Department.

**City of Marshfield, Wisconsin**  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Business-type Activities					Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Notes & Bonds	State Trust Fund Loans	General Obligation Notes & Bonds	State Trust Fund Loans	Mortgage Revenue Bonds	Bond & Note Anticipation Notes	Capital Leases			
2006	24,939,262	155,000	770,965	-	25,965,713	5,475,000	40,725	57,346,665	2.27%	2,953
2007	23,427,718	155,000	752,282	-	24,018,514	3,910,000	-	52,263,514	1.96%	2,702
2008	20,163,892	211,261	731,108	-	23,388,676	37,035,000	-	81,529,937	2.94%	4,191
2009	26,357,556	261,153	707,445	-	26,140,296	37,035,000	-	90,501,450	3.36%	4,662
2010	25,364,432	205,303	2,005,568	-	52,217,449	1,870,000	-	81,662,752	3.06%	4,198
2011	29,110,939	147,749	3,874,062	-	48,589,182	-	-	81,721,932	2.95%	4,275
2012	28,668,110	532,012	3,526,890	-	46,124,517	-	-	78,851,529	2.84%	4,137
2013	30,633,358	1,184,198	3,166,642	20,000	45,403,630	-	-	80,407,828	2.90%	4,222
2014	30,333,178	1,200,594	2,831,822	20,000	46,290,525	2,025,000	-	82,701,119	2.87%	4,320
2015	32,272,406	1,122,907	2,517,594	19,449	46,423,937	2,025,000	-	84,381,293	2.92%	4,398

**Notes:** (1) Details regarding the city's outstanding debt can be found in the notes to the financial statements.  
(2) See Schedule 14 Demographic and Economic Statistics for personal income and population data  
(3) Mortgage Revenue Bonds include Clean water fund loan

**Sources:** Personal Income information from Department of Commerce Bureau of Economic Analysis for Marshfield-WI Rapids, WI Micropolitan SA, web-site address:  
<http://www.bea.gov/regional>  
These ratios are calculated using personal income and population for the prior calendar year. Personal Income information for 2015 had not been released at the time of preparing this schedule, so the most recent amount was entered.

Schedule 10  
City of Marshfield, Wisconsin  
Ratios of Net General Obligation Bonded Debt Outstanding  
Last Ten Fiscal Years

Fiscal Year	Population	Assessed Value	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
			General Obligation Bonds	Less Debt Service Fund	Net General Bonded Debt		
2006	19,420	1,153,643,490	25,865,226	39,505	25,825,721	2.24%	1,330
2007	19,346	1,169,351,410	24,335,000	1,887,738	22,447,262	1.92%	1,160
2008	19,454	1,194,796,830	21,106,261	24,829	21,081,432	1.76%	1,084
2009	19,413	1,204,368,780	27,326,152	177,734	27,148,418	2.25%	1,398
2010	19,451	1,352,678,040	27,575,303	220,714	27,354,589	2.02%	1,406
2011	19,118	1,367,985,360	33,132,748	289,840	32,842,908	2.40%	1,718
2012	19,061	1,381,270,320	32,727,011	316,135	32,410,876	2.35%	1,700
2013	19,047	1,393,740,820	35,004,198	392,002	34,612,196	2.48%	1,817
2014	19,144	1,407,705,360	34,385,594	587,864	33,797,730	2.40%	1,765
2015	19,186	1,425,167,100	35,932,356	362,363	35,569,993	2.50%	1,854

**Notes:** Details regarding the city's outstanding debt can be found in the notes to the financial statements.

Schedule 11  
City of Marshfield, Wisconsin  
Direct and Overlapping Governmental Activities Debt  
December 31, 2015

<u>Governmental Unit</u>	<u>Net General Obligation Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
<b>Debt repaid with property taxes</b>			
Wood County	\$ 15,290,666	26.82%	\$ 4,100,957
Marathon County	11,982,598	1.18%	141,395
School District of Marshfield	20,330,000	60.76%	12,352,508
Mid-State Technical College	29,025,000	11.00%	<u>3,192,750</u>
Subtotal, overlapping debt			19,787,610
<b>City net direct debt</b>			<u>35,569,993</u>
<b>Total direct and overlapping debt</b>			<u><u>\$ 55,357,603</u></u>

**Note:** (1) Estimated Percentage Applicable represents the portion of debt allocated to the City of Marshfield based on its' percentage of Equalized Value to the total for the reporting governmental unit.

**City of Marshfield, Wisconsin**  
 Legal Debt Margin Information,  
 Last Ten Fiscal Years

Equalized value	\$ 1,427,677,300
Debt limit (5% of equalized value)	71,383,865
Debt applicable to limitation:	
General obligation debt	35,932,356
Less: Amount set aside for repayment of general obligation debt	(362,363)
Total net debt applicable to limit	<u>35,569,993</u>
Legal debt margin	<u>\$ 35,813,872</u>

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Debt limit	\$62,008,575	\$64,137,760	\$66,497,950	\$66,687,495	\$66,637,330	\$68,282,335	\$68,264,615	\$ 67,961,765	\$ 70,265,335	\$ 71,383,865
Total net debt margin	<u>25,825,721</u>	<u>22,447,262</u>	<u>21,081,432</u>	<u>27,148,418</u>	<u>27,354,589</u>	<u>32,845,064</u>	<u>32,410,876</u>	<u>34,612,196</u>	<u>33,797,730</u>	<u>35,569,993</u>
Legal debt margin	<u>\$36,182,854</u>	<u>\$41,690,498</u>	<u>\$45,416,518</u>	<u>\$39,539,077</u>	<u>\$39,282,741</u>	<u>\$35,437,271</u>	<u>\$35,853,739</u>	<u>\$ 33,349,569</u>	<u>\$ 36,467,605</u>	<u>\$ 35,813,872</u>
Total net debt applicable to the limit as a percentage of debt limit	41.65%	35.00%	31.70%	40.71%	41.05%	48.10%	47.48%	50.93%	48.10%	49.83%

**City of Marshfield, Wisconsin**  
Pledged-Revenue Coverage  
Last Ten Fiscal Years

Fiscal Year	<b>Utility Revenue Bonds</b>					
	Utility Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	<b>Debt Service</b>		Coverage
				Principal (3)	Interest	
2006	32,675,589	24,819,872	7,855,717	1,840,434	783,260	2.99
2007	37,348,078	29,812,581	7,535,497	1,947,198	852,830	2.69
2008	36,334,198	26,556,716	9,777,482	2,109,838	869,787	3.28
2009	35,412,649	27,054,997	8,357,652	1,748,380	2,313,716	2.06
2010	38,289,596	28,945,606	9,343,990	2,012,848	2,470,485	2.08
2011	38,949,779	29,213,593	9,736,186	2,133,267	2,273,469	2.21
2012	40,617,422	27,344,077	13,273,345	2,464,665	2,166,412	2.87
2013	42,814,869	29,964,106	12,850,763	2,822,067	2,089,450	2.62
2014	47,640,878	34,100,581	13,540,297	2,920,502	2,002,664	2.75
2015	44,350,354	30,004,118	14,346,236	3,024,996	2,028,988	2.84

NOTE: Debt related to Emergency Medical Services Enterprise fund (added in 2002) not included in totals as it is not revenue debt.

