PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 1, 2019

Subject to compliance by the City with certain covenants, in the opinion of Chapman and Cutler, LLP, Chicago, Illinois, Bond Counsel, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals. Interest on the Bonds is not exempt from present State of Wisconsin income taxes. See "TAX EXEMPTION" herein for a more complete discussion.

The City will NOT designate the Bonds as "qualified tax-exempt obligations" pursuant to Section 265 of the Internal Revenue Code of 1986, as amended.

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

CITY OF EAU CLAIRE, WISCONSIN
(Eau Claire and Chippewa Counties)

$10,375,000* GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2019A

BID OPENING: August 13, 2019, 10:00 A.M., C.T. **CONSIDERATION**: August 13, 2019, 4:00 P.M., C.T.

PURPOSE/AUTHORITY/SECURITY: The $10,375,000* General Obligation Corporate Purpose Bonds, Series 2019A (the "Bonds") of the City of Eau Claire, Wisconsin (the "City") are being issued pursuant to Section 67.04, Wisconsin Statutes, for the public purposes of financing the cost of library campus improvements, trail improvements, storm water improvements, street and sidewalk improvements, and water utility improvements in the City. The Bonds are general obligations of the City, and all the taxable property in the City is subject to the levy of a tax sufficient to pay the principal of and interest on the Bonds as they become due which tax may, under current law, be levied without limitation as to rate or amount. Delivery is subject to receipt of an approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois.

DATE OF BONDS: August 28, 2019

MATURITY: April 1 as follows:

Year	Amount*	Year	Amount*	Year	Amount*
2020	$380,000	2027	$480,000	2034	$575,000
2021	415,000	2028	485,000	2035	600,000
2022	425,000	2029	500,000	2036	615,000
2023	430,000	2030	510,000	2037	640,000
2024	440,000	2031	525,000	2038	665,000
2025	455,000	2032	540,000	2039	680,000
2026	460,000	2033	555,000		

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

TERM BONDS: See “Term Bond Option” herein.

INTEREST: April 1, 2020 and semiannually thereafter.

OPTIONAL REDEMPTION: Bonds maturing on April 1, 2028 and thereafter are subject to call for prior optional redemption on April 1, 2027 and any date thereafter, at a price of par plus accrued interest to the redemption date.

MINIMUM BID: $10,271,250.

MAXIMUM BID: $10,997,500.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of $207,500 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT: To be named by the City.

BOND COUNSEL: Chapman and Cutler LLP

MUNICIPAL ADVISOR: Ehlers and Associates, Inc.

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

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), but is subject to revision, amendment and completion in a Final Official Statement.

REPRESENTATIONS

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

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

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

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

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

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

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

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

CLOSING CERTIFICATES

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

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CITY OF EAU CLAIRE
CITY COUNCIL

		Term Expires
Terry Weld	Council President	April 2020
Emily Anderson	Council Member	April 2021
Kate Beaton	Council Member	April 2022
Laura Benjamin	Council Member	April 2022
Emily Berge	Council Member	April 2021
Jill Christopherson	Council Member	April 2021
Catherine Emmanuelle	Council Member	April 2022
Jeremy Gragert	Council Member	April 2021
David Klinkhammer	Council Member	April 2022
John Lor	Council Member	April 2021
Andrew Werthmann	Council Member	April 2021

ADMINISTRATION

Dale Peters, City Manager
Jay Winzenz, Finance Director
Carrie Riepl, City Clerk

PROFESSIONAL SERVICES

Chapman and Cutler LLP, Bond Counsel, Chicago, Illinois

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

INTRODUCTORY STATEMENT

This Preliminary Official Statement contains certain information regarding the City of Eau Claire, Wisconsin (the "City") and the issuance of its $10,375,000* General Obligation Corporate Purpose Bonds, Series 2019A (the "Bonds" or the "Obligations"). Any descriptions or summaries of the Bonds, statutes, or documents included herein are not intended to be complete and are qualified in their entirety by reference to such statutes and documents and the form of the Bonds to be included in the resolution authorizing the issuance and sale of the Bonds ("Award Resolution") to be adopted by the Common Council on August 13, 2019.

Inquiries may be directed to Ehlers and Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Roseville, Minnesota, (651) 697-8500, the City's Municipal Advisor. A copy of this Preliminary Official Statement may be downloaded from Ehlers' web site at www.ehlers-inc.com by connecting to the Bond Sales link and following the directions at the top of the site.

THE BONDS

GENERAL

The Bonds will be issued in fully registered form as to both principal and interest in denominations of $5,000 each or any integral multiple thereof, and will be dated, as originally issued, as of August 28, 2019. The Bonds will mature on April 1 in the years and amounts set forth on the cover of this Preliminary Official Statement. Interest will be payable on April 1 and October 1 of each year, commencing April 1, 2020, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board ("MSRB"). **The rate for any maturity may not be more than 2.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2020 maturity, then the lowest rate that may be proposed for any later maturity is 2.50%.)** All Bonds of the same maturity must bear interest from the date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

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

The City will select a bank or trust company to act as bond registrar and paying agent (the "Paying Agent"). The City will pay the charges for Paying Agent services. The City reserves the right to remove the Paying Agent and to appoint a successor.

*Preliminary, subject to change.

OPTIONAL REDEMPTION

At the option of the City, Bonds maturing on or after April 1, 2028 shall be subject to prior redemption on April 1, 2027 or on any date thereafter, at a price of par plus accrued interest.

Redemption may be in whole or in part of the Bonds subject to redemption. If redemption is in part, the selection of the amounts and maturities of the Bonds to be redeemed shall be at the discretion of the City. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed will be selected by the Paying Agent from the Bonds of such maturity then outstanding by such method as the Paying Agent shall deem fair and appropriate, and which may provide for the selection for redemption of Bonds or portions of Bonds in principal amounts of $5,000 and integral multiples thereof.

Notice of such call shall be given by mailing a notice not more than 60 days and not less than 30 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books.

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed are received by the Paying Agent prior to the giving of a notice of redemption, such notice may, at the option of the City, state that said redemption will be conditional upon the receipt of such moneys by the Paying Agent on or prior to the date fixed for redemption. If such moneys are not received, such notice will be of no force and effect, the City will not redeem such Bonds, and the Paying Agent will give notice, in the same manner in which the notice of redemption has been given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the City will deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on such date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given and described above and in the Award Resolution, the Bonds or portions of Bonds so to be redeemed will, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds will be paid by the Paying Agent at the redemption price.

AUTHORITY; PURPOSE

The Bonds of the City are being issued pursuant to Section 67.04, Wisconsin Statutes, for public purposes, including library campus improvements, trail improvements, storm water improvements, street and sidewalk improvements, and water utility improvements in the City.

ESTIMATED SOURCES AND USES*

Sources		
Par Amount of Bonds	$10,375,000	
Total Sources		**$10,375,000**
Uses		
Total Underwriter's Discount (1.000%)	$103,750	
Costs of Issuance	86,000	
Deposit to Project Construction Fund	10,182,000	
Rounding Amount	3,250	
Total Uses		**$10,375,000**

*Preliminary, subject to change.

SECURITY

For the prompt payment of the Bonds with interest thereon and for the levy of taxes sufficient for this purpose, the full faith, credit and resources of the City will be irrevocably pledged. The City will levy a direct, annual, irrepealable tax on all taxable property in the City sufficient to pay the interest on the Bonds when it becomes due and also to pay and discharge the principal on the Bonds at maturity, in compliance with Article XI, Section 3 of the Wisconsin Constitution. Such tax may, under current law, be levied without limitation as to rate or amount.

CONCURRENT FINANCING

By means of separate Preliminary Official Statements, the City will be issuing its General Obligation Promissory Notes, Series 2019B (the "Series 2019B Notes") and Taxable General Obligation Corporate Purpose Bonds, Series 2019C (the "Series 2019C Bonds" and, together with the Series 2019B Notes, the "Concurrent Obligations") on August 28, 2019.

RATING

General obligation debt of the City, with the exception of any outstanding credit enhanced issues, is currently rated "Aa1" by Moody's Investors Service, Inc ("Moody's").

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

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

CONTINUING DISCLOSURE

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

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

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

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

LEGAL OPINION

An opinion as to the validity of the Bonds and the exemption from federal taxation of the interest thereon will be furnished by Chapman and Cutler LLP, Bond Counsel to the City, and will be available at the time of delivery of the Bonds. The legal opinion will be issued on the basis of existing law and will state that the Bonds are lawful and enforceable general obligations of the City in accordance with their terms; except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

TAX EXEMPTION

Federal tax law contains a number of requirements and restrictions which apply to the Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The City has covenanted to comply with all requirements that must be satisfied in order for the interest on the Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Bonds to become includible in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

Subject to the City's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Bonds is excludable from the gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals.

In rendering its opinion, Bond Counsel will rely upon certifications of the City with respect to certain material facts within the City's knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

Ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Bonds should consult their tax advisors as to the applicability of any such collateral consequences.

The issue price for the original issue discount (as further discussed below) and market discount purposes (the "OID Issue Price") for each maturity of the Bonds is the price at which a substantial amount of such maturity of the Bonds is first sold to the public (excluding bond holders and brokers and similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The OID Issue Price of a maturity of the Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the cover page hereof.

If the OID Issue Price of a maturity of the Bonds is less than the principal amount payable at maturity, the difference between the Issue Price of each such maturity, if any, of the Bonds (the "OID Bonds") and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID Bond in the initial public offering at the Issue Price for such maturity and who holds such OID Bond to its stated maturity, subject to the condition that the City complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Bond constitutes interest which is excludable from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Bond at its stated maturity; (c) such original issue discount is not included as an item of tax preference in computing the alternative minimum tax for individuals under the Code; and (d) the accretion of original issue discount in each year may result in certain collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Based upon the stated position of the Illinois Department of Revenue (the "Department of Revenue") under Illinois income tax law, accreted original issue discount on such OID Bonds is subject to taxation as it accretes, even though there may not be a corresponding cash payment until a later year. Owners of OID Bonds should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Bonds.

Owners of the Bonds who dispose of Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase Bonds in the initial public offering, but at a price different from the OID Issue Price or purchase Bonds subsequent to the initial public offering should consult their own tax advisors.

If a Bond is purchased at any time for a price that is less than the Bond's stated redemption price at maturity or, in the case of an OID Bond, its OID Issue Price plus accreted original issue discount (the "Revised Issue Price"), the purchaser will be treated as having purchased a Bond with market discount subject to the market discount rules of the Code (unless a statutory *de minimis* rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. Such treatment would apply to any purchaser who purchases an OID Bond for a price that is less than its Revised Issue Price. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Bonds.

An investor may purchase a Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "bond premium" and must be amortized by an investor on a constant yield basis over the remaining term of the Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the Bond. Investors who purchase a Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Bond.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the Bonds 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.

The Internal Revenue Service (the "Service") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Service may treat the City as a taxpayer and the holders of the Bond may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

Ownership of the Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

CERTAIN LEGAL MATTERS

Certain legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Bond Counsel who has been retained by, and acts as, Bond Counsel to the City. Bond Counsel has not been retained or consulted on disclosure matters, and has not undertaken to review or verify the accuracy, completeness or sufficiency of this Preliminary Official Statement or other offering material relating to the Bonds, and assumes no responsibility for the statements or information contained in or incorporated by reference in this Preliminary Official Statement, except that in its capacity as Bond Counsel, Chapman and Cutler LLP has, at the request of the City, reviewed only those portions of this Preliminary Official Statement involving the description of the Bonds, the security for the Bonds (excluding forecasts, projections, estimates or any other financial or economic information in connection therewith), and the description of the federal tax exemption of interest on the Bonds. This review was undertaken solely at the request and for the benefit of the City and did not include any obligation to establish or confirm factual matters set forth herein.

NON-QUALIFIED TAX-EXEMPT OBLIGATIONS

The City will NOT designate the Bonds as "qualified tax-exempt obligations" pursuant to Section 265 of the Internal Revenue Code of 1986, as amended.

MUNICIPAL ADVISOR

Ehlers has served as municipal advisor to the City in connection with the issuance of the Bonds. The Municipal Advisor cannot participate in the underwriting of the Bonds. The financial information included in this Preliminary Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. Ehlers is not a firm of certified public accountants. Ehlers is registered with the Securities and Exchange Commission and the MSRB as a Municipal Advisor.

MUNICIPAL ADVISOR AFFILIATED COMPANIES

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

INDEPENDENT AUDITORS

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

RISK FACTORS

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

Taxes: The Bonds are general obligations of the City, the ultimate payment of which rests in the City's ability to levy and collect sufficient taxes to pay debt service. In the event of delayed billing, collection or distribution of property taxes, sufficient funds may not be available to the City in time to pay debt service when due.

State Actions: Many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by state government. Future actions of the state may affect the overall financial condition of the City, the taxable value of property within the City, and the ability of the City to levy and collect property taxes.

Future Changes in Law: Various State and federal laws, regulations and constitutional provisions apply to the City and to the Bonds. The City can give no assurance that there will not be a change in or interpretation of any such applicable laws, regulations and provisions which would have a material effect on the City or the taxing authority of the City.

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

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

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

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

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

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

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

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

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

VALUATIONS

WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES

Equalized Value

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

Assessed Value

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

CURRENT PROPERTY VALUATIONS

	Eau Claire County	Chippewa County	Total
2018 Equalized Value	$5,245,506,200	$208,455,200	$5,453,961,400
2018 Equalized Value Reduced by Tax Increment Valuation	$5,111,170,500	$208,442,700	$5,319,613,200
2018 Assessed Value	$5,210,919,900	$203,405,400	$5,414,325,300

2018 EQUALIZED VALUE BY CLASSIFICATION

	2018 Equalized Value[1]	Percent of Total Equalized Value
Residential	$ 3,196,569,100	58.610%
Commercial	1,983,228,900	36.363%
Manufacturing	157,583,500	2.889%
Agricultural	58,200	0.001%
Personal Property	116,521,700	2.136%
Total	$ 5,453,961,400	100.000%

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value[1]	Percent Increase/Decrease in Equalized Value
2014	$4,447,750,500	$4,461,599,200	- 0.95%
2015	4,510,587,300	4,664,452,100	+ 4.55%
2016	4,585,604,000	4,872,721,700	+ 4.47%
2017	4,667,471,500	5,119,715,900	+ 5.07%
2018	5,414,325,300	5,453,961,400	+ 6.53%

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

[1] Includes tax increment valuation.

LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2018 Equalized Value[1]	Percent of City's Total Equalized Value
Mayo Clinic Health System	Health Care	$ 75,436,700	1.38%
Gerber Products	Manufacturing	71,079,476	1.30%
Oakwood Hills Mall LP	Retail	66,046,095	1.21%
Marshfield Clinic	Health Care	65,484,392	1.20%
Menards, Inc.	Retail	52,689,947	0.97%
Keystone Corp.	Investment Real Estate	49,311,073	0.90%
Haymarket Concepts	Investment Real Estate	27,899,924	0.51%
Royal Credit Union	Banking and Finance	22,502,946	0.41%
Hutchinson Technology	Manufacturing	19,200,173	0.35%
Phillips Properties	Investment Real Estate	17,437,453	0.32%
Total		**$467,088,180**	**8.56%**
City's Total 2018 Equalized Value[2]		$5,453,961,400	

Source: The City.

[1] Calculated by dividing the 2018 Assessed Values by the 2018 Aggregate Ratio of assessment for the City.

[2] Includes tax increment valuation.

DEBT

DIRECT DEBT[1]

General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Obligations and the Concurrent Obligations, as defined herein)	$139,820,000

Revenue Debt (see schedules following)

Total revenue debt secured by sewer revenues	$32,473,494

[1] Outstanding debt is as of the dated date of the Obligations. Such amount is preliminary, subject to change.

City of Eau Claire, Wisconsin
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Taxes
(As of 08/28/2019)

	Taxable Corporate Purpose Bonds (BABs) 1) Series 2009A		Taxable Corporate Purpose Bonds (BABs) Series 2010A		Promissory Notes Series 2010B		Corporate Purpose Refunding Bonds Series 2010C		Corporate Purpose Bonds Series 2011A	
Dated	07/15/2009		08/17/2010		08/17/2010		08/17/2010		08/01/2011	
Amount	$7,760,000		$3,210,000		$3,975,000		$4,585,000		$6,350,000	
Maturity	04/01		04/01		04/01		04/01		04/01	
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2019	0	156,318	0	79,735	0	6,056	0	14,700	0	72,503
2020			0	159,470	425,000	6,056	500,000	22,275	285,000	141,088
2021			275,000	153,626			505,000	7,575	295,000	132,744
2022			285,000	141,441					305,000	123,744
2023			295,000	128,315					315,000	114,444
2024			305,000	114,286					325,000	104,641
2025			310,000	99,448					335,000	94,119
2026			325,000	83,728					345,000	82,638
2027			335,000	66,976					360,000	70,300
2028			345,000	49,208					375,000	56,500
2029			360,000	30,345					390,000	41,200
2030			375,000	10,313					410,000	25,200
2031									425,000	8,500
2032										
2033										
2034										
2035										
2036										
2037										
2038										
2039										
	0	156,318	3,210,000	1,116,890	425,000	12,113	1,005,000	44,550	4,165,000	1,067,619

1) This issue will be refunded by the Series 2019B Notes.