(1) Total revenues (including interest) per financial statements

(2) Total operating expenses exclusive of depreciation per financial statements

(3) Debt Service does not include principal related to debt refinancing.

**City of Marshfield, Wisconsin**  
 Demographic and Economic Statistics  
 Last Ten Calendar Years

Calendar Year	Population	Personal Income	Per Capita Personal Income	Public School Enrollment	Unemployment Rate
2006	19,420	2,529,473	33,906	4,061	5.3%
2007	19,346	2,661,544	35,742	4,057	5.3%
2008	19,454	2,771,471	37,191	4,094	5.4%
2009	19,413	2,694,993	36,113	4,084	8.8%
2010	19,451	2,665,596	35,646	4,053	9.3%
2011	19,118	2,773,005	37,162	4,042	8.3%
2012	19,061	2,781,018	37,402	4,067	7.5%
2013	19,047	2,769,627	37,456	4,073	7.3%
2014	19,144	2,885,582	39,202	4,073	6.1%
2015	19,186	2,885,582	39,202	4,081	5.5%

**Sources:** Personal Income & Per Capita Personal Income from Department of Commerce Bureau of Economic Analysis for Marshfield - WI Rapids, WI Micropolitan SA, web-site address: <http://www.bea.gov>  
 Personal Income and Per Capita Personal information for 2015 had not been released at the time of preparing this schedule, so the most recent amount was entered.  
 Unemployment Rate from Wisconsin's Worknet web-site address: <http://www.worknet.wisconsin.gov/worknet>



**CITY OF MARSHFIELD, WISCONSIN**  
**PRINCIPAL EMPLOYERS**  
 Current Year and Nine Years Ago

	2015			2007		
	Employees	Rank	Percentage of Total	Employees	Rank	Percentage of Total
<b><u>Employer</u></b>						
Marshfield Clinic	6,800	1	54.0%	3,609	1	32.8%
Roehl Transport, Inc.	2,370	2	18.8%	2,062	3	18.8%
Saint Joseph's Hospital	1,357	3	10.8%	2,173	2	19.8%
Marshfield Door Systems	460	4	3.6%	710	4	6.5%
A&B Processing Corp	438	6	3.5%	260	10	2.4%
De Boer Transportation, Inc.	350	7	2.8%	655	5	6.0%
Land O' Lakes	332	8	2.6%	470	6	4.3%
Figi's Inc.	300	9	2.4%	300	8	2.7%
Felker Bros. Corp	197	10	1.6%			0.0%
Wick Building Systems				450	7	4.1%
Wisconsin Homes				300	9	2.7%
Total	12,604			10,989		

**Source:** Marshfield Area Chamber of Commerce and Industry Economic Profile of Marshfield Area Major Employers

**CITY OF MARSHFIELD, WISCONSIN**  
**FULL TIME-EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION / PROGRAM**  
 Last Ten Fiscal Years

<u>Function / Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Government										
Mayor	1.20	1.20	1.20	1.20	1.20	1.00	1.00	1.00	1.00	1.00
Administrator / Human Resources	3.00	3.00	3.00	3.00	3.00	2.50	2.50	2.50	2.50	2.50
Assessor	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	3.00
Clerk	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Finance / Treasurer	5.30	5.30	5.30	5.30	5.30	5.30	5.30	5.30	6.30	6.30
Information Systems	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00
Municipal Court	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Public Safety										
Police	45.00	45.00	45.00	46.00	47.00	47.00	47.00	47.00	48.00	48.00
Dispatch	8.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fire and Rescue	27.30	27.30	27.30	28.30	28.30	28.30	28.30	28.30	28.30	28.30
Emergency Medical Services	7.70	7.70	7.70	9.70	9.70	9.70	9.70	9.70	9.70	9.70
Building Services and Inspection	6.00	6.00	6.00	6.00	5.00	5.00	5.00	5.00	5.00	5.00
Public Works										
Public Works Administration	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Engineering	6.00	6.00	5.00	5.00	5.00	6.00	6.00	6.00	6.00	6.00
Street Services	34.00	34.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00
Wastewater Utility	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50
Health and Human Services										
Cemetery	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Culture, Recreation and Education										
Library	19.48	19.48	19.48	19.48	19.48	19.48	19.31	19.35	19.35	18.87
Parks and Recreation	11.00	11.00	11.00	11.00	10.00	9.00	9.00	9.00	9.00	9.00
Conservation and Development										
Planning and Economic Development	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00
<b>Total</b>	<b>201.23</b>	<b>193.23</b>	<b>189.23</b>	<b>193.23</b>	<b>192.23</b>	<b>191.53</b>	<b>191.36</b>	<b>191.40</b>	<b>194.40</b>	<b>193.92</b>

Source: City Administrator's Office.

**CITY OF MARSHFIELD, WISCONSIN**  
**OPERATING INDICATORS BY FUNCTION / PROGRAM**  
 Last Ten Fiscal Years

<u>Function / Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Government										
Building Services and Inspection										
Building Permits issued	1,119	1,004	927	874	915	819	823	777	728	675
Finance										
Pet licences issued	1,598	1,618	1,500	1,511	1,484	1,354	1,359	1,325	1,325	1,179
W-2 employees	483	446	473	461	465	451	483	456	473	453
Public Safety										
Police										
Number of Arrests / Citations / Warnings	8,768	7,467	7,489	9,685	8,816	8,842	8,181	5,961	4,873	4,281
Fire and Rescue										
Number of call responses	199	214	207	242	238	238	250	199	249	268
Number of inspections conducted	2,355	2,536	2,388	2,463	2,576	3,306	2,499	2,506	2,514	2,504
Emergency Medical Services										
Number of trips	2,282	2,454	2,394	2,379	2,347	2,500	2,493	2,487	2,476	2,655
Public Works										
Wastewater Utility										
Monthly Average Service Connections	8,015	8,112	8,144	8,076	8,038	8,041	8,067	8,073	8,096	8,113
Daily Average Treatment in Gallons	2,570,000	2,966,000	3,241,000	3,050,000	3,412,000	3,398,000	2,695,000	3,126,000	3,064,000	2,978,000
Water Utility										
Service Connections	7,662	7,695	7,747	7,747	7,724	7,727	7,739	7,745	7,757	7,767
Daily Average Consumption in Gallons	1,867,000	1,847,000	1,826,907	1,728,537	1,686,945	1,696,463	1,715,575	1,677,427	1,641,586	1,707,814

**CITY OF MARSHFIELD, WISCONSIN**  
**CAPITAL ASSET STATISTICS BY FUNCTION / PROGRAM**  
 Last Ten Fiscal Years

<u>Function / Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Public Safety										
Police										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Number of enforcement units	16	16	16	16	20	20	23	23	23	23
Fire and Rescue										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Emergency Medical Services										
Number of Ambulances	4	4	4	4	4	4	4	4	4	4
Public Works										
Street Services										
Miles of Streets	138	138	140	140	141	141	141	142	142	143
Number of Street Lights	1,985	1,989	1,994	2,065	2,042	2,042	2,030	2,046	2,046	2,089
Miles of Storms Sewers (1)	75	75	78	79	79	79	79	104	105	104
Wastewater Utility										
Miles of Sanitary Sewer (1)	133	133	133	133	133	133	133	138	138	138
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Maximum daily capacity of treatment plant in gallons	28,000,000	28,000,000	28,000,000	28,000,000	28,000,000	28,000,000	28,000,000	28,000,000	28,000,000	28,000,000
Water Utility										
Miles of Water Mains	141	141	138	139	138	138	137	138	138	138
Number of treatment plants	1	1	1	1	3	3	3	3	3	3
Number of fire hydrants	892	892	910	910	915	918	917	923	928	928
Maximum daily capacity of plant in gallons	4,800,000	4,800,000	4,800,000	4,800,000	4,800,000	4,800,000	4,690,000	4,690,000	4,690,000	4,690,000
Culture, Recreation and Education										
Parks and Recreation										
Community Centers	2	2	2	2	2	2	2	2	2	2
Parks	20	20	20	20	19	19	18	18	18	18
Park acreage	421	421	421	421	393	393	392	392	392	392
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Tennis/raquetball courts										
outdoor tennis	26	26	26	26	26	26	24	24	24	24
indoor tennis	1	1	1	1	1	1	1	1	1	1
racquetball	1	1	1	1	1	1	1	1	1	1
Zoos	1	1	1	1	1	1	1	1	1	1

**Notes:**

(1) The increase in reported miles of Storm and Sanitary Sewer in 2013 compared to prior years due to improved reporting via use of GIS technology.

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



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND  
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the City Council  
City of Marshfield, Wisconsin

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Marshfield, Wisconsin, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City of Marshfield's basic financial statements, and have issued our report thereon which included emphasis of matter paragraphs as indicated on page 12 dated April 22, 2016.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Marshfield, Wisconsin's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Marshfield, Wisconsin's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Marshfield, Wisconsin's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Marshfield, Wisconsin's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of City of Marshfield, Wisconsin's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Marshfield, Wisconsin's internal control and on compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountants  
Wausau, Wisconsin  
April 22, 2016

**APPENDIX B**

**Forms of Legal Opinions**

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Quarles & Brady LLP  
411 East Wisconsin Avenue  
Milwaukee, WI 53202

November 1, 2016

Re: City of Marshfield, Wisconsin ("Issuer")  
\$2,135,000\* General Obligation Promissory Notes, Series 2016C,  
dated November 1, 2016 ("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 numbered from R-1 and upward; bear interest at the rates set forth below; and mature on March 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>
2017	\$100,000	____%
2018	190,000	____
2019	200,000	____
2020	205,000	____
2021	210,000	____
2022	210,000	____
2023	345,000	____
2024	225,000	____
2025	225,000	____
2026	225,000	____

Interest is payable semi-annually on March 1 and September 1 of each year commencing on March 1, 2017.

The Notes are not subject to optional 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:

---

\* Preliminary, subject to change.

1. The Notes have been duly authorized and executed by the Issuer and are valid and binding general obligations of the Issuer.

2. All the taxable property in the territory of the Issuer is subject to the levy of ad valorem taxes to pay principal of, and interest on, the Notes, without limitation as to rate or amount. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Notes except to the extent that necessary funds have been irrevocably deposited into the debt service fund account established for the payment of the principal of and interest on the Notes.

3. 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 corporations (as that term is defined for federal income tax purposes) and individuals. However, for purposes of computing the alternative minimum tax imposed on corporations, the interest on the Notes is included in adjusted current earnings. 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.

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

Quarles & Brady LLP  
411 East Wisconsin Avenue  
Milwaukee, WI 53202

November 1, 2016

Re: City of Marshfield, Wisconsin ("Issuer")  
\$2,210,000\* Taxable General Obligation Corporate Purpose Bonds, Series 2016D,  
dated November 1, 2016 ("Bonds")

We have acted as bond counsel to the Issuer in connection with the issuance of the Bonds. 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 Bonds are numbered from R-1 and upward; bear interest at the rates set forth below; and mature on March 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>
2018	\$140,000	____%
2019	145,000	____
2020	145,000	____
2021	145,000	____
2022	230,000	____
2023	250,000	____
2024	240,000	____
2025	245,000	____
2026	215,000	____
2027	220,000	____
2028	235,000	____

Interest is payable semi-annually on March 1 and September 1 of each year commencing on March 1, 2017.

The Bonds are not subject to optional redemption.

We further certify that we have examined a sample of the Bonds and find the same to be in proper form.

---

\* Preliminary, subject to change.

Based upon and subject to the foregoing, it is our opinion under existing law that:

1. The Bonds have been duly authorized and executed by the Issuer and are valid and binding general obligations of the Issuer.