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City of Eau Claire, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 08/28/2019)

	Promissory Notes Series 2011B		Corporate Purpose Bonds Series 2012A		Promissory Notes Series 2012B		Corporate Purpose Bonds Series 2013A		Promissory Notes Series 2013B	
Dated	08/01/2011		08/28/2012		08/28/2012		08/15/2013		08/15/2013	
Amount	$2,160,000		$5,640,000		$4,335,000		$14,145,000		$9,380,000	
Maturity	04/01		04/01		04/01		04/01		04/01	
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2019	0	5,775	0	44,128	0	7,990	0	201,297	0	57,600
2020	220,000	8,800	255,000	85,706	350,000	13,705	605,000	393,519	960,000	103,200
2021	220,000	3,025	260,000	80,556	355,000	8,768	620,000	375,144	985,000	76,425
2022			270,000	75,256	370,000	3,053	640,000	356,244	1,010,000	46,500
2023			275,000	69,806			660,000	336,744	1,045,000	15,675
2024			285,000	64,206			685,000	316,141		
2025			295,000	58,406			710,000	293,456		
2026			300,000	52,269			740,000	266,675		
2027			310,000	45,788			765,000	236,575		
2028			320,000	38,894			800,000	205,275		
2029			335,000	31,316			835,000	172,575		
2030			345,000	23,025			870,000	137,931		
2031			360,000	14,213			910,000	101,219		
2032			370,000	4,856			950,000	62,263		
2033							990,000	21,038		
2034										
2035										
2036										
2037										
2038										
2039										
	440,000	17,600	3,980,000	688,425	1,075,000	33,515	10,780,000	3,476,094	4,000,000	299,400

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City of Eau Claire, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 08/28/2019)

	Corporate Purpose Bonds Series 2014A		Promissory Notes Series 2014B		Promissory Notes Series 2015A		Taxable Promissory Notes Series 2015B		Corporate Purpose Bonds Series 2016A	
Dated	09/03/2014		09/03/2014		08/18/2015		08/18/2015		08/30/2016	
Amount	$4,720,000		$4,100,000		$2,385,000		$11,810,000		$13,920,000	
Maturity	04/01		04/01		04/01		04/01		04/01	
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2019	0	63,548	0	26,309	0	19,931	0	147,150	0	152,577
2020	190,000	123,295	410,000	46,469	215,000	36,638	500,000	286,800	580,000	296,454
2021	195,000	115,595	415,000	34,094	220,000	30,113	500,000	271,800	605,000	278,679
2022	200,000	107,695	430,000	23,569	225,000	23,438	505,000	256,725	615,000	260,379
2023	210,000	99,495	435,000	14,919	210,000	17,963	710,000	238,500	640,000	241,554
2024	220,000	90,895	445,000	5,284	210,000	13,500	1,230,000	209,400	660,000	222,054
2025	230,000	81,895			495,000	5,569	6,365,000	95,475	680,000	205,354
2026	240,000	73,695							690,000	191,654
2027	245,000	66,420							700,000	177,754
2028	255,000	58,920							715,000	163,157
2029	260,000	51,195							735,000	147,291
2030	270,000	43,245							750,000	130,398
2031	280,000	34,505							770,000	112,725
2032	285,000	25,041							785,000	94,258
2033	300,000	15,243							810,000	74,713
2034	305,000	5,109							825,000	54,275
2035									845,000	33,400
2036									870,000	11,419
2037										
2038										
2039										
	3,685,000	1,055,790	2,135,000	150,644	1,575,000	147,150	9,810,000	1,505,850	12,275,000	2,848,092

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City of Eau Claire, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 08/28/2019)

	Taxable Promissory Notes Series 2016B		Promissory Notes Series 2016C		Corporate Purpose Refunding Bonds Series 2016D		Corporate Purpose Bonds Series 2017A		Promissory Notes Series 2017B	
Dated	08/30/2016		08/30/2016		11/10/2016		08/17/2017		08/17/2017	
Amount	$7,585,000		$2,830,000		$2,080,000		$12,395,000		$8,800,000	
Maturity	04/01		04/01		04/01		04/01		04/01	
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2019	0	69,905	0	24,200	0	13,255	0	181,239	0	86,250
2020	320,000	136,610	265,000	44,425	200,000	24,510	460,000	353,278	1,055,000	161,950
2021	325,000	130,160	275,000	36,325	205,000	20,460	475,000	334,578	740,000	136,600
2022	330,000	123,610	280,000	28,000	210,000	16,310	500,000	315,078	750,000	106,800
2023	340,000	117,250	285,000	20,950	215,000	12,060	515,000	294,778	650,000	78,800
2024	350,000	110,778	295,000	15,150	215,000	8,405	540,000	273,678	670,000	52,400
2025	350,000	103,778	300,000	9,200	220,000	5,250	560,000	251,678	680,000	32,200
2026	4,660,000	50,095	310,000	3,100	225,000	1,800	585,000	228,778	630,000	19,100
2027							600,000	211,078	640,000	6,400
2028							605,000	198,649		
2029							620,000	182,921		
2030							640,000	164,021		
2031							660,000	144,521		
2032							685,000	124,346		
2033							715,000	103,346		
2034							730,000	81,489		
2035							750,000	58,919		
2036							765,000	36,006		
2037							785,000	12,266		
2038										
2039										
	6,675,000	842,185	2,010,000	181,350	1,490,000	102,050	11,190,000	3,550,644	5,815,000	680,500

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City of Eau Claire, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 08/28/2019)

	Corporate Purpose Bonds Series 2018A		Promissory Notes Series 2018B		Taxable Corporate Purpose Bonds (BABs) Series 2018C		Corporate Purpose Bonds Series 2019A		Promissory Notes 2) Series 2019B	
Dated	09/27/2018		09/27/2018		09/27/2018		08/28/2019		08/28/2019	
Amount	$14,330,000		$6,260,000		$7,195,000		$10,375,000*		$13,880,000*	
Maturity	04/01		04/01		04/01		04/01		04/01	
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Estimated Interest**	**Principal**	**Estimated Interest**
2019	0	266,634	0	116,625	0	109,399	0	0	0	0
2020	615,000	517,894	550,000	219,500	535,000	210,773	380,000	317,558	1,045,000	343,185
2021	630,000	486,769	535,000	192,375	555,000	194,423	415,000	281,876	1,095,000	291,279
2022	655,000	454,644	570,000	164,750	580,000	177,398	425,000	273,160	1,140,000	268,085
2023	690,000	421,019	600,000	135,500	600,000	159,398	430,000	264,075	1,170,000	243,538
2024	720,000	385,769	625,000	104,875	615,000	140,258	440,000	254,613	1,190,000	217,870
2025	760,000	348,769	660,000	76,050	640,000	120,018	455,000	244,540	1,240,000	190,520
2026	800,000	309,769	680,000	52,650	665,000	98,645	460,000	233,903	1,285,000	161,161
2027	825,000	273,269	700,000	31,950	685,000	76,199	480,000	222,738	1,330,000	130,103
2028	865,000	239,469	715,000	10,725	705,000	52,740	485,000	211,036	1,030,000	101,525
2029	905,000	208,594			90,000	39,203	500,000	198,470	3,355,000	44,454
2030	655,000	185,194			100,000	35,900	510,000	184,833		
2031	590,000	166,519			100,000	32,375	525,000	170,339		
2032	610,000	148,138			105,000	28,710	540,000	154,623		
2033	635,000	128,288			105,000	24,878	555,000	137,646		
2034	650,000	107,406			115,000	20,808	575,000	119,705		
2035	675,000	85,875			115,000	16,495	600,000	100,455		
2036	695,000	63,178			120,000	12,030	615,000	79,950		
2037	720,000	38,850			125,000	7,313	640,000	58,455		
2038	750,000	13,125			125,000	2,438	665,000	35,778		
2039							680,000	12,070		
	13,445,000	4,849,170	5,635,000	1,105,000	6,680,000	1,559,395	10,375,000	3,555,821	13,880,000	1,991,719

* Preliminary, subject to change.

2) A portion of this issue refunded the 2020 through 2029 maturities of the City's $8,560,000.00 Taxable General Obligation Corporate Purpose Bonds, Series 2009A dated July 15, 2009 and the 2019 through 2028 maturities of the City's $3,825,000.00 Waterworks System Mortgage Revenue Bonds, Series 2009C dated July 15, 2009.

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City of Eau Claire, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 08/28/2019)

Taxable Corporate Purpose Bonds
Series 2019C

Dated	08/28/2019
Amount	$4,065,000*
Maturity	04/01

Calendar Year Ending	Principal	Estimated Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2019	0	0	0	1,923,124	1,923,124	139,820,000	.00%	**2019**
2020	135,000	165,160	11,055,000	4,218,316	15,273,316	128,765,000	7.91%	**2020**
2021	145,000	146,679	10,845,000	3,819,665	14,664,665	117,920,000	15.66%	**2021**
2022	160,000	142,140	10,455,000	3,488,016	13,943,016	107,465,000	23.14%	**2022**
2023	160,000	137,300	10,450,000	3,162,080	13,612,080	97,015,000	30.61%	**2023**
2024	160,000	132,380	10,185,000	2,836,581	13,021,581	86,830,000	37.90%	**2024**
2025	170,000	127,180	15,455,000	2,442,903	17,897,903	71,375,000	48.95%	**2025**
2026	170,000	121,698	13,110,000	2,031,355	15,141,355	58,265,000	58.33%	**2026**
2027	185,000	115,883	8,160,000	1,731,430	9,891,430	50,105,000	64.16%	**2027**
2028	185,000	109,731	7,400,000	1,495,829	8,895,829	42,705,000	69.46%	**2028**
2029	195,000	103,171	8,580,000	1,250,734	9,830,734	34,125,000	75.59%	**2029**
2030	200,000	96,060	5,125,000	1,036,119	6,161,119	29,000,000	79.26%	**2030**
2031	205,000	88,566	4,825,000	873,481	5,698,481	24,175,000	82.71%	**2031**
2032	215,000	80,476	4,545,000	722,710	5,267,710	19,630,000	85.96%	**2032**
2033	225,000	71,674	4,335,000	576,824	4,911,824	15,295,000	89.06%	**2033**
2034	235,000	62,300	3,435,000	451,091	3,886,091	11,860,000	91.52%	**2034**
2035	240,000	52,383	3,225,000	347,526	3,572,526	8,635,000	93.82%	**2035**
2036	250,000	41,908	3,315,000	244,491	3,559,491	5,320,000	96.20%	**2036**
2037	265,000	30,769	2,535,000	147,652	2,682,652	2,785,000	98.01%	**2037**
2038	275,000	18,955	1,815,000	70,295	1,885,295	970,000	99.31%	**2038**
2039	290,000	6,453	970,000	18,523	988,523	0	100.00%	**2039**
	4,065,000	1,850,863	139,820,000	32,888,745	172,708,745			

* Preliminary, subject to change.

City of Eau Claire, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Sewer Revenues
(As of 08/28/2019)

Clean Water Fund Loan of 2013 1)
Series 2013 (CWFL)

Dated	06/12/2013
Amount	$39,766,956
Maturity	05/01

Calendar Year Ending	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2019	0	424,916	0	424,916	424,916	32,473,494	.00%	**2019**
2020	1,950,397	824,310	1,950,397	824,310	2,774,708	30,523,097	6.01%	**2020**
2021	2,001,439	772,601	2,001,439	772,601	2,774,040	28,521,657	12.17%	**2021**
2022	2,053,817	719,538	2,053,817	719,538	2,773,355	26,467,840	18.49%	**2022**
2023	2,107,565	665,086	2,107,565	665,086	2,772,651	24,360,275	24.98%	**2023**
2024	2,162,720	609,209	2,162,720	609,209	2,771,930	22,197,554	31.64%	**2024**
2025	2,219,319	551,870	2,219,319	551,870	2,771,189	19,978,236	38.48%	**2025**
2026	2,277,398	493,031	2,277,398	493,031	2,770,429	17,700,837	45.49%	**2026**
2027	2,336,998	432,651	2,336,998	432,651	2,769,649	15,363,839	52.69%	**2027**
2028	2,398,157	370,692	2,398,157	370,692	2,768,849	12,965,682	60.07%	**2028**
2029	2,460,917	307,111	2,460,917	307,111	2,768,028	10,504,765	67.65%	**2029**
2030	2,525,319	241,866	2,525,319	241,866	2,767,185	7,979,446	75.43%	**2030**
2031	2,591,407	174,914	2,591,407	174,914	2,766,320	5,388,040	83.41%	**2031**
2032	2,659,224	106,209	2,659,224	106,209	2,765,433	2,728,816	91.60%	**2032**
2033	2,728,816	35,707	2,728,816	35,707	2,764,522	0	100.00%	**2033**
	32,473,494	6,729,709	32,473,494	6,729,709	39,203,203			

1) Project No. 4176-05 was closed out on June 14, 2017.

DEBT LIMIT

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

Equalized Value	$ 5,453,961,400
Multiply by 5%	0.05
Statutory Debt Limit	$ 272,698,070
Less: General Obligation Debt (includes the Obligations and the Concurrent Obligations)*	(139,820,000)
Unused Debt Limit*	$ 132,878,070

*Preliminary, subject to change.

OVERLAPPING DEBT[1]

Taxing District	2018 Equalized Value[2]	% In City	Total G.O. Debt[3]	City's Proportionate Share
Eau Claire County	8,754,801,800	59.9158%	$ 84,485,532	$50,620,182
Chippewa County	5,557,873,800	3.7506%	8,725,000	327,240
Altoona School District	839,960,444	2.0208%	18,450,000	372,838
Eau Claire School District	7,304,279,556	74.3495%	55,870,000	41,539,066
Chippewa Valley Technical College District	25,774,534,842	0.8088%	28,075,000	227,071
City's Share of Total Overlapping Debt				$93,086,396

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

[2] Includes tax increment valuation.

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

DEBT RATIOS

	G.O. Debt	Debt/Equalized Value $5,453,961,400	Debt/ Per Capita 67,945[1]
Total General Obligation Debt (includes the Obligations and the Concurrent Obligations)*	$139,820,000	2.56%	$2,057.84
City's Share of Total Overlapping Debt	93,086,396	1.71%	1,370.03
Total*	$232,906,396	4.27%	$3,427.87

*Preliminary, subject to change.

DEBT PAYMENT HISTORY

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

FUTURE FINANCING

In addition to the Concurrent Obligations, the City has no current plans for additional financing in the next 12 months.

[1] Estimated 2018 population.

TAX LEVIES AND COLLECTIONS

Eau Claire County

Tax Year	Levy for City Purposes Only	% Collected	Equalized Value (TID Out)	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per $1,000
2014/15	36,745,351	100%	$4,203,470,500	$8.74
2015/16	37,133,296	100%	4,384,050,800	8.47
2016/17	38,903,719	100%	4,540,829,600	8.57
2017/18	40,175,057	100%	4,746,258,700	8.46
2018/19	40,895,986	100%	5,111,170,500	8.00

Chippewa County

Tax Year	Levy for City Purposes Only	% Collected	Equalized Value (TID Out)	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per $1,000
2014/15	$1,467,412	100%	$168,346,700	$8.72
2015/16	1,436,971	100%	170,152,200	8.45
2016/17	1,540,399	100%	180,312,600	8.54
2017/18	1,626,419	100%	192,690,400	8.44
2018/19	1,663,321	100%	208,442,700	7.98

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

Personal property taxes, special assessments, special charges and special taxes must be paid to the town, city or village treasurer in full by January 31, unless the municipality, by ordinance, permits special assessments to be paid in installments. Real property taxes must be paid in full by January 31 or in two equal installments by January 31 and July 31. Alternatively, municipalities may adopt a payment plan which permits real property taxes to be paid in three or more equal installments, provided that the first installment is paid by January 31, one-half of the taxes are paid by April 30 and the remainder is paid by July 31. Amounts paid on or before January 31 are paid to the town, city or village treasurer. Amounts paid after January 31, are paid to the county treasurer unless the municipality has authorized payment in three or more installments in which case payment is made to the town, city or village treasurer. On or before January 15 and February 20 the town, city or village treasurer settles with other taxing jurisdictions for all collections through December and January, respectively. In municipalities which have authorized the payment of real property taxes in three or more installments, the town, city or village treasurer settles with the other taxing jurisdictions on January 15, February 20 and on the fifteenth day of each month following the month in which an installment payment is required. On or before August 20, the county treasurer must settle in full with the underlying taxing districts for all real property taxes and special taxes. Any county board may authorize its county treasurer to also settle in full with the underlying taxing districts for all special assessments and special charges. The county may

then recover any tax delinquencies by enforcing the lien on the property and retain any penalties or interest on the delinquencies for which it has settled. Uncollected personal property taxes owed by an entity that has ceased operations or filed a petition for bankruptcy, or are due on personal property that has been removed from the next assessment roll are collected from each taxing entity in the year following the levy year.

PROPERTY TAX RATES

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

Eau Claire

Year Levied/ Year Collected	Schools[1]	County	Local	Other[2]	Total
2014/15	10.76	3.75	8.74	0.17	23.43
2015/16	10.29	3.77	8.47	0.17	22.71
2016/17	10.65	3.84	8.57	0.18	23.24
2017/18	10.22	3.85	8.46	0.00	22.54
2018/19	9.37	3.82	8.00	0.00	21.20

Chippewa

Year Levied/ Year Collected	Schools[1]	County	Local	Other[2]	Total
2014/15	10.74	3.63	8.72	0.17	23.25
2015/16	10.27	3.55	8.45	0.17	22.44
2016/17	10.61	3.49	8.54	0.17	22.82
2017/18	10.19	3.50	8.44	0.00	22.13
2018/19	9.39	3.44	7.98	0.00	20.81

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

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

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

LEVY LIMITS

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

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

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

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

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

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

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

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

THE ISSUER

CITY GOVERNMENT

The City was incorporated in 1872 and is governed by a President and a ten-member City Council. The President votes on all Council matters. All Council Members are elected to three-year terms. The appointed City Manager, City Clerk, Finance Director, Financial Operations Manager and Accounting Manager-Comptroller are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

The City employs a staff of 483 full-time, 12 part-time, and 42 seasonal employees. All eligible employees in the City are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes ("Chapter 40"). The WRS is a cost-sharing multiple-employer defined benefit pension plan. The Department of Employee Trust Funds ("ETF") administers the WRS. Required contributions to the WRS are determined by the ETF Board pursuant to an annual actuarial valuation in accordance with Chapter 40 and the ETF's funding policies. The ETF Board has stated that its funding policy is to (i) ensure funds are adequate to pay benefits; (ii) maintain stable and predictable contribution rates for employers and employees; and (iii) maintain inter-generational equity to ensure the cost of the benefits is paid for by the generation that receives the benefits.