2. All the taxable property in the territory of the Issuer is subject to the levy of ad valorem taxes to pay principal of, and interest on, the Bonds, without limitation as to rate or amount. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Bonds except to the extent that necessary funds have been irrevocably deposited into the debt service fund account established for the payment of the principal of and interest on the Bonds.

3. The interest on the Bonds is included for federal income tax purposes in the gross income of the owners of the Bonds.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or any other offering material relating to the Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

The rights of the owners of the Bonds 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**

**Forms of Continuing Disclosure Certificates**



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## CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Marshfield, Wood and Marathon Counties, Wisconsin (the "Issuer") in connection with the issuance of \$2,135,000\* General Obligation Promissory Notes, Series 2016C, dated November 1, 2016 (the "Securities"). The Securities are being issued pursuant to Resolutions adopted by the Governing Body of the Issuer on September 13, 2016 and October 11, 2016 (collectively, 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](http://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 October 11, 2016 delivered in connection with the Securities, which is available from the MSRB.

"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.

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\* Preliminary, subject to change.

"Issuer" means the City of Marshfield, Wisconsin which is the obligated person with respect to the Securities.

"Issuer Contact" means the Finance Director of the Issuer who can be contacted at 630 South Central Avenue, Suite 502, Marshfield, Wisconsin 54449, phone (715) 384-2992, fax (715) 384-7831.

"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 that ends December 31, 2016, 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 tables presented in 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. INDEBTEDNESS
2. FINANCIAL INFORMATION
3. PROPERTY VALUATIONS AND TAXES - Assessed and Equalized Values

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; and

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

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.

Section 6. Termination of Reporting Obligation. 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 1st day of November, 2016.

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Chris L. Meyer  
Mayor

(SEAL)

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Deb M. Hall  
City Clerk

## CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Marshfield, Wood and Marathon Counties, Wisconsin (the "Issuer") in connection with the issuance of \$2,210,000\* Taxable General Obligation Corporate Purpose Bonds, Series 2016D, dated November 1, 2016 (the "Securities"). The Securities are being issued pursuant to Resolutions adopted by the Governing Body of the Issuer on September 13, 2016 and October 11, 2016 (collectively, 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](http://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 October 11, 2016 delivered in connection with the Securities, which is available from the MSRB.

"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.

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\* Preliminary, subject to change.



"Issuer" means the City of Marshfield, Wisconsin which is the obligated person with respect to the Securities.

"Issuer Contact" means the Finance Director of the Issuer who can be contacted at 630 South Central Avenue, Suite 502, Marshfield, Wisconsin 54449, phone (715) 384-2992, fax (715) 384-7831.

"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 that ends December 31, 2016, 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 tables presented in 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. INDEBTEDNESS
2. FINANCIAL INFORMATION
3. PROPERTY VALUATIONS AND TAXES - Assessed and Equalized Values

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; and

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

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.

Section 6. Termination of Reporting Obligation. 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 1st day of November, 2016.

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Chris L. Meyer  
Mayor

(SEAL)

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Deb M. Hall  
City Clerk

**APPENDIX D**

**Official Notices of Sale**

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OFFICIAL NOTICE OF SALE

\$2,135,000\*  
City of Marshfield  
Wood and Marathon Counties, Wisconsin  
General Obligation Promissory Notes, Series 2016C  
Dated Date of Delivery

Date, Time and Place. SEALED AND ELECTRONIC BIDS will be received by Public Financial Management, Inc., 115 South 84<sup>th</sup> Street, Suite 315, Milwaukee, Wisconsin 53214, financial advisor acting on behalf of City of Marshfield, Wisconsin (the “City”), for all but not part of the City’s \$2,135,000\* General Obligation Promissory Notes, Series 2016C, dated the Date of Delivery (the “Notes”), until 10:00 a.m. (Central Time) on:

October 11, 2016

at which time sealed bids will be opened, electronic bids retrieved and all bids publicly read. Sealed bids should be mailed or delivered to the offices of Public Financial Management, Inc., 115 South 84th Street, Suite 315, Milwaukee, Wisconsin 53214, Attention: Brian Della, or faxed to (414) 771-1041, and plainly marked “Bid for City of Marshfield General Obligation Promissory Notes, Series 2016C.” Electronic bids must be submitted through Parity®. A meeting of the Common Council will be held on said date for the purpose of taking action on such bids as may be received.

Terms of the Notes. The Notes will be dated the Date of Delivery and will mature March 1 in the years and amounts as follows:

MATURITY SCHEDULE

<u>Year</u>	<u>Amount*</u>
2017	\$ 100,000
2018	190,000
2019	200,000
2020	205,000
2021	210,000
2022	210,000
2023	345,000
2024	225,000
2025	225,000
2026	225,000

Interest on said Notes will be payable semi-annually on March 1 and September 1, commencing March 1, 2017.

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\* Preliminary, subject to change.



Adjustments to Principal Amounts After Determination of Best Proposal. The aggregate principal amount of the Notes, and each scheduled maturity thereof, are subject to increase or reduction by the City or its designee after the determination of the successful bidder. Such adjustments shall be in the sole discretion of the City provided that the City or its designee shall only make such adjustments in order to size the Notes to provide enough funds to finance the projects and to establish a debt service structure that is acceptable to the City.

No Term Bond Option. Proposals for the Notes may not contain a maturity schedule providing for term bonds.

Call Feature. The Notes are not subject to optional redemption.

Registration. The Notes will be issued as fully registered notes without coupons and, when issued, will be registered only in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). The City will assume no liability for failure of DTC, its participants or other nominees to promptly transfer payments to beneficial owners of the Notes. In the event that the securities depository relationship with DTC for the Notes is terminated and the City does not appoint a successor depository, the City will prepare, authenticate and deliver, at its expense, fully registered certificated Notes in the denomination of \$5,000 or any integral multiple thereof in the aggregate principal amount of Notes of the same maturities and with the same interest rate or rates then outstanding to the beneficial owners of the Notes.

Security and Purpose. The Notes are general obligations of the City. The principal of and interest on the Notes will be payable from ad valorem taxes, which shall be levied without limitation as to rate or amount upon all taxable property located in the territory of the City. The Notes will be issued for public purposes, including tax incremental project costs and improvements to the University of Wisconsin Marshfield/Wood County facilities, the refunding of certain obligations of the City, and to pay the costs of issuing the Notes.

Non-repealable, Direct, Annual Tax. As security for the Notes, the City pledges its full faith, credit and taxing powers and there will be levied on all of the taxable property in the City a non-repealable, direct, annual tax in an amount and the times sufficient to pay the principal of and interest on the Notes. The taxes will be levied under the Award Resolution for collection in each of the years 2017 through 2026 for the Notes.