City employees are generally required to contribute half of the actuarially determined contributions, and the City may not pay the employees' required contribution. The total retirement plan contributions (including both the City's and the employees' contributions) for the fiscal year ended December 31, 2016 were $3,146,149. During the fiscal year ended December 31, 2017 ("Fiscal Year 2017") and the fiscal year ended December 31, 2018 ("Fiscal Year 2018"), the City's portion of contributions to WRS (not including any employee contributions) totaled $3,011,560 and $3,353,631 respectively.

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

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

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

Under GASB 75, each participating employer in a cost-sharing pension plan must report the employer's proportionate share of the net pension liability or net pension asset of the pension plan. Accordingly, for Fiscal Year 2018, the City reported an asset of $9,638,358 for its proportionate share of the net pension asset of the WRS. The net pension liability was measured as of December 31, 2017 based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. The City's proportion was .324620200% of the aggregate WRS net pension asset as of December 31, 2017.

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

Recognized and Certified Bargaining Units

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

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

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

The following bargaining units represent employees of the City:

Bargaining Unit	Expiration Date of Current Contract
Local 487 (Eau Claire Fire Fighters AFL-CIO)	December 31, 2019
Amalgamated Transit Union 1310	December 31, 2019
Police Patrol Local 9	December 31, 2019

OTHER POST EMPLOYMENT BENEFITS

The City has obligations for some post-employment benefits for its employees. Accounting for these obligations is dictated by Governmental Accounting Standards Board Statement No. 75 (GASB 75). The City's most recent Comprehensive Annual Financial Report (CAFR) shows a total OPEB liability of $45,548,258 as of December 31, 2018. The City has been funding these obligations on a pay-as-you-go basis.

Source: The City's most recent CAFR.

LITIGATION

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

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

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 Bonds would not occur.

FUNDS ON HAND (as of December 31, 2018)

Fund	Total Cash and Investments
General	$26,566,505
Special Revenue	4,807,969
Debt Service	4,567,093
Capital Projects	12,005,863
Enterprise Funds	17,652,666
Risk Management	6,866,867
Equipment Replacement	5,670,202
Total Funds on Hand	$78,137,165

ENTERPRISE FUNDS

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

	2016	2017	2018
Water			
Total Operating Revenues	$9,738,531	$ 9,649,699	$ 9,925,829
Less: Operating Expenses	(6,183,966)	(6,237,538)	(6,657,029)
Operating Income	$3,554,565	$ 3,412,161	$ 3,268,800
Plus: Depreciation	1,737,977	1,922,545	2,052,977
Interest Income	26,037	45,626	55,003
Revenues Available for Debt Service	$5,318,579	$ 5,380,332	$ 5,376,780
Sewer			
Total Operating Revenues	$9,874,633	$10,625,045	$10,883,501
Less: Operating Expenses	(8,106,651)	(8,306,731)	(8,237,272)
Operating Income	$1,767,982	$ 2,318,314	$ 2,646,229
Plus: Depreciation	2,541,765	3,002,852	3,045,389
Interest Income	52,841	110,641	224,676
Revenues Available for Debt Service	$4,362,588	$ 5,431,807	$ 5,916,294
Storm Water			
Total Operating Revenues	$4,500,514	$4,530,613	$ 4,675,233
Less: Operating Expenses	(2,900,201)	(2,832,974)	(3,077,556)
Operating Income	$1,600,313	$1,697,639	$ 1,597,677
Plus: Depreciation	955,982	983,389	1,020,732
Interest Income	6,206	12,758	13,480
Revenues Available for Debt Service	$2,562,501	$2,693,786	$ 2,631,889

SUMMARY GENERAL FUND INFORMATION

Following are summaries of the revenues and expenditures and fund balances for the City's General Fund. These summaries are not purported to be the complete audited financial statements of the City, and potential purchasers should read the included financial statements in their entirety for more complete information concerning the City. Copies of the complete audited financial statements are available upon request. See Appendix A for the City's 2018 audited financial statements.

COMBINED STATEMENT	FISCAL YEAR ENDING DECEMBER 31				
	2015 Audited	2016 Audited	2017 Audited	2018 Audited	2019 Adopted Budget[1]
Revenues					
Taxes	$ 33,862,583	$ 34,080,064	$ 40,722,147	$ 42,059,639	$ 44,580,200
Special assessments	2,125,272	1,860,576	2,385,451	2,744,668	1,731,200
Intergovernmental	11,936,742	11,838,533	11,853,937	12,365,985	12,544,900
Licenses and permits	1,718,298	1,822,348	1,873,491	1,872,527	1,771,500
Fines, penalties and forfeitures	702,069	520,378	457,650	554,677	504,000
Charges for services - public	4,117,355	4,011,389	3,849,325	4,223,525	4,256,500
Charges for services - intergovernmental	3,691,777	3,442,966	3,503,146	3,728,920	4,048,500
Investment income	1,015,789	518,642	1,010,223	1,530,350	110,000
Miscellaneous general revenues	425,596	420,668	390,615	415,514	1,535,200
Total Revenues	$ 59,595,481	$ 58,515,564	$ 66,045,985	$ 69,495,805	$ 71,082,000
Expenditures					
Current:					
General government	$ 6,358,540	$ 7,064,033	$ 6,763,997	$ 7,262,870	$ 6,403,400
Public safety	26,779,876	27,753,095	28,621,536	29,532,279	31,694,975
Public works	8,475,997	8,592,595	8,949,646	9,662,298	9,216,825
Culture and recreation	4,273,139	4,302,361	4,205,776	4,404,447	5,162,600
Development	0	0	0	745,000	666,500
Miscellaneous	392,120	368,548	454,574	786,389	1,196,800
Capital outlay	32,273	0	0	0	5,548,000
Debt service	0	0	0	7,578	9,427,500
Total Expenditures	$ 46,311,945	$ 48,080,632	$ 48,995,529	$ 52,400,861	$ 69,316,600
Excess of revenues over (under) expenditures	$ 13,283,536	$ 10,434,932	$ 17,050,456	$ 17,094,944	$ 1,765,400
Other Financing Sources (Uses)					
Transfers in	1,666,000	1,775,698	1,815,559	1,816,590	0
Transfers out	(14,822,295)	(11,191,088)	(18,589,177)	(19,022,694)	(7,312,600)
Long-term debt issued	0	2,200,000	0	975,000	0
Premium on long-term debt issued	0	10,426	0	8,978	0
Sale of capital assets	228,824	96,589	80,783	7,170	0
Total Other Financing Sources (Uses)	$(12,927,471)	$ (7,108,375)	$(16,692,835)	$(16,214,956)	$ (7,312,600)
Excess of revenues and other financing sources over (under) expenditures and other financing uses	$ 356,065	$ 3,326,557	$ 357,621	$ 879,988	$ (5,547,200)
General Fund Balance January 1	24,786,080	25,142,145	28,468,702	28,826,323	
Prior Period Adjustment	0	0	0	0	
Residual Equity Transfer in (out)	0	0	0	0	
General Fund Balance December 31	$ 25,142,145	$ 28,468,702	$ 28,826,323	$ 29,706,311	
DETAILS OF DECEMBER 31 FUND BALANCE					
Nonspendable	4,649,638	4,221,466	3,785,171	3,713,801	
Restricted	75,000	0	0	0	
Assigned	4,615,065	5,442,677	4,828,248	7,467,060	
Unassigned	15,802,442	18,804,559	20,212,904	18,525,450	
Total	$ 25,142,145	$ 28,468,702	$ 28,826,323	$ 29,706,311	

[1] The 2019 budget was adopted on November 27, 2018.

GENERAL INFORMATION

LOCATION

The City of Eau Claire, with a 2010 U.S. Census population of 65,883, and a current estimated population of 67,945, comprises an area of 34 square miles and is located approximately 90 miles east of the Minneapolis-St. Paul, Minnesota metropolitan area.

LARGER EMPLOYERS[1]

Larger employers in the City include the following:

Firm	Type of Business/Product	Estimated No. of Employees
Menard Inc.	Home improvement retail	10,000[2]
University of Wisconsin-Eau Claire	Post secondary education	3,869[3]
Mayo Clinic Health System	Hospital and clinics	3,350
Phillips-Medisize	Hospital equipment & supplies	1,700
Eau Claire Area School District	Elementary and secondary education	1,300
Sacred Heart Hospital	Hospital	1,200
Marshfield Clinic- Eau Claire	Physicals and surgeons	1,133
United Health Care	Insurance-Health & Accident	800
Hutchinson Technology Inc.	Electro mechanical system manufacturers	750
Eau Claire County	County government and services	615
City of Eau Claire	Municipal government and services	537
Nestle USA	Food products & manufacturers	500

Source: *ReferenceUSA, 2018 CAFR, written and telephone survey (July 2019), Wisconsin Manufacturers Register, and the Wisconsin Department of Workforce Development.*

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

[2] Total employees as of 2018. Includes two retail stores, corporate headquarters and a distribution center located in the City.

[3] Total number of employees includes 2,509 student employees.

BUILDING PERMITS

	2015	2016	2017	2018	2019[1]
New Single Family Homes					
No. of building permits	81	148	77	83	26
Valuation	$15,376,000	$9,331,504	$20,155,437	$20,951,592	$6,967,876
New Multiple Family Buildings					
No. of building permits	6	30	5	3	5
Valuation	$5,387,000	$11,070,769	$8,601,150	$5,264,000	$3,640,000
New Commercial/Industrial					
No. of building permits	9	29	34	49	41
Valuation	$2,879,350	$7,556,291	$6,412,539	$19,179,628	$16,072,556
All Building Permits *(including additions and remodelings)*					
No. of building permits	958	249	287	689	231
Valuation	$155,299,632	$159,096,517	$295,604,991	$121,562,043	$60,457,411

Source: The City.

[1] As of May 2019.

U.S. CENSUS DATA

Population Trend: The City

2000 U.S. Census	61,704
2010 U.S. Census	65,883
2018 Estimated Population	67,945
Percent of Change 2000 - 2010	+ 6.77%

Income and Age Statistics

	The City	Eau Claire County	State of Wisconsin	United States
2017 per capita income	$25,908	$27,780	$30,557	$31,177
2017 median household income	$47,660	$52,178	$56,759	$57,652
2017 median family income	$67,656	$71,925	$72,542	$70,850
2017 median gross rent	$789	$787	$813	$982
2017 median value owner occupied units	$143,200	$156,200	$169,300	$193,500
2017 median age	31.4 yrs.	34.3 yrs.	39.2 yrs.	37.8 yrs.

	State of Wisconsin	United States
The City % of 2017 per capita income	84.79%	83.10%
The City % of 2017 median family income	93.26%	95.49%

Housing Statistics

	The City		
	2000	2017	Percent of Change
All Housing Units	24,895	28,790	15.65%

Source: *2000 and 2010 Census of Population and Housing, and 2017 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (www.factfinder2.census.gov).*

EMPLOYMENT/UNEMPLOYMENT DATA

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

	Average Employment	Average Unemployment	
Year	Eau Claire County	Eau Claire County	State of Wisconsin
2015	55,944	3.8%	4.6%
2016	56,984	3.4%	4.0%
2017	57,726	2.9%	3.3%
2018	57,735	2.6%	3.0%
2019, June	57,141	3.4%	2.9%

Source: *Wisconsin Department of Workforce Development*.

APPENDIX A

FINANCIAL STATEMENTS

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

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

City of Eau Claire

Eau Claire, Wisconsin

COMPREHENSIVE ANNUAL FINANCIAL REPORT INCLUDING INDEPENDENT AUDITORS' REPORT AS OF AND FOR THE YEAR ENDED

DECEMBER 31, 2018

Finance Department
Jacob Winzenz, Finance Director

bakertilly

INDEPENDENT AUDITORS' REPORT

To the City Council
City of Eau Claire
Eau Claire, Wisconsin

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control over financial reporting relevant to the City of Eau Claire's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the City of Eau Claire'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.

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Opinions

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

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit for the year ended December 31, 2018 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Eau Claire's basic financial statements. The supplementary information for the year ended December 31, 2018 as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2018, 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 for the year ended December 31, 2018.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the City of Eau Claire as of and for the year ended December 31, 2017 (not presented herein), and have issued our report thereon dated June 28, 2018, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information. The supplementary information for the year ended December 31, 2017 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2017 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those 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 for the year ended December 31, 2017.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Eau Claire's basic financial statements. The "Introductory Section" and "Statistical Section" are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Prior-Year Comparative Information

We have previously audited the City of Eau Claire's 2017 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information in our report dated June 28, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

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

Baker Tilly Virchow Krause, LLP

Eau Claire, Wisconsin
June 28, 2019

CITY OF EAU CLAIRE, WISCONSIN

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

This discussion and analysis of the financial performance of the City of Eau Claire is intended to provide an overview of the City's financial activities for the fiscal year ended December 31, 2018. Readers are encouraged to consider the information presented here in conjunction with additional information as furnished in the letter of transmittal and the financial statements, which begin on page 1.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City of Eau Claire exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $356.2 million (net position). Of the net position, $293.5 million represents the City's net investment in capital assets, $35.1 million is held for restricted purposes and $27.6 million is available to meet the City's ongoing obligations to its citizens and creditors.
- During 2018, the City of Eau Claire's total net position increased by $10.7 million from 2017, or approximately 3.1%.
- At the close of 2018, the City of Eau Claire's General Fund reported an ending fund balance of $29.7 million, a net increase of $.9 million from 2017.
- At the end of the current fiscal year, unassigned fund balance for the General fund was $18.5 million or 35.4% of the total General Fund expenditures.
- During 2018, the City of Eau Claire continued a proactive plan for the replacement of aging infrastructure, upgrading of technology used in operations and the improvement of utility services. The City's additions to capital assets totaled $34.2 million, excluding construction in progress, as shown in Note III-D of this report.

OVERVIEW OF THE FINANCIAL STATEMENTS

This section serves as an introduction to the City of Eau Claire's basic financial statements. The basic financial statements for the City are comprised of three components:

- Government-Wide Financial Statements
- Fund Financial Statements
- Notes to the Financial Statements

This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The two government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to private-sector business entities. The *Statement of Net Position* presents information on all of the City of Eau Claire's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the total of the assets and deferred outflows of resources less the total of the liabilities and deferred inflows of resources 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 fiscal 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 the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). The government-wide financial statements can be found on pages 1 through 3 of this report.

Both government-wide financial statements distinguish those functions of the municipality that are principally supported by taxes and intergovernmental revenues, known as governmental activities, from other functions that are intended to recover all, or a significant portion, of their costs through user fees and services charges, called business-type activities. The governmental activities of the City include general government, public safety, public works, health services, culture and recreation, development and other miscellaneous activities. The business-type activities of the City include the Water, Sewer, Storm Water and Parking Utilities, Public Transit, the Hobbs Ice Center and the Outdoor Pool.

In addition to these various direct operations of the City, or primary government, the government-wide financial statements also include financial information related to legally distinct entities for which the City has financial responsibility and accountability, known as component units. These component units are the Redevelopment Authority, the South Barstow Business Improvement District, the West Grand Business Improvement District, the Water Street Business Improvement District and the North Barstow/Medical Business Improvement District. These entities are described in Note III-H following the financial statements. Separately issued financial statements of the Redevelopment Authority may be obtained from the Finance Director's office, which is located at 203 South Farwell Street, P.O. Box 5148, Eau Claire, WI 54702-5148.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Eau Claire, like other governmental entities, uses fund accounting to ensure and demonstrate compliance with various finance-related legal requirements. Some funds are required by law, while others are established internally to maintain control over a particular activity. 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 statements, governmental fund financial statements focus on near-term inflows and outflows of current spendable resources, as well as balances of spendable resources that can be converted to cash and balances available at the end of the fiscal year for future spending. Such information may be useful in evaluating a government's near-term financing requirements.

Governmental funds include the General Fund, special revenue, debt service and capital project funds. Of these, the General Fund and the Debt Service-General are shown as major funds and are presented in separate columns. Data from the other governmental funds are combined into a single column for aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. Reconciliations follow the *Balance Sheet-Governmental Funds* and *Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds*. The reconciliations show the adjustments that are needed to convert the governmental funds financial statements to the government-wide *Statement of Net Position and Statement of Activities*.

Proprietary Funds

Proprietary funds maintained by the City of Eau Claire are of two different types: enterprise funds and internal service funds. Enterprise funds are used to report those functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for activities that provide supplies and services to the general public. Proprietary fund statements provide the same type of information as the government-wide financial statements, but in more detail. The City's fund financial statements present separate enterprise fund information for the Water, Sewer and Storm Water Utilities; data from the other proprietary funds are combined into a single column for aggregated presentation. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report. The proprietary fund financial statements begin on page 9 of this report.

Internal service funds are used to account for enterprise-like operations that provide services, on a user fee basis, primarily or exclusively to departmental customers within the governmental entity itself, rather than to external customers. The City uses internal service funds to account for its risk management and central equipment functions. Because these services predominately benefit governmental rather than business-type functions, they have been allocated primarily to the governmental activities in the government-wide financial statements. Detail about each fund may be found in the supplementary information section beginning on page 114.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The City of Eau Claire uses a fiduciary fund to account for taxes collected for the benefit of overlapping tax jurisdictions. The Tax Collection fiduciary fund is not reflected in the government-wide financial statements because the resources of the fund are not available to support the programs of the City. The accounting for the Tax Collection fund is similar to that used for proprietary funds. The fiduciary fund financial statement can be found on page 14 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional detail that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found beginning on page 17 of this report.

Additional Supplementary Information

Following the basic government-wide and fund financial statements and accompanying notes, combining statements are included for the non-major governmental, enterprise and internal service funds, along with component units. The last section of *The City of Eau Claire Comprehensive Annual Financial Report* presents statistical and historical reference data.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The *Statement of Net Position* for the City of Eau Claire is summarized in the table on the following page. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The largest portion of the City's net position, approximately 82.4% is invested in capital assets, less any related debt used to acquire those assets that is still outstanding. Capital assets include such items as land, improvements, buildings, infrastructure, machinery and equipment, intangibles and work in progress. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Net investment in capital assets reported in connection with the City's total activities increased $5.5 million or 1.9% from 2017. The capital assets analysis is explained in greater detail on page xxvii.

An additional portion of the City's net position, 9.8%, represents resources that are subject to other restrictions as to how they may be used. Restricted net position reported in connection with the City's total activities increased $11.9 million or 51.2% due mainly to the $9.6 million in net pension assets and also due to an increase of $1.7 million in restricted equipment replacement funds.

The remaining net position, 7.8% is unrestricted and may be used to meet the City's ongoing obligations to its citizens and creditors. It is important to note that $17.4 million, or about 63.0%, of the unrestricted net position is related to the City's business-type activities. Consequently, they generally may not be used to fund governmental activities.

At the end of the current fiscal year, the City was able to report positive balances in all three categories of net position, both for the government as a whole and for its separate governmental and business-type activities. The same situation held true for the prior year.

City of Eau Claire, Wisconsin
Summary of Net Position

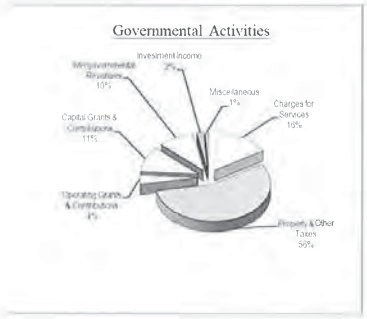
	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current and Other Assets	$ 141,823,052	$ 136,786,766	$ 32,451,638	$ 28,626,619	$ 174,274,690	$ 165,413,385
Capital Assets (Net)	202,249,100	188,594,744	250,099,336	247,342,637	452,348,436	435,937,381
Total Assets	344,072,152	325,381,510	282,550,974	275,969,256	626,623,126	601,350,766
Deferred Outflows of Resources	19,886,654	20,896,124	2,381,000	2,834,391	22,266,654	23,730,515
Current Liabilities	7,381,014	7,746,286	2,024,604	2,083,272	9,405,618	9,829,558
Noncurrent Liabilities	158,528,252	153,718,091	59,472,817	61,033,586	218,001,069	214,751,677
Total Liabilities	165,909,266	161,464,377	61,497,421	63,116,858	227,406,687	224,581,235
Deferred Inflows of Resources	63,295,962	53,975,323	2,018,513	1,083,013	65,314,475	55,058,336
Net Investment in Capital Assets	107,877,841	108,081,249	194,167,440	189,245,423	302,045,281	297,326,672
Debt Reclassification	-	-	-	-	(8,554,595)	(9,356,569)
Total Net Investment in Capital Assets	107,877,841	108,081,249	194,167,440	189,245,423	293,490,686	287,970,103
Restricted	25,221,878	16,147,710	9,839,779	7,045,463	35,061,657	23,193,173
Unrestricted	1,652,859	6,608,975	17,408,821	18,312,890	19,061,680	24,921,865
Debt Reclassification	-	-	-	-	8,554,595	9,356,569
Total Unrestricted	1,652,859	6,608,975	17,408,821	18,312,890	27,616,275	34,278,434
Total Net Position	$ 134,752,578	$ 130,837,934	$ 221,416,040	$ 214,603,776	$ 356,168,618	$ 345,441,710
Total Net Position as a % of Total Liabilities/Deferred Inflows	59%	61%	349%	334%	122%	124%
Unrestricted Net Position as a % of Total Liabilities/Deferred Inflows	1%	3%	27%	29%	9%	12%

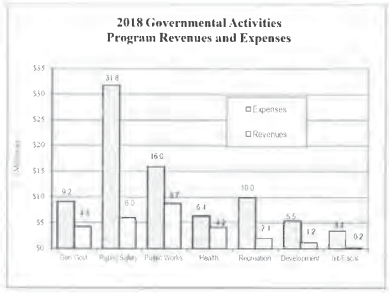
An examination of the *Statement of Activities* provides a concise picture of how the various activities of the City are funded. The table below summarizes the City's governmental and business-type activities.

City of Eau Claire, Wisconsin
Summary of Activities

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues						
Program revenues:						
Charges for services	$ 14,230,095	$ 13,813,060	$ 28,221,591	$ 27,387,141	$ 42,451,686	$ 41,200,201
Operating grants & contributions	3,569,886	3,539,417	3,426,197	3,420,451	6,996,083	6,959,868
Capital grants & contributions	8,984,329	5,680,238	2,940,125	535,454	11,924,454	6,215,692
General revenues:						
Property taxes	45,761,635	43,678,636	-	-	45,761,635	43,678,636
Hotel/motel room taxes	2,022,688	2,006,478	-	-	2,022,688	2,006,478
Other taxes	418,534	271,240	-	-	418,534	271,240
Intergovernmental revenues	8,703,519	8,636,848	-	-	8,703,519	8,636,848
Investment income	1,926,995	1,185,182	297,630	169,025	2,224,625	1,354,207
Miscellaneous	276,613	586,342	287,375	920,120	563,988	1,506,462
Total revenues	85,894,294	79,397,441	35,172,918	32,432,191	121,067,212	111,829,632
Expenses						
Program expenses:						
General government	9,249,124	8,302,415	-	-	9,249,124	8,302,415
Public safety	31,792,969	29,988,626	-	-	31,792,969	29,988,626
Public works	15,984,033	17,212,553	-	-	15,984,033	17,212,553
Health services	6,372,757	6,336,338	-	-	6,372,757	6,336,338
Culture and recreation	9,995,611	10,158,159	-	-	9,995,611	10,158,159
Development	5,494,366	6,802,760	-	-	5,494,366	6,802,760
Interest & fiscal charges	3,445,326	3,307,915	-	-	3,445,326	3,307,915
Water Utility	-	-	6,856,005	6,966,768	6,856,005	6,966,768
Sewer Utility	-	-	9,165,896	9,731,121	9,165,896	9,731,121
Storm Water Utility	-	-	3,519,018	3,298,068	3,519,018	3,298,068
Public Transit	-	-	5,936,953	6,138,377	5,936,953	6,138,377
Parking Utility	-	-	816,753	663,853	816,753	663,853
Hobbs Ice Center	-	-	1,229,614	1,234,173	1,229,614	1,234,173
Outdoor Pool	-	-	481,879	443,666	481,879	443,666
Total expenses	82,334,186	82,108,766	28,006,118	28,476,026	110,340,304	110,584,792
Increase in net position before transfers	3,560,108	(2,711,325)	7,166,800	3,956,165	10,726,908	1,244,840
Transfers	354,536	(424,403)	(354,536)	424,403	-	-
Change in net position	3,914,644	(3,135,728)	6,812,264	4,380,568	10,726,908	1,244,840
Net position at January 1	130,837,934	133,973,662	214,603,776	210,223,208	345,441,710	344,196,870
Net position at December 31	$134,752,578	$130,837,934	$221,416,040	$214,603,776	$356,168,618	$345,441,710

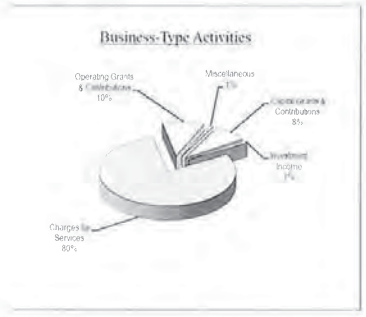
The chart on the right illustrates how governmental activities are funded. Taxes, primarily real and personal property, but also room taxes and payments-in-lieu of taxes, provide about 56% of the revenue for governmental activities. State aids and other grants comprise another 25% while charges for services and all other sources are equal to 19% of revenues.





Another way to analyze the data in the *Statement of Activities* is to compare expenses of a particular program with revenues generated. The graph on the left reflects this comparison for 2018 governmental activities.

Business-type activities depend on charges for services as their primary revenue sources. As indicated in the chart on the right, 80% of revenues are generated from user charges.



FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS

Governmental Funds

The focus of the City's governmental funds is to provide information regarding near-term inflows, outflows and spendable resources. Such information can be useful in assessing the City's financing requirements.

As of December 31, 2018, the City of Eau Claire's *Balance Sheet - Governmental Funds* on page 4 reported combined ending fund balances of $54.5 million, a decrease of $1.3 million over the previous year's ending balances.

The General Fund is the primary operating fund used to account for the governmental operations of the City. The largest revenue sources for the General Fund are taxes and intergovernmental aids, together accounting for 78.3% of revenues. Public safety, public works and general government were the primary operations of the General Fund. Of the $71.4 million General Fund expenditures and other financing uses, 41.3% or $29.5 million was related to public safety, 13.5% or $9.7 million was related to public works and 10.2% or $7.3 million was related to general government.

The General Fund has a fund balance of $29.7 million, an increase of $.9 million from 2017. Several factors led to this increase, the most significant was due to a higher than expected rate of return on investments which accounted for $.5 million of the increase.

Of the fund balance, $3.7 million is nonspendable, reflecting loans made to other funds and organizations, prepaid items and inventories. The assigned fund balance of $7.5 million includes $5.6 million for subsequent year capital projects and operating budget carryforwards, $1.7 million for maintenance on an arterial thoroughfare and $.2 million for the replacement of artificial turf. The unassigned fund balance is $18.5 million.

The Debt Service Fund had a total fund balance of $4.9 million, a decrease of $.1 million from 2017. This balance reflects the amounts restricted to pay debt service.

The Nonmajor Governmental Funds column in the balance sheet includes various special revenue, debt service and capital projects funds used to account for proceeds of specific revenue sources that are restricted to expenditures for specific purposes. The fund balance of the Nonmajor Governmental Funds decreased from 2017 by $2.1 million, primarily due to the increased capital outlay expenditures in the nonmajor capital project funds as indicated on pages 97 and 98.

Proprietary Funds

The City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in greater detail. The detail of the City's proprietary funds can be found from pages 9 to 13. The net position of the enterprise-type proprietary funds at the end of 2018 totaled $221.4 million, an increase of $6.7 million from the previous year's net position.

Some highlights:

- The water utility's change in net position in the current year was a positive $2.9 million as compared to positive change of $1.4 million in fiscal year 2017. This increase of $1.5 million is due mainly to a $1.1 million increase in capital contributions.
- The sewer utility's change in net position in the current year was a positive $2.7 million as compared to positive change of $1.8 million in fiscal year 2017. This increase of $.9 million is due mainly to a $.6 million increase in capital contributions and $.1 million increase in interest revenue earned on investments.
- The storm water utility's change in net position in the current year was a positive $1.9 million as compared to positive change of $1.8 million in fiscal year 2017. This increase of $.1 million is due mainly to a $.2 million increase in capital contributions offset by $.1 million increase in wages and benefits expenses.
- The total enterprise funds had a collective income before transfers and contributions of $4.2 million, primarily generated by the Water, Sewer and Storm Water funds.

GENERAL FUND BUDGETARY HIGHLIGHTS

As shown in the *Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund* on page 74, the original 2018 General Fund budget authorized expenditures and other financing uses of $72.3 million, funded by anticipated revenues and other financing sources of $69.4 million and the application of $2.9 million in available reserves. From time to time during the year, the City Council approved adjustments to the budget, primarily for grants and donations. These changes are reflected in the Final Budgeted Amounts column.

The City ended the year with net favorable variances. Revenues and other financing sources were over budget by $2.3 million due primarily to higher than anticipated advance payments of current special assessments and greater rates of return on investments.

The City experienced a favorable expenditure variance of $.9 million compared to the original adopted budget. The variance is due mainly to lower than expected increases in health insurance premiums.

CAPITAL ASSETS AND DEBT

Capital Assets

In accordance with the implementation requirements of GASB No. 34, the City has recorded historical costs and depreciation expense associated with all of its capital assets, including infrastructure. As summarized in the table below, the City's reported investment in capital assets for governmental and business-type activities as of December 31, 2018 totaled $708 million. These assets include the street network in the governmental activities and the water, sewer and storm water systems in the business-type activities. Total accumulated depreciation was calculated to be over $255 million, or approximately 36% of the historical asset cost. Net of accumulated depreciation, the City's investment in capital assets is more than $452 million. The net increase over 2017 is approximately $16 million. The largest increases were due to a $6.5 million increase in street construction, $4.3 million related to construction of Fire Station #10, $1.5 million related to construction of three water utility wells, and $1.2 related to police department and communication center software upgrades.

City of Eau Claire, Wisconsin
Capital Assets, Net of Accumulated Depreciation

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Land	$ 18,516,536	$ 18,425,858	$ 17,295,152	$ 17,278,543	$ 35,811,688	$ 35,704,401
Improvements	13,237,296	12,206,281	4,381,737	4,074,543	17,619,033	16,280,824
Buildings	34,560,640	28,356,951	90,075,009	89,085,969	124,635,649	117,442,920
Infrastructure	212,857,922	206,403,122	220,943,395	210,021,776	433,801,317	416,424,898
Machinery and Equipment	42,801,712	41,020,516	28,912,961	28,360,857	71,714,673	69,381,373
Intangibles	9,249,603	7,939,387	230,360	251,204	9,479,963	8,190,591
Work in Progress	14,116,361	9,725,399	634,927	3,794,955	14,751,288	13,520,354
Subtotal	345,340,070	324,077,514	362,473,541	352,867,847	707,813,611	676,945,361
Less Accumulated Dep	(143,090,970)	(135,482,770)	(112,374,205)	(105,525,210)	(255,465,175)	(241,007,980)
Total	$ 202,249,100	$ 188,594,744	$ 250,099,336	$ 247,342,637	$ 452,348,436	$ 435,937,381

Additional information about the City's capital assets can be found in Note III-D of this report. As shown in Note III-D, some of the most significant additions to the City's capital assets during 2018 included the following:

Significant Additions to Capital Assets in 2018

(Dollars in Millions)

	Governmental Activities	Business-Type Activities
Land, Improvements, and Buildings	$ 7.6	$ 1.3
Infrastructure	7.7	11.4
Machinery and Equipment	4.1	.8
Intangibles	1.3	-

Long-Term Debt

At December 31, 2018, the City of Eau Claire had approximately $165 million of bond and long-term note principal outstanding, as summarized in the following table:

City of Eau Claire, Wisconsin
Notes and Bonds Outstanding
General Obligation and Revenue Bonds

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
General Obligation Bonds & Notes	$ 109,655,653	$ 103,717,572	$ 18,129,347	$ 17,442,428	$ 127,785,000	$ 121,160,000
Revenue Bonds	-	-	37,259,151	39,341,337	37,259,151	39,341,337
Total	$ 109,655,653	$ 103,717,572	$ 55,388,498	$ 56,783,765	$ 165,044,151	$ 160,501,337

Under Wisconsin State Statute Section 67.03(1), the outstanding general obligation long-term debt of a municipality may not exceed 5% of the equalized property value of all taxable property within the jurisdiction. The City has set an internal debt goal, which seeks to remain below 3.5% or 70% of the maximum allowed by the state. General obligation debt of the City at the close of 2018 totaled $127.8 million, along with amounts available for payment of principal, is approximately 44% of the maximum legal limit and 63% of the maximum allowed by the City's internal policy. During 2018, the City issued new debt for the following amounts and purposes:

City of Eau Claire, Wisconsin
Long-term Debt Issued

Date	Type of Debt	Amount
09/27/2018	General Obligation Corporate Purpose Bonds issued to finance street improvements, bridge improvements, improvements to fire station and acquisitions of fire truck and equipment, TIF 8 projects, TIF 10 projects, water system improvements, storm water system improvements, Hobbs Municipal Ice Arena improvements, and for the purpose of refunding series 2009B Bonds.	$14,330,000
09/27/2018	General Obligation Corporate Promissory Notes issued to finance street improvements, construction and improving of land, building and equipment, library improvements, and for the purpose of refunding series 2008A Bonds.	$6,260,000
09/27/2018	Taxable General Obligation Corporate Purpose Bonds issued to finance parking facilities projects, park and public grounds improvement projects, redevelopment and urban renewal programs and projects, and for the purpose of refunding series 2008C Bonds.	$7,195,000

The General Obligation Bonds and Promissory Notes were rated Aa1 by Moody's Investors Service.

Additional information about the City's long-term debt can be found in Note III-F of this report.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. As in the past, the City provides the Comprehensive Annual Financial Report on our web page (https://www.eauclairewi.gov/government/financial-transparency/annual-financial-reports). If anyone has any questions about this report or needs additional financial information about the City of Eau Claire, please contact the Finance Department at 203 South Farwell Street, Eau Claire, Wisconsin, 54701. Finance Department staff can also be reached at (715) 839-4915.