The Award Resolution provides that the taxes will be, from year to year, carried onto the tax rolls of the City and collected as other taxes are collected and that the City shall not repeal such levies or obstruct the collection of the taxes. Provision is made for reducing the amount of taxes carried onto the tax rolls by the amount of any surplus money in the Debt Service Fund for the Notes.

Bid Specifications. Bids shall be received on an interest rate basis in an integral multiple of One-Twentieth (1/20) or One-Eighth (1/8) of One Percent (1%). Any number of rates may be bid, but no interest rate specified for any maturity may be lower than the interest rate specified for any earlier maturity. All Notes of the same maturity shall bear the same interest rate. A rate of interest must be named for each maturity; a zero rate of interest shall not be named; and the premium, if any, must be paid in cash as part of the purchase price. No supplemental interest shall be specified. Each bid shall offer to purchase all of the Notes and shall offer a price (payable in federal or other immediately available funds) which is not less than \$2,113,650

(99.0% of par), nor more than \$2,177,700 (102.0% of par), plus accrued interest to the date of delivery.

Good Faith Deposit. A Good Faith Deposit in the amount of Twenty-One Thousand Three Hundred Fifty Dollars (\$21,350) is only required by the successful bidder for the Notes. The successful bidder for the Notes is required to submit such Good Faith Deposit payable to the order of the City in the form of a wire transfer in federal funds. Instructions for wiring the Good Faith Deposit are as follows:

Amount:	\$21,350
Details:	Email PFM for details at dellab@pfm.com or bensonj@pfm.com

The successful bidder shall submit the Good Faith Deposit within two hours after verbal award is made. The successful bidder should provide as quickly as it is available, evidence of wire transfer by providing the City the federal funds reference number. If the Good Faith Deposit is not received in the time allotted, the bid of the successful bidder may be rejected and the City may direct the next lowest bidder to submit a Good Faith Deposit and thereafter may award the sale of the Notes to the same. If the successful bidder fails to comply with the Good Faith Deposit requirement as described herein, that bidder is none the less obligated to pay to the City the sum of \$21,350 as liquidated damages due to the failure of the successful bidder to timely deposit the Good Faith Deposit.

**Submission of a bid to purchase the Notes serves as acknowledgement and acceptance of the terms of the Good Faith Deposit requirement.**

The Good Faith Deposit so wired will be retained by the City until the delivery of the Notes, at which time the Good Faith Deposit will be applied against the purchase price of the Notes or the good faith deposit will be retained by the City as partial liquidated damages in the event of the failure of the successful bidder to take up and pay for such Notes in compliance with the terms of the Official Notice of Sale and of its bid. No interest on the good faith deposit will be paid by the City. The balance of the purchase price must be wired in federal funds to the account detailed in the closing memorandum, simultaneously with delivery of the Notes.

Insurance on Notes. In the event the successful bidder obtains a bond insurance policy for all or a portion of the Notes, by or on behalf of it or any other member of its underwriting group, the successful bidder is responsible for making sure that disclosure information is provided about the credit enhancement provider (for example, through a wrapper to the Official Statement). The City will cooperate with the successful bidder in this manner. The costs of obtaining any bond insurance policy and the costs of providing disclosure information about the credit enhancement provider shall be paid by the successful bidder.

Electronic Bidding. The City assumes no responsibility or liability for electronic bids. If any provisions in this Official Notice of Sale conflict with information provided by Parity®, this Official Notice of Sale shall control. Further information about the electronic bidding service providers, including any fee charged and applicable requirements, may be obtained from:

Parity®/IPREO  
1359 Broadway, 2<sup>nd</sup> Floor  
New York, New York 10018  
(212) 849-5021 phone

Award. All bids received shall be considered at a meeting of the Common Council to be held on the bidding date and, unless all bids are rejected, the Notes shall be awarded during the Common Council meeting on said date to the best bidder whose proposal shall result in the lowest true interest cost to the City. The true interest cost is computed as the discount rate which, when used with semiannual compounding to determine the present worth of the principal and interest payments as of the date of the Notes, produces an amount equal to the purchase price. If two or more bids provide the same lowest true interest rate, the City shall determine which proposal shall be accepted, and such determination shall be final. A computation by the bidder of such true interest cost rate contained in any bid shall be for information only and shall not constitute a part of the bid. The purchaser shall pay accrued interest from the date of the Notes to the date of delivery and payment of the purchase price.

Delivery. The Notes will be delivered in typewritten form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, securities depository of the Notes for the establishment of book-entry accounts at the direction of the successful bidder, within approximately 45 days after the award. Payment at the time of delivery must be made in federal or other immediately available funds. In the event delivery is not made within 45 days after the date of the sale of the Notes, the successful bidder may, prior to tender of the Notes, at its option, be relieved of its obligation under the contract to purchase the Notes and its good faith deposit shall be returned, but no interest shall be allowed thereon. Delivery of the Notes is currently anticipated to be on or about November 1, 2016.

Legal Opinion. The successful bidder will be furnished without cost, the unqualified approving legal opinion of Quarles & Brady LLP, Milwaukee, Wisconsin, Bond Counsel. A Continuing Disclosure Certificate will be delivered at closing setting forth the details and terms of the City's undertaking and such Continuing Disclosure Certificate is a condition of closing.

CUSIP Numbers. The City will assume no obligation for the assignment of CUSIP numbers on the Notes or for the correctness of any numbers printed thereon. The City will permit such numbers to be assigned and printed at the expense of the original purchaser, but neither the failure to print such numbers on any Notes nor any error with respect thereto will constitute cause for failure or refusal by the original purchaser to accept delivery of the Notes.

Reoffering Price. Simultaneously with or before delivery of the Notes, the successful bidder shall furnish to the City a certificate, made on the best knowledge, information and belief of the successful bidder, acceptable to Bond Counsel, stating the initial reoffering price to the public of the Notes and further stating that a substantial amount of the Notes was sold to the public or final purchasers thereof (not including bond houses and brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at or below such initial reoffering price.

Official Statement. Upon the sale of the Notes, the City will publish an Official Statement substantially in the same form as the Preliminary Official Statement subject to minor additions, deletions and revisions as required to complete the Preliminary Official Statement. Promptly after the sale date, but in no event later than seven business days after such date, the City will provide the successful bidder with up to 25 copies of the Final Official Statement without cost. The successful bidder agrees to supply to the City all necessary pricing information and any underwriter identification necessary to complete the Final Official Statement within 24 hours after the award of Notes.