CITY OF EAU CLAIRE

STATEMENT OF NET POSITION
As of December 31, 2018
(With Comparative Reporting Entity Totals for December 31, 2017)

	Primary Government					Totals Reporting Entity	
	Governmental Activities	Business-type Activities	Debt Reclassifications	Totals	Component Units	2018	2017
ASSETS							
Cash and investments	$ 62,969,569	$ 17,652,666	$ -	$ 80,622,235	$ 943,627	$ 81,565,862	$ 79,248,733
Taxes receivable, net	46,764,545	871,098	-	47,635,643	-	47,635,643	47,923,347
Special assessments receivable	4,606,949	197,498	-	4,804,447	236,350	5,040,797	4,917,484
Notes receivable, net	2,940,414	-	-	2,940,414	4,167	2,944,581	3,024,045
Accounts receivable, net	2,340,355	4,896,514	-	7,236,869	1,445	7,238,314	7,655,587
Interest receivable	161,731	-	-	161,731	-	161,731	106,792
Due from other governments	1,034,317	1,161,184	-	2,195,501	-	2,195,501	1,856,482
Internal balances	3,595,162	(3,595,162)	-	-	-	-	-
Prepaid items and inventories	2,404,284	539,636	-	2,943,920	-	2,943,920	2,344,544
Restricted assets							
Cash and investments	5,661,087	9,667,989	-	15,329,076	-	15,329,076	18,882,571
Net pension asset	8,578,143	1,060,215	-	9,638,358	-	9,638,358	-
Deposit in insurance pools	766,496	-	-	766,496	-	766,496	766,496
Property held for resale	-	-	-	-	2,229,029	2,229,029	1,618,178
Capital assets							
Construction in progress	14,116,361	634,927	-	14,751,288	-	14,751,288	13,520,354
Land	18,516,536	17,295,152	-	35,811,688	-	35,811,688	35,704,401
Other capital assets, net of depreciation/amortization	169,616,203	232,169,257	-	401,785,460	-	401,785,460	386,712,626
Total Assets	344,072,152	282,550,974	-	626,623,126	3,414,618	630,037,744	604,281,640
DEFERRED OUTFLOWS OF RESOURCES							
Other postemployment benefit related amounts	4,275,097	345,545	-	4,620,642	-	4,620,642	3,558,409
Pension related amounts	15,610,557	2,000,719	-	17,611,276	-	17,611,276	20,121,142
Deferred charge on refunding	-	34,736	-	34,736	-	34,736	50,964
Total Deferred Outflows of Resources	19,885,654	2,381,000	-	22,266,654	-	22,266,654	23,730,515
LIABILITIES							
Accounts payable and accrued expenses	3,903,881	1,308,682	-	5,212,563	5,937	5,218,500	5,625,048
Accrued liabilities	2,849,950	644,039	-	3,493,989	-	3,493,989	3,665,403
Customer deposits	465,616	71,638	-	537,254	-	537,254	513,437
Due to other governments	161,567	245	-	161,812	-	161,812	142,026
Noncurrent liabilities							
Due within one year	11,423,653	4,203,165	-	15,626,818	-	15,626,818	15,106,985
Due in more than one year	147,104,599	55,269,652	-	202,374,251	-	202,374,251	199,644,692
Total Liabilities	165,909,266	61,497,421	-	227,406,687	5,937	227,412,624	224,697,591
DEFERRED INFLOWS OF RESOURCES							
Unearned revenues - time requirements	45,668,657	-	-	45,668,657	236,350	45,905,007	46,333,742
Other postemployment benefit related amounts	471,581	38,119	-	509,700	-	509,700	600,881
Pension related amounts	17,121,353	1,980,394	-	19,101,747	-	19,101,747	8,293,033
Deferred charge on refunding	34,371	-	-	34,371	-	34,371	5,680
Total Deferred Inflows of Resources	63,295,962	2,018,513	-	65,314,475	236,350	65,550,825	55,233,336
NET POSITION							
Net investment in capital assets	107,877,841	194,167,440	(8,554,595)	293,490,686	-	293,490,686	287,970,103
Restricted for:							
Debt service payments	6,481,152	1,698,564	-	8,179,716	-	8,179,716	7,504,251
Pension	8,578,143	1,060,215	-	9,638,358	-	9,638,358	-
Cemetery maintenance	151,211	-	-	151,211	-	151,211	184,786
Hazmat	185,157	-	-	185,157	-	185,157	175,014
Landfill Escrow	26,896	-	-	26,896	-	26,896	3,090
Community development	1,716,212	-	-	1,716,212	-	1,716,212	1,801,871
Home grant	13,345	-	-	13,345	-	13,345	1,093
Police department K9	412,066	-	-	412,066	-	412,066	455,340
Economic development	1,797,025	-	-	1,797,025	-	1,797,025	1,678,735
Community enhancement	44,054	-	-	44,054	-	44,054	102,331
Library	1,177,730	-	-	1,177,730	-	1,177,730	1,267,093
Health	1,385,336	-	-	1,385,336	-	1,385,336	1,471,079
Downtown	67,752	-	-	67,752	-	67,752	38,965
TIF projects	1,037,794	-	-	1,037,794	-	1,037,794	633,547
Capital contracts	1,041,338	-	-	1,041,338	-	1,041,338	1,395,491
Insurance deposits	1,106,667	-	-	1,106,667	-	1,106,667	1,101,487
Equipment replacement	-	7,081,000	-	7,081,000	-	7,081,000	5,379,000
Business improvement	-	-	-	-	215,212	215,212	194,123
Unrestricted	1,652,859	17,408,821	8,554,595	27,616,275	2,957,119	30,573,394	36,723,829
TOTAL NET POSITION	$ 134,752,578	$ 221,416,040	$ -	$ 356,168,618	$ 3,172,331	$ 359,340,949	$ 348,081,228

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2018
(With Comparative Reporting Entity Totals for the Year Ended December 31, 2017)

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental Activities				
General government	$ 9,249,124	$ 3,836,505	$ 192,556	$ 308,105
Public safety	31,792,969	5,460,252	568,043	13,254
Public works	15,984,033	493,506	4,826	8,226,690
Health services	6,372,757	2,425,274	1,763,511	-
Culture and recreation	9,995,611	1,595,498	86,866	436,280
Development	5,494,366	419,060	785,434	-
Interest and fiscal charges	3,445,326	-	168,650	-
Total Governmental Activities	82,334,186	14,230,095	3,569,886	8,984,329
Business-type Activities				
Water Utility	6,856,005	9,916,024	-	1,436,521
Sewer Utility	9,165,896	10,771,781	-	751,700
Storm Water Utility	3,519,018	4,675,233	38,737	751,904
Public Transit	5,936,953	1,205,752	3,387,460	-
Parking Utility	816,753	654,043	-	-
Hobbs Ice Center	1,229,614	712,446	-	-
Outdoor Pool	481,879	286,312	-	-
Total Business-type Activities	28,006,118	28,221,591	3,426,197	2,940,125
Total Primary Government	$ 110,340,304	$ 42,451,686	$ 6,996,083	$ 11,924,454
Component Units				
Redevelopment Authority	$ 482,918	$ -	$ 249,642	$ -
South Barstow Business Improvement District	100,776	-	-	-
North Barstow/Medical Business Improvement District	41,768	-	-	-
West Grand Business Improvement District	7,070	-	-	-
Water Street Business Improvement District	7,001	-	-	-
Total Component Units	$ 639,533	$ -	$ 249,642	$ -
General Revenues				
Taxes				
Property taxes, levied for general purposes				
Property taxes, levied for debt service				
Property taxes, levied for TIF districts				
Hotel/motel room taxes				
Other taxes				
Special assessments				
Intergovernmental revenues not restricted to specific programs				
Investment income				
Gain on disposal of capital assets and property held for resale				
Contributions from City				
Miscellaneous				
Total General Revenues				
Transfers				
Change in Net Position				
NET POSITION - Beginning of Year				
NET POSITION - END OF YEAR				

Net (Expenses) Revenues and Changes in Net Position				Totals Reporting Entity	
Governmental Activities	Business-type Activities	Totals Primary Government	Component Units	2018	2017
$ (4,911,958)	$ -	$ (4,911,958)	$ -	$ (4,911,958)	$ (4,159,897)
(25,751,420)	-	(25,751,420)	-	(25,751,420)	(23,807,142)
(7,259,011)	-	(7,259,011)	-	(7,259,011)	(11,764,652)
(2,183,972)	-	(2,183,972)	-	(2,183,972)	(2,035,406)
(7,876,967)	-	(7,876,967)	-	(7,876,967)	(8,443,918)
(4,289,872)	-	(4,289,872)	-	(4,289,872)	(5,734,006)
(3,276,676)	-	(3,276,676)	-	(3,276,676)	(3,131,030)
(55,549,876)	-	(55,549,876)	-	(55,549,876)	(59,076,051)
-	4,496,540	4,496,540	-	4,496,540	2,988,422
-	2,357,585	2,357,585	-	2,357,585	945,458
-	1,946,856	1,946,856	-	1,946,856	1,309,883
-	(1,343,741)	(1,343,741)	-	(1,343,741)	(1,659,884)
-	(162,710)	(162,710)	-	(162,710)	(36,230)
-	(517,168)	(517,168)	-	(517,168)	(512,392)
-	(195,567)	(195,567)	-	(195,567)	(168,237)
-	6,581,795	6,581,795	-	6,581,795	2,867,020
(55,549,876)	6,581,795	(48,968,081)	-	(48,968,081)	(56,209,031)
-	-	-	(233,276)	(233,276)	(218,755)
-	-	-	(100,776)	(100,776)	(86,247)
-	-	-	(41,768)	(41,768)	(32,780)
-	-	-	(7,070)	(7,070)	(10,631)
-	-	-	(7,001)	(7,001)	(9,652)
-	-	-	(389,891)	(389,891)	(358,065)
32,212,730	-	32,212,730	-	32,212,730	31,424,112
9,474,521	-	9,474,521	-	9,474,521	8,759,648
4,074,384	-	4,074,384	-	4,074,384	3,494,876
2,022,688	-	2,022,688	-	2,022,688	2,006,478
418,534	-	418,534	-	418,534	271,240
-	-	-	175,000	175,000	175,000
8,703,519	-	8,703,519	-	8,703,519	8,636,848
1,926,995	297,630	2,224,625	2,704	2,227,329	1,355,620
9,595	-	9,595	-	9,595	780,568
-	-	-	745,000	745,000	-
267,018	287,375	554,393	-	554,393	796,022
59,109,984	585,005	59,694,989	922,704	60,617,693	57,700,412
354,536	(354,536)	-	-	-	-
3,914,644	6,812,264	10,726,908	532,813	11,259,721	1,133,316
130,837,934	214,603,776	345,441,710	2,639,518	348,081,228	346,947,912
$ 134,752,578	$ 221,416,040	$ 356,168,618	$ 3,172,331	$ 359,340,949	$ 348,081,228

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2018

	General Fund	Debt Service - General	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	$ 26,566,505	$ 4,567,093	$ 19,298,902	$ 50,432,500
Receivables				
Taxes	43,868,448	293	2,879,905	46,748,646
Delinquent personal property taxes, net	15,899	-	-	15,899
Accounts, net	1,912,457	25,931	403,604	2,341,992
Notes, net	25,000	-	2,915,414	2,940,414
Special assessments	4,605,701	1,248	-	4,606,949
Interest	161,731	-	-	161,731
Due from other governments	277,411	-	742,505	1,019,916
Due from other funds	1,387,645	-	-	1,387,645
Prepaid items and inventories	1,065,214	-	654,682	1,719,896
Advances to other funds	2,939,780	301,300	1,400,000	4,641,080
Restricted assets - cash and investments	-	-	5,320,916	5,320,916
TOTAL ASSETS	$ 82,825,791	$ 4,895,865	$ 33,615,928	$ 121,337,584
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	$ 897,675	$ -	$ 2,755,268	$ 3,652,943
Accrued liabilities	1,508,023	-	407,941	1,915,964
Deposits	454,754	-	10,862	465,616
Due to other governments	117,226	-	44,341	161,567
Due to other funds	-	-	677,068	677,068
Advances from other funds	-	-	3,651,145	3,651,145
Total Liabilities	2,977,678	-	7,546,625	10,524,303
Deferred Inflows of Resources				
Unearned revenues - time requirements	42,821,162	-	2,847,495	45,668,657
Unavailable revenues	7,320,640	27,472	3,331,669	10,679,781
Total Deferred Inflows of Resources	50,141,802	27,472	6,179,164	56,348,438
Fund Balances				
Nonspendable	3,713,801	-	654,682	4,368,483
Restricted	-	4,868,393	11,035,326	15,903,719
Committed	-	-	602,348	602,348
Assigned	7,467,060	-	11,791,058	19,258,118
Unassigned (deficit)	18,525,450	-	(4,193,275)	14,332,175
Total Fund Balances	29,706,311	4,868,393	19,890,139	54,464,843
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 82,825,791	$ 4,895,865	$ 33,615,928	$ 121,337,584

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
As of December 31, 2018

Total fund balance - governmental funds		$ 54,464,843
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in government activities are not financial resources and therefore are not reported in the fund statements. Capital assets at year-end (excluding internal service funds) consist of:		
Construction in progress	$ 14,116,361	
Land	18,516,536	
Other capital assets, net of depreciation/amortization	169,616,203	
Less: Internal service fund included below	(13,238,863)	189,010,237
Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These amounts are the net effect of these differences:		
(Premium)/discount on debt		(2,599,681)
Deferred charge on refunding of debt		(34,371)
Receivables that may be uncollectible are recorded in unavailable revenue on the fund statements and do not require an allowance. On the government-wide statements an allowance for uncollectible accounts is necessary to offset the revenue that was recognized when earned on the government-wide statements.		(82,778)
Special assessments, loans receivable, and various other receivables are reported as unavailable revenue in the fund financial statements and are recognized as revenue when earned in the government-wide financial statements. See Note III.B.		10,679,781
The net pension asset does not relate to current financial resources and is not reported in the governmental funds.		8,415,612
Some deferred outflows of resources do not relate to current financial resources and are not reported in the governmental funds.		
Deferred outflows - OPEB related amounts		4,257,754
Deferred outflows - pension related amounts		15,319,155
Some deferred inflows of resources do not relate to current financial resources and are not reported in the governmental funds.		
Deferred inflows - OPEB related amounts		(469,668)
Deferred inflows - pension related amounts		(16,789,852)
Internal service funds are used by management to charge the costs of risk management and central equipment to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		27,053,565
Long-term liabilities, including bonds and notes payable, are not due in the current period and therefore are not reported in the fund statements.		
Long-term liabilities at year-end (excluding internal service funds) consist of:		
General obligation debt	(109,655,653)	
Vested compensated absences	(1,953,021)	
Other postemployment benefits	(41,971,083)	
Accrued interest on general obligation debt	(892,262)	(154,472,019)
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES		$ 134,752,578

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended December 31, 2018

	General Fund	Debt Service - General	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	$ 42,059,639	$ -	$ 6,097,071	$ 48,156,710
Special assessments	2,744,668	77,716	-	2,822,384
Intergovernmental	12,365,985	-	2,707,715	15,073,700
Licenses and permits	1,872,527	-	700,393	2,572,920
Fines, forfeitures and penalties	554,677	-	14,371	569,048
Charges for services - public	4,223,525	-	483,052	4,706,577
Charges for services - intergovernmental	3,728,920	-	2,249,380	5,978,300
Investment income	1,530,350	10,344	256,419	1,797,113
Miscellaneous	415,514	-	1,600,525	2,016,039
Total Revenues	69,495,805	88,060	14,108,926	83,692,791
EXPENDITURES				
Current				
General government	7,262,870	3,771	317,692	7,584,333
Public safety	29,532,279	-	319,751	29,852,030
Public works	9,662,298	-	331,961	9,994,259
Health services	-	-	6,302,886	6,302,886
Culture and recreation	4,404,447	-	4,094,976	8,499,423
Development	745,000	-	4,481,308	5,226,308
Miscellaneous	786,389	-	-	786,389
Capital Outlay	-	-	20,283,946	20,283,946
Debt Service				
Principal retirement	-	16,851,919	1,990,000	18,841,919
Interest and fiscal charges	7,578	2,855,005	772,394	3,634,977
Total Expenditures	52,400,861	19,710,695	38,894,914	111,006,470
Excess (deficiency) of revenues over expenditures	17,094,944	(19,622,635)	(24,785,988)	(27,313,679)
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	975,000	-	14,080,000	15,055,000
Refunding long-term debt issued	-	9,725,000	-	9,725,000
Premium on long-term debt issued	8,978	337,830	624,732	971,540
Transfers from other funds	1,816,590	9,474,521	11,187,984	22,479,095
Transfers to other funds	(19,022,694)	-	(3,189,865)	(22,212,559)
Proceeds from sale of capital assets	7,170	-	2,425	9,595
Total Other Financing Sources (Uses)	(16,214,956)	19,537,351	22,705,276	26,027,671
Net change in fund balances	879,988	(85,284)	(2,080,712)	(1,286,008)
FUND BALANCES - Beginning of Year	28,826,323	4,953,677	21,970,851	55,750,851
FUND BALANCES - END OF YEAR	$ 29,706,311	$ 4,868,393	$ 19,890,139	$ 54,464,843

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

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

Net change in fund balances - total governmental funds	$ (1,286,008)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
Capital outlay is capitalized in the government-wide statements	20,283,946
Some capital outlay is not capitalized in the government-wide statements	(1,514,855)
Some functional expenditures are capitalized	1,197,842
Depreciation is reported in the government-wide statements	(8,540,047)
Contributed assets are reported in the government-wide statements.	2,657,674
In the statement of activities, the gain or loss on the disposal of capital assets is reported. In the fund financial statements, proceeds from the sale of capital assets are reported because the proceeds increase financial resources. This is the amount of net book value of capital asset disposals.	(918,303)
Receivables not currently available are reported as unavailable revenue in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements. This amount is the change in the following unavailable revenue categories:	
Delinquent personal property taxes receivable	3,632
Accounts receivable	(186,705)
Loan receivable	(60,418)
Interest receivable	20,228
Special assessments receivable	26,539
Grants receivable	(359,247)
Receivables that may be uncollectible are recorded in unavailable revenue on the fund statements and do not require an allowance. On the government-wide statements an allowance for uncollectible accounts is necessary to offset the revenue that was recognized when earned on the government-wide statements.	(9,231)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount of principal payments paid.	18,841,919
Issuing debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. This is the amount of debt issued during the year.	(24,780,000)

Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. This amount is the change in the following assets and liabilities:	
Compensated absences	$ (120,517)
Other postemployment benefit liability (and OPEB related deferred outflows/inflows of resources)	110,531
Net pension asset (and pension related deferred outflows/inflows of resources)	(945,709)
Interest on long-term debt in the statement of activities differs from the amount reported in the fund financial statements because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities interest expense is recognized as the interest accrues regardless of when it is due.	17,425
Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These amounts are the net effect of these differences:	
Premium on new debt	(971,540)
Amortization of premium/(discount)	200,914
Change in deferred charge on refunding	(28,691)
Internal service funds are used by management to charge the costs of risk management and central equipment to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	275,265
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 3,914,644

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
As of December 31, 2018

	Business-type Activities - Enterprise Funds					
	Water Utility	Sewer Utility	Storm Water Utility	Nonmajor Enterprise Funds	Totals	Governmental Activities - Internal Service Funds
ASSETS						
Current Assets						
Cash and investments	$ 5,212,800	$ 9,889,271	$ 1,087,792	$ 1,462,803	$ 17,652,666	$ 12,537,069
Taxes receivable	387,647	344,273	139,178	-	871,098	-
Accounts receivable, net	1,871,609	1,885,174	1,001,595	138,136	4,896,514	81,141
Due from other governments	-	247,061	9,651	904,472	1,161,184	14,401
Inventories	318,600	-	-	209,573	528,173	682,729
Prepaid items	9,960	-	-	1,503	11,463	1,659
Restricted cash and investments	92,273	1,419,403	-	-	1,511,676	-
Total Current Assets	7,892,889	13,785,182	2,238,216	2,716,487	26,632,774	13,316,999
Noncurrent Assets						
Restricted assets						
Cash and investments	805,090	6,645,000	-	706,223	8,156,313	340,171
Net pension asset	268,534	284,867	91,396	415,418	1,060,215	162,531
Deposit in insurance pools	-	-	-	-	-	766,496
Special assessment receivable	91,678	104,486	1,334	-	197,498	-
Advances to other funds	-	-	-	-	-	1,838,700
Capital assets						
Construction in progress	440,331	60,897	25,038	108,661	634,927	111,644
Land	318,174	235,621	16,091,161	650,196	17,295,152	247,199
Capital assets	106,379,934	136,773,479	63,615,218	37,774,831	344,543,462	28,389,840
Less: Accumulated depreciation/amortization	(37,276,074)	(41,266,959)	(17,345,943)	(16,485,229)	(112,374,205)	(15,509,820)
Total Capital Assets (Net of Accumulated Depreciation/Amortization)	69,862,365	95,803,038	62,385,474	22,048,459	250,099,336	13,238,863
Total Noncurrent Assets	71,027,667	102,837,391	62,478,204	23,170,100	259,513,362	16,346,761
Total Assets	78,920,556	116,622,573	64,716,420	25,886,587	286,146,136	29,663,760
DEFERRED OUTFLOWS OF RESOURCES						
Other postemployment benefit related amounts	137,949	94,137	4,620	108,839	345,545	17,343
Pension related amounts	542,370	527,848	159,601	770,900	2,000,719	291,402
Deferred charge on refunding	-	-	34,736	-	34,736	-
Total Deferred Outflows of Resources	680,319	621,985	198,957	879,739	2,381,000	308,745

	Business-type Activities - Enterprise Funds					
	Water Utility	Sewer Utility	Storm Water Utility	Nonmajor Enterprise Funds	Totals	Governmental Activities - Internal Service Funds
LIABILITIES						
Current Liabilities						
Accounts payable	$ 447,865	$ 391,745	$ 123,877	$ 345,195	$ 1,308,682	$ 250,938
Accrued payroll and payroll taxes	70,410	72,330	23,161	117,160	283,061	41,724
Accrued compensated absences	78,548	99,528	32,482	101,660	312,218	55,922
Accrued interest	25,136	-	114,310	39,330	178,776	-
Deposits	-	-	-	71,638	71,638	-
Due to other governments	30	-	-	215	245	-
Due to other funds	-	-	-	710,577	710,577	-
Current portion of advances	-	86,193	-	230,000	316,193	-
Current portion of general obligation debt	280,000	-	1,423,290	47,000	1,750,290	-
Current portion of unpaid claims	-	-	-	-	-	220,000
Liabilities payable from restricted assets:						
Current portion of revenue bonds	240,000	1,900,657	-	-	2,140,657	-
Accrued interest	32,273	149,929	-	-	182,202	-
Total Current Liabilities	1,174,262	2,700,382	1,717,120	1,662,775	7,254,539	568,584
Noncurrent Liabilities						
Advances from other funds	-	92,442	-	2,420,000	2,512,442	-
Revenue bonds payable	2,655,106	32,473,494	-	-	35,128,600	-
General obligation debt	3,314,046	-	12,221,190	1,199,600	16,734,836	-
Other postemployment benefits	1,359,839	927,955	45,549	1,072,873	3,406,216	170,959
Unpaid claims	-	-	-	-	-	1,901,933
Total Noncurrent Liabilities	7,328,991	33,493,891	12,266,739	4,692,473	57,782,094	2,072,892
Total Liabilities	8,503,253	36,194,273	13,983,859	6,355,248	65,036,633	2,641,476
DEFERRED INFLOWS OF RESOURCES						
Other postemployment benefit related amounts	15,217	10,384	510	12,008	38,119	1,913
Pension related amounts	444,220	546,089	187,561	802,524	1,980,394	331,501
Total Deferred Inflows of Resources	459,437	556,473	188,071	814,532	2,018,513	333,414
NET POSITION						
Net investment in capital assets	62,999,552	61,074,641	48,668,409	21,424,838	194,167,440	13,132,059
Restricted for:						
Pension	268,534	284,867	91,396	415,418	1,060,215	162,531
Insurance deposits	-	-	-	-	-	1,106,667
Debt service payments	429,090	1,269,474	-	-	1,698,564	-
Equipment replacement	436,000	6,645,000	-	-	7,081,000	-
Unrestricted (deficit)	6,505,009	11,219,830	1,983,642	(2,243,710)	17,464,771	12,596,358
TOTAL NET POSITION	$ 70,638,185	$ 80,493,812	$ 50,743,447	$ 19,596,546	221,471,990	$ 26,997,615
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					(55,950)	
NET POSITION OF BUSINESS-TYPE ACTIVITIES					$ 221,416,040	

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2018

	Business-type Activities - Enterprise Funds					
	Water Utility	Sewer Utility	Storm Water Utility	Nonmajor Enterprise Funds	Totals	Governmental Activities - Internal Service Funds
OPERATING REVENUES						
Charges for services	$ 9,916,024	$ 10,771,781	$ 4,675,233	$ 2,858,553	$ 28,221,591	$ 3,419,797
Rental of equipment	-	-	-	-	-	3,244,272
Other	9,805	111,720	-	165,850	287,375	642,945
Total Operating Revenues	9,925,829	10,883,501	4,675,233	3,024,403	28,508,966	7,307,014
OPERATING EXPENSES						
Personal services	2,125,224	2,295,691	813,573	3,722,764	8,957,252	1,335,125
Contractual services	705,842	1,246,671	637,049	1,806,391	4,395,953	598,839
Supplies and materials	677,332	523,696	2,634	946,367	2,150,029	1,430,263
Utilities	562,300	520,521	123,764	377,180	1,583,765	222,730
Depreciation	2,052,977	3,045,389	1,020,732	1,233,953	7,353,051	1,833,902
Administrative	533,354	605,304	479,804	263,290	1,881,752	583,629
Claims	-	-	-	-	-	1,224,117
Total Operating Expenses	6,657,029	8,237,272	3,077,556	8,349,945	26,321,802	7,228,605
Operating income (loss)	3,268,800	2,646,229	1,597,677	(5,325,542)	2,187,164	78,409
NONOPERATING REVENUES (EXPENSES)						
Operating grants	-	-	-	3,387,460	3,387,460	-
Investment income	55,003	224,676	13,480	4,471	297,630	86,387
Net gain (loss) on disposal of capital assets	-	(2,272)	(8,044)	(10,341)	(20,657)	54,618
Interest and fiscal charges	(238,828)	(934,506)	(453,927)	(119,964)	(1,747,225)	-
IRS Build America Bond interest subsidy	-	-	38,737	-	38,737	-
Interest charged to construction	31,046	-	20,371	-	51,417	-
Total Nonoperating Revenues (Expenses)	(152,779)	(712,102)	(389,383)	3,261,626	2,007,362	141,005
Income (loss) before transfers and contributions	3,116,021	1,934,127	1,208,294	(2,063,916)	4,194,526	219,414
Transfers from other funds	-	-	-	1,504,064	1,504,064	88,000
Transfers to other funds	(1,640,790)	-	(46,000)	(171,810)	(1,858,600)	-
Total Transfers	(1,640,790)	-	(46,000)	1,332,254	(354,536)	88,000
Income (loss) before contributions	1,475,231	1,934,127	1,162,294	(731,662)	3,839,990	307,414
Capital contributions	1,436,521	751,700	751,904	-	2,940,125	-
Change in net position	2,911,752	2,685,827	1,914,198	(731,662)	6,780,115	307,414
NET POSITION - Beginning of Year	67,726,433	77,807,985	48,829,249	20,328,208		26,690,201
NET POSITION - END OF YEAR	$ 70,638,185	$ 80,493,812	$ 50,743,447	$ 19,596,546		$ 26,997,615
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					32,149	
CHANGE IN NET POSITION OF BUSINESS-TYPE ACTIVITIES					$ 6,812,264	

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2018

	Business-type Activities - Enterprise Funds					
	Water Utility	Sewer Utility	Storm Water Utility	Nonmajor Enterprise Funds	Totals	Governmental Activities - Internal Service Funds
CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES						
Cash received from customers	$ 10,196,011	$ 10,930,922	$ 4,707,269	$ 2,993,639	$ 28,827,841	$ 6,912,467
Cash paid to suppliers for goods and services	(1,984,023)	(2,352,982)	(787,901)	(3,346,612)	(8,471,518)	(2,871,025)
Cash paid to employees for services	(2,118,758)	(2,295,430)	(794,618)	(3,699,305)	(8,908,111)	(1,314,671)
Claims paid	-	-	-	-	-	(1,890,374)
Repayment of insurance claims	-	-	-	-	-	378,845
Administrative charges	(444,756)	(527,604)	(441,636)	(62,347)	(1,476,343)	-
Net Cash Flows From (Used By) Operating Activities	5,648,474	5,754,906	2,683,114	(4,114,625)	9,971,869	1,215,242
CASH FLOWS FROM (USED BY) NONCAPITAL FINANCING ACTIVITIES						
Operating grants received	-	-	-	2,852,143	2,852,143	-
Negative cash implicitly financed	-	-	-	597,639	597,639	-
Transfers from other funds	-	-	-	1,464,064	1,464,064	-
Transfers to other funds	(1,640,790)	-	(46,000)	(171,810)	(1,858,600)	-
Net Cash Flows From (Used By) Noncapital Financing Activities	(1,640,790)	-	(46,000)	4,742,036	3,055,246	-
CASH FLOWS FROM INVESTING ACTIVITIES						
Investment income	55,003	224,676	13,480	4,471	297,630	86,387
CASH FLOWS FROM (USED BY) CAPITAL AND RELATED FINANCING ACTIVITIES						
Debt issued	670,000	-	1,365,000	970,000	3,005,000	-
Premium on debt issued	7,622	-	63,824	-	71,446	-
Debt retired	(470,000)	(1,852,186)	(2,066,081)	(12,000)	(4,400,267)	-
Special assessments received	167,673	122,327	602	-	290,602	-
Interest and fiscal charges paid	(217,436)	(923,806)	(475,332)	(15,903)	(1,632,477)	-
Interest subsidy received	-	-	39,012	-	39,012	-
Capital related transfers from other funds	-	-	-	40,000	40,000	88,000
Acquisition and construction of capital assets	(3,413,632)	(1,595,931)	(1,899,155)	(799,850)	(7,708,568)	(2,390,836)
Capital related advance from other funds	-	-	-	230,000	230,000	-
Principal paid on capital advances from other funds	(196,910)	(80,366)	-	(215,000)	(492,276)	-
Interest paid on capital advances from other funds	(15,162)	(18,778)	-	(89,352)	(123,292)	-
Proceeds from sale of capital assets	-	-	-	-	-	187,297
Net Cash Flows From (Used By) Capital and Related Financing Activities	(3,467,845)	(4,348,740)	(2,972,130)	107,895	(10,680,820)	(2,115,539)
Net Change in Cash and Cash Equivalents	594,842	1,630,842	(321,536)	739,777	2,643,925	(813,910)
CASH AND CASH EQUIVALENTS - Beginning of Year	5,515,321	16,322,832	1,409,328	1,429,249	24,676,730	13,691,150
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 6,110,163	$ 17,953,674	$ 1,087,792	$ 2,169,026	$ 27,320,655	$ 12,877,240
RECONCILIATION OF CASH AND CASH EQUIVALENTS						
Cash and Cash Equivalents per Statement of Net Position	$ 5,212,800	$ 9,889,271	$ 1,087,792	$ 1,462,803	$ 17,652,666	$ 12,537,069
Restricted Cash and Cash Equivalents						
Current	92,273	1,419,403	-	-	1,511,676	-
Noncurrent	805,090	6,645,000	-	706,223	8,156,313	340,171
CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS	$ 6,110,163	$ 17,953,674	$ 1,087,792	$ 2,169,026	$ 27,320,655	$ 12,877,240

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water Utility	Sewer Utility	Storm Water Utility	Nonmajor Enterprise Funds	Totals	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES						
Operating income (loss)	$ 3,268,800	$ 2,646,229	$ 1,597,677	$ (5,325,542)	$ 2,187,164	$ 78,409
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities						
Noncash items included in income						
Depreciation	2,052,977	3,045,389	1,020,732	1,233,953	7,353,051	1,833,902
Depreciation charged to other accounts	182,712	1,639	-	-	184,351	-
Change in assets, deferred outflows, liabilities and deferred inflows						
Taxes receivable	(21,127)	(16,954)	(8,482)	-	(46,563)	-
Accounts receivable	108,597	62,736	40,518	(19,515)	192,336	(15,702)
Inventories	(2,573)	-	-	(24,052)	(26,625)	(44,665)
Prepaid items	119	162	-	(1,503)	(1,222)	1,732
Accounts payable	52,503	15,444	13,714	53,120	134,781	7,455
Due to other funds	-	-	-	(40,458)	(40,458)	-
Other liabilities	801	(29,725)	337	(19,560)	(48,147)	516
Other postemployment benefit related deferrals and liability	(3,581)	(2,444)	(120)	(2,826)	(8,971)	(450)
Unpaid claims	-	-	-	-	-	(666,257)
Pension related deferrals and asset/liability	9,246	32,430	18,738	43,007	103,421	20,302
Deposits	-	-	-	(11,249)	(11,249)	-
NET CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES	$ 5,648,474	$ 5,754,906	$ 2,683,114	$ (4,114,625)	$ 9,971,869	$ 1,215,242

NONCASH CAPITAL, INVESTING AND FINANCING ACTIVITIES

Developers, customers and other funds contributed capital assets of $1,436,521 to the Water Utility, $751,700 to the Sewer Utility, and $751,904 to the Storm Water Utility. The following funds had accrued accounts payable for capital assets acquired prior to December 31, 2018:

Water Utility	$ 373,661
Sewer Utility	354,246
Storm Water Utility	107,321
Nonmajor Enterprise Funds	83,244
Internal Service Funds	106,804

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUND
As of December 31, 2018

	Tax Collection Agency Fund
ASSETS	
Cash and investments	$ 23,032,259
Taxes receivable	47,214,646
TOTAL ASSETS	$ 70,246,905
LIABILITIES	
Due to other taxing units	$ 70,246,905
TOTAL LIABILITIES	$ 70,246,905

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF NET POSITION
COMPONENT UNITS
As of December 31, 2018

	Redevelopment Authority	South Barstow Business Improvement District	North Barstow/ Medical Business Improvement District	Nonmajor Component Units	Totals
ASSETS					
CURRENT ASSETS					
Cash and investments	$ 728,825	$ 28,783	$ 126,224	$ 59,795	$ 943,627
Receivables					
Special assessments	-	115,000	95,350	26,000	236,350
Notes	-	-	-	4,167	4,167
Accounts, net	1,445	-	-	-	1,445
Total Current Assets	730,270	143,783	221,574	89,962	1,185,589
NONCURRENT ASSETS					
Property held for resale	2,229,029	-	-	-	2,229,029
Total Noncurrent Assets	2,229,029	-	-	-	2,229,029
Total Assets	2,959,299	143,783	221,574	89,962	3,414,618
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable	2,180	1,362	-	2,395	5,937
Total Current Liabilities	2,180	1,362	-	2,395	5,937
DEFERRED INFLOWS OF RESOURCES					
Unearned revenues - time requirements	-	115,000	95,350	26,000	236,350
Total Deferred Inflows of Resources	-	115,000	95,350	26,000	236,350
NET POSITION					
Restricted for:					
Business improvement	-	27,421	126,224	61,567	215,212
Unrestricted	2,957,119	-	-	-	2,957,119
TOTAL NET POSITION	$ 2,957,119	$ 27,421	$ 126,224	$ 61,567	$ 3,172,331

See accompanying notes to financial statements.