Certification Regarding Official Statement. The City will deliver, at closing, a certificate, executed by appropriate officers of the City acting in their official capacities, to the effect that the facts contained in the Official Statement relating to the City and the Notes are true and correct in all material respects, and that the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

Undertaking to Provide Continuing Disclosure. In order to assist bidders in complying with SEC Rule 15c2-12, as amended, the City will covenant to undertake (pursuant to a Resolution to be adopted by the Common Council), to provide annual reports and timely notice of certain events for the benefit of holders of the Notes. The details and terms of the undertaking are set forth in a Continuing Disclosure Certificate to be executed and delivered by the City, a form of which is included in the Preliminary Official Statement and in the Final Official Statement.

Transcript of Proceedings. A transcript of the proceedings relative to the issuance of the Notes will be furnished to the successful bidder without cost, including a Closing Certificate stating that there is no litigation pending or threatened affecting the validity of or the security for the Notes.

Irregularities. The Common Council reserves the right to reject any and all bids and to waive any and all irregularities.

Information. The Preliminary Official Statement can be viewed at [www.pfm.com](http://www.pfm.com) or [www.i-dealprospectus.com](http://www.i-dealprospectus.com) or copies of the Preliminary Official Statement and additional information may be obtained by addressing inquiries to the City's financial advisor, Public Financial Management, Inc., 115 South 84th Street, Suite 315, Milwaukee, Wisconsin 53214, Attention: Brian Della, phone (414) 771-2700, or to the undersigned:

Keith Strey, CPA - Finance Director  
City of Marshfield  
630 South Central Avenue  
Marshfield, Wisconsin 54449  
Phone: (715) 387-3033

\* \* \* \* \*

OFFICIAL NOTICE OF SALE

\$2,210,000\*  
City of Marshfield  
Wood and Marathon Counties, Wisconsin  
Taxable General Obligation Corporate Purpose Bonds, Series 2016D  
Dated Date of Delivery

Date, Time and Place. SEALED AND ELECTRONIC BIDS will be received by Public Financial Management, Inc., 115 South 84<sup>th</sup> Street, Suite 315, Milwaukee, Wisconsin 53214, financial advisor acting on behalf of City of Marshfield, Wisconsin (the “City”), for all but not part of the City’s \$2,210,000\* Taxable General Obligation Corporate Purpose Bonds, Series 2016D, dated Date of Delivery (the “Bonds”), until 10:00 a.m. (Central Time) on:

October 11, 2016

at which time sealed bids will be opened, electronic bids retrieved and all bids publicly read. Sealed bids should be mailed or delivered to the offices of Public Financial Management, Inc., 115 South 84th Street, Suite 315, Milwaukee, Wisconsin 53214, Attention: Brian Della, or faxed to (414) 771-1041, and plainly marked “Bid for City of Marshfield Taxable General Obligation Corporate Purpose Bonds, Series 2016D.” Electronic bids must be submitted through Parity®. A meeting of the Common Council will be held on said date for the purpose of taking action on such bids as may be received.

Terms of the Bonds. The Bonds will be dated Date of Delivery and will mature March 1 in the years and amounts as follows:

MATURITY SCHEDULE

<u>Year</u>	<u>Amount*</u>
2018	\$ 140,000
2019	145,000
2020	145,000
2021	145,000
2022	230,000
2023	250,000
2024	240,000
2025	245,000
2026	215,000
2027	220,000
2028	235,000

Interest on said Bonds will be payable semi-annually on March 1 and September 1, commencing March 1, 2017.

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\* Preliminary, subject to change.

Adjustments to Principal Amounts After Determination of Best Proposal. The aggregate principal amount of the Bonds, and each scheduled maturity thereof, are subject to increase or reduction by the City or its designee after the determination of the successful bidder. Such adjustments shall be in the sole discretion of the City provided that the City or its designee shall only make such adjustments in order to size the Bonds to provide enough funds to finance the projects and to establish a debt service structure that is acceptable to the City.

No Term Bond Option. Proposals for the Bonds may not contain a maturity schedule providing for term bonds.

Call Feature. The Bonds are not subject to optional redemption.

Registration. The Bonds will be issued as fully registered bonds without coupons and, when issued, will be registered only in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). The City will assume no liability for failure of DTC, its participants or other nominees to promptly transfer payments to beneficial owners of the Bonds. In the event that the securities depository relationship with DTC for the Bonds is terminated and the City does not appoint a successor depository, the City will prepare, authenticate and deliver, at its expense, fully registered certificated Bonds in the denomination of \$5,000 or any integral multiple thereof in the aggregate principal amount of Bonds of the same maturities and with the same interest rate or rates then outstanding to the beneficial owners of the Bonds.

Security and Purpose. The Bonds are general obligations of the City. The principal of and interest on the Bonds will be payable from ad valorem taxes, which shall be levied without limitation as to rate or amount upon all taxable property located in the territory of the City. The Bonds will be issued for the public purposes of providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, located within the City’s Tax Incremental Districts, refunding certain obligations of the City, including interest on them, and to pay the costs of issuing the Bonds.

Non-repealable, Direct, Annual Tax. As security for the Bonds, the City pledges its full faith, credit and taxing powers and there will be levied on all of the taxable property in the City a non-repealable, direct, annual tax in an amount and the times sufficient to pay the principal of and interest on the Bonds. The taxes will be levied under the Award Resolution for collection in each of the years 2017 through 2028 for the Bonds.

The Award Resolution provides that the taxes will be, from year to year, carried onto the tax rolls of the City and collected as other taxes are collected and that the City shall not repeal such levies or obstruct the collection of the taxes. Provision is made for reducing the amount of taxes carried onto the tax rolls by the amount of any surplus money in the Debt Service Fund for the Bonds.

Bid Specifications. Bids shall be received on an interest rate basis in an integral multiple of One-Twentieth (1/20) or One-Eighth (1/8) of One Percent (1%). Any number of rates may be bid, but no interest rate specified for any maturity may be lower than the interest rate specified for any earlier maturity. All Bonds of the same maturity shall bear the same interest rate. A rate of interest must be named for each maturity; a zero rate of interest shall not be named; and the premium, if any, must be paid in cash as part of the purchase price. No supplemental interest shall be specified. Each bid shall offer to purchase all of the Bonds and shall offer a price

(payable in federal or other immediately available funds) which is not less than \$2,187,900 (99.0% of par), nor more than \$2,254,200 (102.0% of par), plus accrued interest to the date of delivery.

**Good Faith Deposit.** A Good Faith Deposit in the amount of Twenty-Two Thousand One Hundred Dollars (\$22,100) is only required by the successful bidder for the Bonds. The successful bidder for the Bonds is required to submit such Good Faith Deposit payable to the order of the City in the form of a wire transfer in federal funds. Instructions for wiring the Good Faith Deposit are as follows:

Amount:	\$22,100
Details:	Email PFM for details at dellab@pfm.com or bensonj@pfm.com

The successful bidder shall submit the Good Faith Deposit within two hours after verbal award is made. The successful bidder should provide as quickly as it is available, evidence of wire transfer by providing the City the federal funds reference number. If the Good Faith Deposit is not received in the time allotted, the bid of the successful bidder may be rejected and the City may direct the next lowest bidder to submit a Good Faith Deposit and thereafter may award the sale of the Bonds to the same. If the successful bidder fails to comply with the Good Faith Deposit requirement as described herein, that bidder is none the less obligated to pay to the City the sum of \$22,100 as liquidated damages due to the failure of the successful bidder to timely deposit the Good Faith Deposit.

**Submission of a bid to purchase the Bonds serves as acknowledgement and acceptance of the terms of the Good Faith Deposit requirement.**

The Good Faith Deposit so wired will be retained by the City until the delivery of the Bonds, at which time the Good Faith Deposit will be applied against the purchase price of the Bonds or the good faith deposit will be retained by the City as partial liquidated damages in the event of the failure of the successful bidder to take up and pay for such Bonds in compliance with the terms of the Official Notice of Sale and of its bid. No interest on the good faith deposit will be paid by the City. The balance of the purchase price must be wired in federal funds to the account detailed in the closing memorandum, simultaneously with delivery of the Bonds.

**Insurance on Bonds.** In the event the successful bidder obtains a bond insurance policy for all or a portion of the Bonds, by or on behalf of it or any other member of its underwriting group, the successful bidder is responsible for making sure that disclosure information is provided about the credit enhancement provider (for example, through a wrapper to the Official Statement). The City will cooperate with the successful bidder in this manner. The costs of obtaining any bond insurance policy and the costs of providing disclosure information about the credit enhancement provider shall be paid by the successful bidder.

**Electronic Bidding.** The City assumes no responsibility or liability for electronic bids. If any provisions in this Official Notice of Sale conflict with information provided by Parity®, this Official Notice of Sale shall control. Further information about the electronic bidding service providers, including any fee charged and applicable requirements, may be obtained from:

Parity®/IPREO  
1359 Broadway, 2<sup>nd</sup> Floor  
New York, New York 10018  
(212) 849-5021 phone

Award. All bids received shall be considered at a meeting of the Common Council to be held on the bidding date and, unless all bids are rejected, the Bonds shall be awarded during the Common Council meeting on said date to the best bidder whose proposal shall result in the lowest true interest cost rate to the City. The true interest cost is computed as the discount rate which, when used with semiannual compounding to determine the present worth of the principal and interest payments as of the date of the Bonds, produces an amount equal to the purchase price. If two or more bids provide the same lowest true interest cost rate, the City shall determine which proposal shall be accepted, and such determination shall be final. A computation by the bidder of such true interest cost rate contained in any bid shall be for information only and shall not constitute a part of the bid. The purchaser shall pay accrued interest from the date of the Bonds to the date of delivery and payment of the purchase price.

**The award of the Bonds will be made subject to expiration of the petition period provided for under 67.05 Wisconsin Statutes without the filing of a sufficient petition for a referendum with respect to the initial resolutions authoring the Bonds. The petition period expires 30 days after adoption of the initial resolution (on October 13, 2016), and a sufficient petition for a referendum would need to be signed by electors numbering at least 10% of the votes cast in the City for governor at the last general election.**

Delivery. The Bonds will be delivered in typewritten form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, securities depository of the Bonds for the establishment of book-entry accounts at the direction of the successful bidder, within approximately 45 days after the award. Payment at the time of delivery must be made in federal or other immediately available funds. In the event delivery is not made within 45 days after the date of the sale of the Bonds, the successful bidder may, prior to tender of the Bonds, at its option, be relieved of its obligation under the contract to purchase the Bonds and its good faith deposit shall be returned, but no interest shall be allowed thereon. Delivery of the Bonds is currently anticipated to be on or about November 1, 2016.

Legal Opinion. The successful bidder will be furnished without cost, the unqualified approving legal opinion of Quarles & Brady LLP, Milwaukee, Wisconsin, Bond Counsel. A Continuing Disclosure Certificate will be delivered at closing setting forth the details and terms of the City's undertaking and such Continuing Disclosure Certificate is a condition of closing.

CUSIP Numbers. The City will assume no obligation for the assignment of CUSIP numbers on the Bonds or for the correctness of any numbers printed thereon. The City will permit such numbers to be assigned and printed at the expense of the original purchaser, but neither the failure to print such numbers on any Bonds nor any error with respect thereto will constitute cause for failure or refusal by the original purchaser to accept delivery of the Bonds.

Reoffering Price. Simultaneously with or before delivery of the Bonds, the successful bidder shall furnish to the City a certificate, made on the best knowledge, information and belief of the successful bidder, acceptable to Bond Counsel, stating the initial reoffering price to the public of the Bonds and further stating that a substantial amount of the Bonds was sold to the



public or final purchasers thereof (not including bond houses and brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at or below such initial reoffering price.

Official Statement. Upon the sale of the Bonds, the City will publish an Official Statement substantially in the same form as the Preliminary Official Statement subject to minor additions, deletions and revisions as required to complete the Preliminary Official Statement. Promptly after the sale date, but in no event later than seven business days after such date, the City will provide the successful bidder with up to 25 copies of the Final Official Statement without cost. The successful bidder agrees to supply to the City all necessary pricing information and any underwriter identification necessary to complete the Final Official Statement within 24 hours after the award of Bonds.