CITY OF EAU CLAIRE

STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the Year Ended December 31, 2018

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Redevelopment Authority	South Barstow Business Improvement District	North Barstow/ Medical Business Improvement District	Nonmajor Component Units	Totals
Redevelopment Authority									
Contractual services	$ 32,312	$ -	$ 249,642	$ -	$ 217,330	$ -	$ -	$ -	$ 217,330
Loss on sale of property held for resale	450,606	-	-	-	(450,606)	-	-	-	(450,606)
Total Redevelopment Authority	482,918	-	249,642	-					
South Barstow Business Improvement District									
Contractual services	73,560	-	-	-	-	(73,560)	-	-	(73,560)
Supplies and materials	27,216	-	-	-	-	(27,216)	-	-	(27,216)
Total South Barstow Business Improvement District	100,776	-	-	-					
North Barstow/Medical Business Improvement District									
Contractual services	41,768	-	-	-	-	-	(41,768)	-	(41,768)
Total North Barstow/Medical Business Improvement District	41,768	-	-	-					
Nonmajor Component Units	14,071	-	-	-	-	-	-	(14,071)	(14,071)
Total Component Units	$ 639,533	$ -	$ 249,642	$ -	(233,276)	(100,776)	(41,768)	(14,071)	(389,891)
General revenues:									
Special assessments					-	105,000	44,000	26,000	175,000
Investment income					-	553	1,448	703	2,704
Contributions from City					745,000	-	-	-	745,000
Total General Revenues					745,000	105,553	45,448	26,703	922,704
Change in net position					511,724	4,777	3,680	12,632	532,813
NET POSITION - Beginning of Year					2,445,395	22,644	122,544	48,935	2,639,518
NET POSITION - END OF YEAR					$ 2,957,119	$ 27,421	$ 126,224	$ 61,567	$ 3,172,331

See accompanying notes to financial statements.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. *REPORTING ENTITY*

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

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

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

A. *REPORTING ENTITY* (cont.)

Discretely Presented Component Units

Redevelopment Authority of the City of Eau Claire

The government-wide financial statements include the Redevelopment Authority of the City of Eau Claire (RDA) as a component unit. The RDA is a legally separate organization. The board of the RDA is appointed by the Eau Claire City Council. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the RDA, and also create a potential financial benefit to or burden on the City. See Note III.H. As a major component unit, the RDA's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended December 31, 2018. Separately issued financial statements of the RDA of the City of Eau Claire may be obtained from the Finance Director's office, which is located at 203 South Farwell Street, P.O. Box 5148, Eau Claire, WI 54702-5148.

Business Improvement Districts (BIDs)

The government-wide financial statements include the South Barstow Business Improvement District, North Barstow/Medical Business Improvement District, West Grand Business Improvement District, and the Water Street Business Improvement District as component units. The BIDs are legally separate organizations. The BID boards are appointed by the Eau Claire City Council. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the BIDs, and also create a potential financial benefit to or burden on the City. See Note III.H. As major component units, the financial statements of the South Barstow Business Improvement District and the North Barstow/Medical Business Improvement District have been presented as discrete columns in the financial statements. As nonmajor component units, the remaining BIDs financial statements have been combined and presented as a separate column in the financial statements. The information presented is for the fiscal year ended December 31, 2018. Separate financial statements are not issued by the BIDs.

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

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

Fund Financial Statements

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

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

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

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

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

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

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

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

Fund Financial Statements (cont.)

The City reports the following major governmental funds:

General Fund – accounts for the City's primary operating activities. It is used to account for and report all financial resources except those required to be accounted for in another fund.
Debt Service – General – accounts for and reports resources that are restricted, committed, or assigned to expenditures for the payment of general long-term debt principal, interest, and related costs, other than TIF or enterprise debt.

The City reports the following major enterprise funds:

Water Utility – accounts for the construction, operations, and maintenance of the municipal water pumping, treatment, and distribution systems.
Sewer Utility – accounts for the construction, operations, and maintenance of the municipal sewage collection and treatment system.
Storm Water Utility – accounts for the construction and operation of the City's storm sewer system. It also accounts for the acquisition and maintenance of storm water detention areas.

The City reports the following nonmajor governmental and enterprise funds:

Special Revenue Funds – used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).
- Cemetery Maintenance
- Hazardous Materials Response
- Community Development
- Home Grant
- Police Department K9
- Economic Development
- Community Enhancement
- Public Library
- City-County Health Department
- Downtown
- Former Landfill Escrow

Debt Service Funds – used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the payment of general long-term debt principal, interest, and related costs.
- Debt Service – TIF No. 5
- Debt Service – TIF No. 7

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

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

Fund Financial Statements (cont.)

Capital Projects Funds – used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.
- TIF No. 7 Soo Line Development Area
- TIF No. 8 Downtown Development
- TIF No. 9 Gateway Northwest Business Park Overlay
- TIF No. 10 Confluence Project
- TIF No. 11 Downtown Mixed Use
- TIF No. 12 Water Street
- Bridge Projects
- Street Projects
- Transportation Improvements
- Land, Buildings and Equipment
- Parks and Recreation Projects
- Environmental Improvements
- Library Buildings and Equipment

Enterprise Funds – may be used to report any activity for which a fee is charged to external users for goods or services, and must be used for activities which meet certain debt or cost recovery criteria.
- Hobbs Ice Center
- Outdoor Pool
- Public Transit
- Parking Utility

In addition, the City reports the following fund types:

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

Agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units.
- Tax Collection Fund

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

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

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

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

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues. At year end, there were $1,792,272 of unrecorded deferred assessments which are not recorded as receivables because collection is subject to certain events occurring in the future and no formal repayment schedule has been established.

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

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

Fund Financial Statements (cont.)

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

Proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Agency funds follow the accrual basis of accounting and do not have a measurement focus.

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water Utility, Sewer Utility, Storm Water Utility and other enterprise funds are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

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

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

1. Deposits and Investments

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

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

1. Time deposits in any credit union, bank, savings bank or trust company.
2. Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority, or the Wisconsin Aerospace Authority.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

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

1. Deposits and Investments (cont.)

3. Bonds or securities issued or guaranteed by the federal government.
4. The local government investment pool.
5. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
6. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
7. Repurchase agreements with public depositories, with certain conditions.

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

The City has adopted an investment policy. That policy contains the following guidelines for allowable investments:

Custodial Credit Risk

Collateralization shall be required on all demand deposit accounts, nonnegotiable certificates of deposit, and repurchase agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be a minimum of 106% of the market value of principal and accrued interest. The level of collateralization is negotiated and a part of the City's Bank Services contract. Collateral shall be pledged in the name of the City of Eau Claire, subject to release by the City's Finance Director.

Credit Risk

The City will only invest in the type of investments allowable by state statutes as listed above. In addition, any securities the City invests in must have a rating which is the highest or second highest rating category assigned by Standard & Poor's Corporation, Moody's Investors' Service or other similar nationally recognized ranking agency, or if that security is senior to, or on a parity with, a security of the same issuer which has such a rating.

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

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

1. Deposits and Investments (cont.)

Concentration of Credit Risk

The City will diversify investments by security type, institution and terms of maturity to reduce portfolio risk. With the exception of U.S. Treasury securities and authorized pools, no more than 50% of the City's total investment portfolio will be invested in a single security type or with a single financial institution.

Investments shall be diversified by:

1. Limiting investments to avoid concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities and authorized pools).
2. Limiting investment in securities that have higher credit risks.
3. Investing in securities with varying maturities.
4. Continuously investing a portion of the portfolio in readily available funds such as local government investment pools or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

Interest Rate Risk

To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five years from the date of purchase. However, the City may collateralize its investments using longer-dated securities. The City will maintain at least 10% of its total investment portfolio in instruments maturing in 30 days or less.

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

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2018, the fair value of the City's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note III.A. for further information.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

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

2. Receivables

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

Property tax calendar – 2018 tax roll:

Lien date and levy date	December 2018
Tax bills mailed	December 2018
Payment in full, or	January 31, 2019
First installment due	January 31, 2019
Second installment due	July 31, 2019
Personal property taxes in full	January 31, 2019
Tax sale – 2018 delinquent real estate taxes	October 2021

Accounts receivable have been shown net of an allowance for uncollectible accounts. Delinquent real estate taxes as of July 31 are paid in full by the County, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made for the Water and Sewer Utilities because they have the right by law to place delinquent bills on the tax roll, and other delinquent bills are generally not significant. The General Fund, Public Library Fund, and City County Health Department have recorded allowances of $3,029,458, $107,089, and $4,927, respectively.

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

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

The City has received federal and state grant funds for economic development and housing rehabilitation loan programs to various businesses and individuals. The City records a loan receivable when the loan has been made and funds have been disbursed. The amount recorded as economic development loans receivable has been reduced by an allowance for uncollectible accounts of $90,000.

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

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

2. Receivables (cont.)

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

3. Inventories and Prepaid Items

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

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

4. Restricted Assets

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

Funds on deposit with Wisconsin Municipal Insurance Company for payment of insurance claims are combined with twelve other participating governments. The City's deposit at year-end was $340,171. This amount is recorded as Restricted Assets in the Internal Service funds. See Note III.C. for additional information on restricted assets.

5. Capital Assets

Government-Wide Statements

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

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

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

5. Capital Assets (cont.)

Government-Wide Statements (cont.)

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. During the current year, $51,417 of net interest was capitalized. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

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

Buildings	40-50 Years
Land Improvements	30-55 Years
Machinery and Equipment	3-25 Years
Utility System	40-100 Years
Intangibles	3-40 Years
Infrastructure	10-30 Years

Fund Financial Statements

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

6. Deferred Outflows of Resources

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

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

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

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

7. Compensated Absences

Under terms of employment, employees accumulate vacation, compensatory time, sick leave and other benefits at various rates depending on bargaining group and length of service. Only benefits considered to be vested are disclosed in these statements.

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

Payments for vacation, compensatory time, and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and compensatory time liabilities at December 31, 2018 are determined on the basis of current salary rates and include salary related payments.

8. Long-Term Obligations

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

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

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the straight-line method. The balance at year-end is shown as an increase or decrease in the liability section of the statement of net position.

9. Deferred Inflows of Resources

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

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

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

10. Equity Classifications

Government-Wide Statements

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

a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation/amortization and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

b. Restricted net position – Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

c. Unrestricted net position – All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

The net position section includes an adjustment for capital assets owned by the business-type activities column, but financed by debt of the governmental activities column. See the Debt Reclassifications column on the Statement of Net Position.

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

Fund Statements

Governmental fund equity is classified as fund balance and displayed as follows:

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

b. Restricted - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

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

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

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

10. Equity Classifications (cont.)

Fund Statements (cont.)

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

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

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

In cases where multiple types of fund balance are available to pay for expenditures, restricted resources will be used first, followed by committed, assigned, and finally unassigned.

The City has adopted a minimum fund balance policy. The policy is to maintain unassigned fund balance at a level equal to a minimum of 15% of the ensuing year's budgeted General Fund expenditures, with a target of 20% for cash flow and contingency purposes. The balance at year-end was $18,525,450, or 24%, and included as unassigned General Fund balance. Of that amount, $7,662,900 is designated for working capital.

See Note III.G for further information.

11. Pension

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

12. Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources, and OPEB expense, the City's single-employer defined benefit retiree healthcare plan recognizes benefit payments when due and payable in accordance with the benefit terms.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

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

13. Prior Period Information

The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended December 31, 2017, from which the summarized information was derived.

14. Basis for Existing Rates

Water Utility

Current rates in the Water Utility were approved by the Public Service Commission of Wisconsin and effective on April 1, 2014.

Sewer Utility

Current rates in the Sewer Utility were approved by the City Council on November 14, 2017 and effective January 1, 2018.

Storm Water Utility

Current rates in the Storm Water Utility were approved by the City Council on November 14, 2017 and effective January 1, 2018.

NOTE II – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. LIMITATIONS ON THE CITY TAX LEVY

Wisconsin law limits the City's future tax levies. Generally, the City is limited to its prior tax levy dollar amount (excluding TIF districts), increased by the greater of the percentage change in the City's equalized value due to new construction, or zero percent. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions. The City is required to reduce its allowable levy by the estimated amount of fee revenue it collects for certain services, if those services were funded in 2013 by the property tax levy. Levies can be increased above the allowable limits if the amount is approved by referendum.

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

B. *DEFICIT BALANCES*

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

As of December 31, 2018, the following individual funds held a deficit balance:

Fund	Amount	Reason
TIF No. 7 Soo Line Development Area	$ 263,822	Expenditures in excess of revenues
TIF No. 8 Downtown Development	3,482,915	Expenditures in excess of revenues
TIF No. 12 Water Street	1,150	Expenditures in excess of revenues

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

NOTE III – DETAILED NOTES ON ALL FUNDS

A. *DEPOSITS AND INVESTMENTS*

The City maintains a cash and investment pool for all funds and component units which is recorded on the statement of net position as follows:

Per statement of net position	
Cash and investments	$ 81,565,862
Restricted cash and investments	15,329,076
Per statement of assets and liabilities – agency fund	23,032,259
Total	$ 119,927,197

Total cash and investments consist of the following:

Petty cash and cash on hand	$ 14,425
Deposits with financial institutions	7,761,122
Investments	112,151,650
Total Cash and Investments	$ 119,927,197

See Note III.H. for component unit information.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

A. *DEPOSITS AND INVESTMENTS* (cont.)

Deposits

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

	Carrying Value	Bank Balance	Associated Risks
Demand deposits	$ 7,761,122	$ 8,610,371	Custodial credit risk

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

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

The City maintains collateral agreements with its bank. At December 31, 2018, the bank had obtained a letter of credit in the amount of $35,000,000 to secure the City's deposits.

Investments

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

	Carrying Value	Associated Risks
U.S. agencies implicitly guaranteed	$ 36,616,895	Custodial credit risk, credit risk, interest rate risk, concentration of credit risk
Negotiable certificates of deposit	2,469,203	Custodial credit risk, credit risk, interest rate risk, concentration of credit risk
LGIP	67,611,639	Credit risk
U.S. treasuries	5,453,913	Custodial credit risk, interest rate risk
Total Investments	$ 112,151,650	

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

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

A. DEPOSITS AND INVESTMENTS (cont.)

Investments (cont.)

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

> Automated method – IDC Institutional Bond Pricing
> Automated method – IDC CD Pricing

Investment Type	December 31, 2018 Level 1	Level 2	Level 3	Total
U.S. agencies	$ -	$ 36,616,895	$ -	$ 36,616,895
Negotiable certificates of deposit	-	2,469,203	-	2,469,203
U.S. treasuries	5,453,913	-	-	5,453,913
Totals	$ 5,453,913	$ 39,086,098	$ -	$ 44,540,011

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned to the City. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The City does not have any deposits or investments exposed to custodial credit risk.

Credit Risk

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

As of December 31, 2018, the City's investments were rated as follows:

Investment Type	Moody's Investor Service
U.S. agencies – implicitly guaranteed	Aaa
Negotiable certificates of deposit	Aaa

The City also had investments in the external Wisconsin Local Government Investment Pool which is not rated.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

A. DEPOSITS AND INVESTMENTS (cont.)

Interest Rate Risk

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

As of December 31, 2018, the City's investments were as follows:

Investment	Maturity Date	Call Date	Fair Value
FHLB Callable	02/12/2019	N/A	$ 1,996,820
FFCB Callable	05/03/2019	01/10/2019	1,990,900
FHLB One-time Call	06/21/2019	03/21/2019	1,986,600
FHLMC Callable	09/30/2019	03/30/2019	1,979,680
FHLB Bullet	10/21/2019	N/A	990,690
FHLB Bullet	12/13/2019	N/A	997,480
FHLB Bullet	03/13/2020	N/A	1,982,900
FFCB Callable	09/15/2020	01/10/2019	2,492,750
FHLMC Callable	10/29/2020	01/29/2019	1,989,440
FHLMC Callable	02/26/2021	02/26/2019	1,989,200
FHLMC Callable	07/30/2021	01/30/2019	500,075
FHLB Callable	08/23/2021	02/23/2019	2,952,330
FHLMC Callable	08/25/2021	02/25/2019	1,962,700
FHLMC Callable	10/25/2021	01/25/2019	1,958,300
FNMA Callable	10/28/2021	01/28/2019	1,932,720
FHLMC Callable	11/30/2021	02/28/2019	1,950,800
FHLB Callable	12/16/2021	03/16/2019	1,985,920
FHLB Callable	03/28/2022	03/28/2019	2,001,060
FFCB Callable	04/18/2022	04/18/2019	1,000,430
FHLMC Callable	09/29/2022	03/29/2019	1,976,100
Compass Bank CD	08/26/2019	N/A	249,688
Capital One Bank CD	12/20/2019	N/A	245,553
Capital One, National Association CD	12/20/2019	N/A	245,553
Morgan Stanley Dean Witter Bank CD	12/23/2019	N/A	245,531
Morgan Stanley Private Bank, National Association CD	12/23/2019	N/A	245,412
Ally Bank CD	07/13/2020	N/A	247,244
B-Bay, LLC CD	07/13/2020	N/A	247,244
Bank of Hope CD	07/13/2020	N/A	247,427
First Financial Northwest Bank CD	07/13/2020	N/A	247,241
Sallie Mae Bank CD	04/19/2021	N/A	248,310
U.S. Treasury Note	01/15/2019	N/A	1,249,488
U.S. Treasury Note	03/14/2019	N/A	1,244,125
U.S. Treasury Note	07/18/2019	N/A	1,972,920
U.S. Treasury Note	01/15/2020	N/A	987,380
Total			$ 44,540,011

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

A. DEPOSITS AND INVESTMENTS (cont.)

Concentration of Credit Risk

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

At December 31, 2018, the investment portfolio was concentrated as follows:

Issuer	Investment Type	Percentage of Portfolio
FHLMC	U.S. agencies – implicitly guaranteed	13%
FHLB	U.S. agencies – implicitly guaranteed	13%

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

B. RECEIVABLES

Receivables (including due from other governments) as of year end for the government's individual major funds and nonmajor funds, internal service, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

Governmental Activities

Fund	Gross Receivables	Allowance For Uncollectibles	Net Receivables	Amounts Not Expected to Be Collected Within One Year
General	$ 53,896,105	$ 3,029,458	$ 50,866,647	$ 4,131,556
Debt Service - General	27,472	-	27,472	12,742
Nonmajor Funds	7,143,444	202,016	6,941,428	2,795,043
Internal Service Funds	95,542	-	95,542	40,136

Business-type Activities

Fund	Gross Receivables	Allowance For Uncollectibles	Net Receivables	Amounts Not Expected to Be Collected Within One Year
Water Utility	$ 2,350,934	$ -	$ 2,350,934	$ 91,678
Sewer Utility	2,580,994	-	2,580,994	104,486
Storm Water Utility	1,151,758	-	1,151,758	1,334
Nonmajor Funds	1,042,608	-	1,042,608	-

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

B. RECEIVABLES (cont.)

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

	Unearned	Unavailable
Property taxes receivable	$ 45,296,692	$ -
Delinquent property taxes receivable	-	15,899
Accounts receivable	278,477	1,546,941
Loan receivable	-	2,938,627
Interest receivable	-	180,781
Special assessments not yet due	-	5,892,745
Grants receivable	-	104,788
Funds received in advance	93,488	-
Total Unearned/Unavailable Revenue for Governmental Funds	$ 45,668,657	$ 10,679,781

Notes Receivable

At December 31, 2018, the General Fund has one note receivable for $25,000. The note will be paid by the Chippewa Valley Innovation Center, which used the proceeds to partially fund a loan pool that is designed to provide beginning businesses with loans to purchase machinery and equipment.