Certification Regarding Official Statement. The City will deliver, at closing, a certificate, executed by appropriate officers of the City acting in their official capacities, to the effect that the facts contained in the Official Statement relating to the City and the Bonds are true and correct in all material respects, and that the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

Undertaking to Provide Continuing Disclosure. In order to assist bidders in complying with SEC Rule 15c2-12, as amended, the City will covenant to undertake (pursuant to a Resolution to be adopted by the Common Council), to provide annual reports and timely notice of certain events for the benefit of holders of the Bonds. The details and terms of the undertaking are set forth in a Continuing Disclosure Certificate to be executed and delivered by the City, a form of which is included in the Preliminary Official Statement and in the Final Official Statement.

Transcript of Proceedings. A transcript of the proceedings relative to the issuance of the Bonds will be furnished to the successful bidder without cost, including a Closing Certificate stating that there is no litigation pending or threatened affecting the validity of or the security for the Bonds.

Irregularities. The Common Council reserves the right to reject any and all bids and to waive any and all irregularities.

Information. The Preliminary Official Statement can be viewed at [www.pfm.com](http://www.pfm.com) or [www.i-dealprospectus.com](http://www.i-dealprospectus.com) or copies of the Preliminary Official Statement and additional information may be obtained by addressing inquiries to the City's financial advisor, Public Financial Management, Inc., 115 South 84th Street, Suite 315, Milwaukee, Wisconsin 53214, Attention: Brian Della, phone (414) 771-2700, or to the undersigned:

Keith Strey, CPA - Finance Director  
City of Marshfield  
630 South Central Avenue  
Marshfield, Wisconsin 54449  
Phone: (715) 387-3033

\* \* \* \* \*

**BID FORM**

**\$2,135,000\***

**City of Marshfield, Wisconsin  
General Obligation Promissory Notes, Series 2016C**

(Electronic bids are also accepted via Parity® – See Official Notice of Sale)

**City of Marshfield, Wisconsin  
c/o Public Financial Management, Inc. (Fax: 414/771-1041)**

**Sale Date: October 11, 2016**

For all or none of the principal amount of \$2,135,000\* General Obligation Promissory Notes, Series 2016C, legally issued and as described in the Official Notice of Sale, we will pay the City the purchase price of \$\_\_\_\_\_, plus accrued interest, if any, on the total principal amount of the Notes to the date of delivery, provided the Notes bear the following interest rates:

<u>Year</u>	<u>Amount*</u>	<u>Rate*</u>
2017	\$ 100,000	____%
2018	190,000	____%
2019	200,000	____%
2020	205,000	____%
2021	210,000	____%
2022	210,000	____%
2023	345,000	____%
2024	225,000	____%
2025	225,000	____%
2026	225,000	____%

\* Preliminary, subject to change.

The Notes mature on March 1 in each of the years as indicated above, and interest is payable March 1 and September 1 of each year commencing March 1, 2017. The Notes are not subject to optional redemption. It is intended that the Notes will be exchanged for the purchase price on November 1, 2016.

Bond Insurance Policy at Bidder’s Option

Insurance Provider: \_\_\_\_\_ Policy Premium: \$\_\_\_\_\_

In making this offer, we accept the terms and conditions as defined in the Official Notice of Sale published in the Preliminary Official Statement dated September 30, 2016. All blank spaces of this offer are intentional and are not to be construed as an omission. If we are the successful bidder for the Notes our good faith deposit in the amount of \$21,350 will be wired within two hours of verbal notification in accordance with the Official Notice of Sale.

<p><b>NOT PART OF THE BID</b></p> <p>Explanatory Note: According to our computation this bid involves the following:</p> <p>\$ _____</p> <p>Net Interest Cost</p> <p>% _____</p> <p>True Interest Rate (TIC)</p>
--

Respectfully submitted,

\_\_\_\_\_

Account Manager

\_\_\_\_\_

The foregoing offer is hereby accepted by and on behalf of the City of Marshfield, Wisconsin, this 11<sup>th</sup> day of October, 2016.

\_\_\_\_\_  
Chris L. Meyer, Mayor

\_\_\_\_\_  
Deb M. Hall, Clerk

**BID FORM**

**\$2,210,000\***

**City of Marshfield, Wisconsin**

**Taxable General Obligation Corporate Purpose Bonds, Series 2016D**

(Electronic bids are also accepted via Parity® – See Official Notice of Sale)

**City of Marshfield, Wisconsin  
c/o Public Financial Management, Inc. (Fax: 414/771-1041)**

**Sale Date: October 11, 2016**

For all or none of the principal amount of \$2,210,000\* Taxable General Obligation Corporate Purpose Bonds, Series 2016D, legally issued and as described in the Official Notice of Sale, we will pay the City the purchase price of \$\_\_\_\_\_, plus accrued interest, if any, on the total principal amount of the Bonds to date of delivery, provided the Bonds bear the following interest rates:

<u>Year</u>	<u>Amount*</u>	<u>Rate*</u>
2018	\$ 140,000	____%
2019	145,000	____%
2020	145,000	____%
2021	145,000	____%
2022	230,000	____%
2023	250,000	____%
2024	240,000	____%
2025	245,000	____%
2026	215,000	____%
2027	220,000	____%
2028	235,000	____%

\* Preliminary, subject to change.

The Bonds mature on March 1 in each of the years as indicated above, and interest is payable March 1 and September 1 of each year commencing March 1, 2017. The Bonds are not subject to optional redemption. It is intended that the Bonds will be exchanged for the purchase price on November 1, 2016.

Bond Insurance Policy at Bidder's Option

Insurance Provider: \_\_\_\_\_ Policy Premium: \$\_\_\_\_\_

In making this offer, we accept the terms and conditions as defined in the Official Notice of Sale published in the Preliminary Official Statement dated September 30, 2016. All blank spaces of this offer are intentional and are not to be construed as an omission. If we are the successful bidder for the Bonds our good faith deposit in the amount of \$22,100 will be wired within two hours of verbal notification in accordance with the Official Notice of Sale.

**NOT PART OF THE BID**

Explanatory Note: According to our computation this bid involves the following:

\$ \_\_\_\_\_

Net Interest Cost

% \_\_\_\_\_

True Interest Rate (TIC)

Respectfully submitted,

\_\_\_\_\_  
Account Manager

\_\_\_\_\_  
By

The foregoing offer is hereby accepted by and on behalf of the City of Marshfield, Wisconsin, this 11<sup>th</sup> day of October, 2016.

\_\_\_\_\_  
Chris L. Meyer, Mayor

\_\_\_\_\_  
Deb M. Hall, Clerk