The Community Development Special Revenue Fund has notes receivable of $1,592,434 at December 31, 2018. The balance includes 141 loans, which are all required to be secured by a lien on the property. Some loans require installment payments and some can be deferred until the property is sold. Interest on these loans is either lower than market or zero. The City discontinued the small industry loan program in 1989.

The Economic Development Special Revenue Fund has notes receivable of $1,322,980 at December 31, 2018. This balance is comprised of 15 different loans to a variety of businesses and not-for-profits.

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

C. *RESTRICTED ASSETS*

The following represent the balances of the restricted assets:

Long-Term Debt Accounts

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

Reserve – Used to report resources set aside to fund plant renewals and replacement or make up potential future deficiencies in the redemption account.

Depreciation – Used to report resources set aside to fund plant renewals and replacement or make up potential future deficiencies in the redemption account.

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

Equipment Replacement Account

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

Net Pension Asset

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

Following is a list of restricted assets at December 31, 2018:

	Governmental Activities	Business-type Activities
Restricted Assets		
Restricted cash and investments		
Redemption account	$ -	$ 1,511,676
Reserve account	-	369,090
Depreciation account	-	1,231,000
Equipment replacement account	-	5,850,000
Revolving loan sequestered funds	474,045	-
Construction account	4,846,871	706,223
Insurance claims account	340,171	-
Total Restricted cash and investments	5,661,087	9,667,989
Net pension asset	8,578,143	1,060,215
Total Restricted Assets	$ 14,239,230	$ 10,728,204

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

D. *CAPITAL ASSETS*

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

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital Assets Not Being Depreciated/ Amortized				
Construction in progress	$ 9,725,399	$ 8,792,541	$ 4,401,579	$ 14,116,361
Land	18,425,858	340,322	249,644	18,516,536
Total Capital Assets Not Being Depreciated/Amortized	$ 28,151,257	$ 9,132,863	$ 4,651,223	$ 32,632,897
Capital Assets Being Depreciated/ Amortized				
Land improvements	$ 12,206,281	$ 1,031,015	$ -	$ 13,237,296
Buildings	28,356,951	6,203,689	-	34,560,640
Machinery and equipment	41,020,516	4,070,145	2,288,949	42,801,712
Intangibles	7,939,387	1,315,301	5,085	9,249,603
Infrastructure	206,403,122	7,726,600	1,271,800	212,857,922
Total Capital Assets Being Depreciated/Amortized	295,926,257	20,346,750	3,565,834	312,707,173
Less: Accumulated Depreciation/ Amortization for				
Land improvements	(5,981,522)	(592,896)	-	(6,574,418)
Buildings	(14,720,852)	(665,968)	-	(15,386,820)
Machinery and equipment	(23,610,126)	(3,031,077)	1,760,916	(24,880,287)
Intangibles	(1,142,580)	(349,317)	3,148	(1,488,749)
Infrastructure	(90,027,690)	(5,734,691)	1,001,685	(94,760,696)
Total Accumulated Depreciation/Amortization	(135,482,770)	(10,373,949)	2,765,749	(143,090,970)
Capital Assets, Being Depreciated/Amortized, Net	$ 160,443,487	$ 9,972,801	$ 800,085	$ 169,616,203

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

D. CAPITAL ASSETS (cont.)

Depreciation/amortization expense was charged to functions as follows

Governmental Activities	
General government	$ 330,842
Public safety	1,107,353
Public works, which includes the depreciation of infrastructure	7,644,457
Health services	39,984
Culture and recreation	1,237,926
Development	13,387
Total Governmental Activities Depreciation/Amortization Expense	$ 10,373,949

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities				
Capital Assets Not Being Depreciated/Amortized				
Construction in progress	$ 3,794,955	$ 616,027	$ 3,776,055	$ 634,927
Land	17,278,543	16,609	-	17,295,152
Total Capital Assets Not Being Depreciated/Amortized	$ 21,073,498	$ 632,636	$ 3,776,055	$ 17,930,079
Capital Assets Being Depreciated/Amortized				
Improvements	$ 4,074,543	$ 307,194	$ -	$ 4,381,737
Buildings	89,085,969	994,176	5,136	90,075,009
Distribution and collection systems	209,108,440	10,675,415	496,841	219,287,014
Source of supply system	913,336	751,436	8,391	1,656,381
Machinery and equipment	28,360,857	801,942	249,838	28,912,961
Intangibles	251,204	-	20,844	230,360
Total Capital Assets Being Depreciated/Amortized	331,794,349	13,530,163	781,050	344,543,462

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

D. CAPITAL ASSETS (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
Less: Accumulated Depreciation/Amortization for				
Improvements	$ (2,772,465)	$ (88,371)	$ -	$ (2,860,836)
Buildings	(25,479,441)	(2,120,877)	5,136	(27,595,182)
Distribution and collection systems	(62,141,101)	(3,837,152)	437,394	(65,540,859)
Source of supply system	(817,447)	(29,663)	8,391	(838,719)
Machinery and equipment	(14,290,418)	(1,447,822)	237,484	(15,500,756)
Intangibles	(24,338)	(13,515)	-	(37,853)
Total Accumulated Depreciation/Amortization	(105,525,210)	(7,537,400)	688,405	(112,374,205)
Total Capital Assets, Being Depreciated/Amortized, Net	$ 226,269,139	$ 5,992,763	$ 92,645	$ 232,169,257

Depreciation/amortization expense was charged to functions as follows:

Business-type Activities	
Water	$ 2,052,977
Sewer	3,045,389
Storm Water	1,020,732
Hobbs Ice Center	406,712
Outdoor Pool	82,100
Public Transit	377,654
Parking	367,487
Total Business-type Activities Depreciation/Amortization Expense	$ 7,353,051

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

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

E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS

Interfund Receivables/Payables

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

Receivable Fund	Payable Fund	Amount
General Fund	Special Revenue – Home Grant	$ 60,890
General Fund	Special Revenue – Community Enhancement	31,033
General Fund	Enterprise – Public Transit	663,948
General Fund	Enterprise – Hobbs Ice Center	46,629
General Fund	Capital Projects – TIF No. 8	244,215
General Fund	Capital Projects – TIF No. 10	339,780
General Fund	Capital Projects – TIF No. 12	1,150
Subtotal – Fund Financial Statements		1,387,645
Less: Fund eliminations		(677,068)
Total Interfunds		710,577
Government-wide net interfund advances		2,828,635
Adjustment to reflect internal service fund activities related to enterprise funds		55,950
Total Internal Balances – Government-Wide Statement of Net Position		$ 3,595,162

The principal purpose of these interfunds is to cover an overdraft of pooled cash. Remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All amounts are expected to be repaid within one year.

Advances

The General Fund is advancing funds to the Sewer Utility, Hobbs Ice Center and TIF No. 7. The General Fund is charging the Sewer Utility and Hobbs Ice Center interest on the advances based on the balance outstanding before the principal payment for the current year. The rate being charged on the Sewer Utility advance is 7.25%. The rate being charged on the Hobbs advances is 1.75-4.27%. No interest is currently being charged to TIF No. 7.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

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

Advances (cont.)

The Debt Service – General Fund is advancing funds to TIF No. 7. No interest is currently being charged to TIF No. 7.

The Economic Development, Streets Capital Projects and Risk Management Funds are advancing funds to TIF No. 8. Principal and interest payments on these advances have not yet started. These funds will be charging TIF No. 8 interest on the advances based on the balance outstanding before the principal payment, retroactive to the year 2004. The rate to be charged is 1.85-6.15%.

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
General Fund	Sewer Utility	$ 178,635	$ 92,442
General Fund	Enterprise – Hobbs Ice Center	2,650,000	2,420,000
General Fund	Capital Projects – TIF No. 7	111,145	111,145
Debt Service – General	Capital Projects – TIF No. 7	301,300	301,300
Special Revenue – Economic Development	Capital Projects – TIF No. 8	400,000	400,000
Capital Projects – Street Projects	Capital Projects – TIF No. 8	1,000,000	1,000,000
Internal Service – Risk Management	Capital Projects – TIF No. 8	1,838,700	1,838,700
Subtotal – Fund Financial Statements		6,479,780	
Less: Fund eliminations		(3,651,145)	
Total Net Government-Wide Advances		$ 2,828,635	

The principal purpose of the advances is to advance funds for capital construction projects, collateral on a letter of credit and repayment of transfers from prior years.

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

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

Advances (cont.)

No repayment schedule has been established for the advances to TIF No. 7 and TIF No. 8. Annual repayment of principal and interest on the other advances are made according to the following schedule:

	Advances		
Years	Principal	Interest	Totals
2019	$ 316,193	$ 124,279	$ 440,472
2020	322,442	108,008	430,450
2021	230,000	92,181	322,181
2022	230,000	82,431	312,431
2023	230,000	72,181	302,181
2024-2028	1,150,000	194,706	1,344,706
2029-2033	275,000	21,194	296,194
2034-2038	75,000	6,441	81,441
Totals	$ 2,828,635	$ 701,421	$ 3,530,056

Transfers

Following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
General Fund	Community Enhancement	$ 175,800	To fund general fund special events
	Water Utility	1,640,790	Payment in lieu of tax
Internal Service			
Central Equipment	Land, Buildings and Equipment	42,000	Capital equipment purchases
Central Equipment	Storm Water Utility	46,000	Capital equipment purchases
Special Revenue			
Economic Development	General Fund	236,400	General support
Cemetery Maintenance	General Fund	262,894	Operating subsidy
Public Library	General Fund	3,107,100	February tax transfer from City
City-County Health Department	General Fund	1,842,800	February tax transfer from City
Downtown	Economic Development	85,000	Operating subsidy
City-County Health Department	Community Development	97,166	Fund code enforcement project
Debt Service			
Debt Service – General	General Fund	9,405,436	Debt service payments
Debt Service – General	Public Library	40,360	Debt service payments
Debt Service – General	City-County Health Department	28,725	Debt service payments
Debt Service – TIF No. 7	Capital Projects – TIF No. 7	412,414	To reclassify fund as capital projects

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

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

Transfers (cont.)

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
Capital Projects			
Land, Buildings, and Equipment	General Fund	$ 1,895,900	Fund various projects
Land, Buildings, and Equipment	Cemetery Maintenance	26,500	Fund various projects
Land, Buildings, and Equipment	Police Department K-9	20,000	K-9 Dog Retirement
Transportation Improvements	General Fund	1,140,000	Fund various projects
Transportation Improvements	Street Projects	900,000	Fund various projects
Transportation Improvements	Bridge Projects	775,000	Fund various projects
Parks and Recreation Projects	Community Enhancement	115,000	Fund park developments
Library Buildings and Equipment	Public Library	100,000	Fund facility improvements
TIF No. 8	Parking Utility	171,810	75% Galloway Ramp profits
Enterprise			
Public Transit	General Fund	922,288	Operating subsidy
Hobbs Ice Center	General Fund	147,162	Operating subsidy
Hobbs Ice Center	Community Enhancement	226,400	Facility improvements
Hobbs Ice Center	Community Enhancement	105,500	Subsidize facilities improvements
Outdoor Pool	General Fund	62,714	Operating subsidy
Outdoor Pool	Community Enhancement	40,000	Subsidize facilities improvements

Subtotal – Fund Financial Statements	24,071,159
Less: Fund eliminations	(20,708,495)
Less: Government-wide eliminations	(3,717,200)
Total – Government-Wide Statement of Activities	$ (354,536)

Fund Transferred To	Fund Transferred From	Amount
Governmental Activities	Business-type Activities	$ (1,858,600)
Business-type Activities	Governmental Activities	1,504,064
Total Government-Wide Financial Statements		$ (354,536)

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

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

F. LONG-TERM OBLIGATIONS

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

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
GOVERNMENTAL ACTIVITIES					
Bonds and Notes Payable					
General obligation bonds	$ 103,717,572	$ 24,780,000	$ 18,841,919	$ 109,655,653	$ 9,194,710
Add/(Subtract):					
Premiums/(discounts)	1,829,055	971,540	200,914	2,599,681	-
Subtotals	105,546,627	25,751,540	19,042,833	112,255,334	9,194,710
Other Liabilities					
Vested compensated absences	1,881,902	3,465,870	3,338,829	2,008,943	2,008,943
Net pension liability	2,315,508	-	2,315,508	-	-
Other postemployment benefits	41,185,864	1,067,159	110,981	42,142,042	-
Unpaid self-insurance claims	2,788,190	675,169	1,341,426	2,121,933	220,000
Total Other Liabilities	48,171,464	5,208,198	7,106,744	46,272,918	2,228,943
Total Governmental Activities Long-Term Liabilities	$ 153,718,091	$ 30,959,738	$ 26,149,577	$ 158,528,252	$ 11,423,653

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
BUSINESS-TYPE ACTIVITIES					
Bonds and Notes Payable					
General obligation bonds	$ 17,442,428	$ 3,005,000	$ 2,318,081	$ 18,129,347	$ 1,750,290
Revenue bonds	39,341,337	-	2,082,186	37,259,151	2,140,657
Add/(Subtract):					
Premiums/(discounts)	317,710	71,446	23,271	365,885	-
Subtotals	57,101,475	3,076,446	4,423,538	55,754,383	3,890,947
Other Liabilities					
Vested compensated absences	307,897	591,734	587,413	312,218	312,218
Net pension liability	295,282	-	295,282	-	-
Other postemployment benefits	3,328,932	86,255	8,971	3,406,216	-
Total Other Liabilities	3,932,111	677,989	891,666	3,718,434	312,218
Total Business-type Activities Long-Term Liabilities	$ 61,033,586	$ 3,754,435	$ 5,315,204	$ 59,472,817	$ 4,203,165

General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the City. Tax incremental bonds are paid by segregated property taxes, but are ultimately backed by the full faith and credit of the City if incremental taxes are inadequate to meet payments. Business-type activities debt is payable by revenues from user fees of those funds, or, if the revenues are not sufficient, by future tax levies.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed 5% of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2018 was $272,698,070. The City has a policy that indebtedness may not exceed 3.5% of the equalized value of taxable property within the City's jurisdiction. That limit as of December 31, 2018 was $190,888,649. Total general obligation debt outstanding at year-end was $127,785,000 and resources on hand for payment of debt were $7,353,463.

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12-31-18
Governmental Activities					
General Obligation Bonds					
Corporate purpose	07/15/09	04/01/29	1.85-6.15%	$ 8,560,000	$ 5,735,000
Corporate purpose	08/17/10	04/01/30	4.25-5.5%	3,210,000	3,210,000
Corporate purpose	08/17/10	04/01/20	1.0-2.85%	3,975,000	845,000
Corporate purpose	08/17/10	04/01/21	1.5-3.0%	4,585,000	1,485,000
Corporate purpose	08/01/11	04/01/31	2.0-4.0%	6,350,000	4,445,000
Corporate purpose	08/01/11	04/01/21	2.0-2.75%	2,160,000	655,000
Corporate purpose	08/28/12	04/01/32	2.0-2.625%	5,640,000	4,230,000
Corporate purpose	08/28/12	04/01/22	0.35-1.65%	4,335,000	1,475,000
Corporate purpose	08/15/13	04/01/33	2.0-4.25%	14,145,000	11,370,000
Corporate purpose	08/15/13	04/01/23	2.0-3.0%	9,380,000	4,940,000
Corporate purpose	09/03/14	04/01/34	3.0-4.0%	4,720,000	3,865,000
Corporate purpose	09/03/14	04/01/24	2.0-3.0%	4,100,000	2,540,000
Corporate purpose	08/18/15	04/01/25	2.0-3.0%	4,340,000	2,290,000
Tax incremental bonds	08/18/15	04/01/25	3.0%	11,810,000	10,310,000
Corporate purpose	08/30/16	04/01/36	2.0-3.0%	13,920,000	12,840,000
Tax incremental bonds	08/30/16	04/01/26	1.8-2.15%	7,585,000	6,990,000
Corporate purpose	08/30/16	04/01/26	2.0-3.0%	2,830,000	2,265,000
Corporate purpose	11/10/16	04/01/26	1.4-2.0%	2,535,000	1,685,000
Corporate purpose	08/17/17	04/01/37	2.0-4.0%	12,395,000	11,630,000
Corporate purpose	08/17/17	04/01/27	2.0-4.0%	8,880,000	7,195,000
Corporate purpose	09/27/18	04/01/38	3.0-5.0%	14,330,000	14,330,000
Corporate purpose	09/27/18	04/01/28	3.0-5.0%	6,260,000	6,260,000
Corporate purpose	09/27/18	04/01/38	3.0-3.9%	7,195,000	7,195,000
Total General Obligation Debt					127,785,000
Less: Business-type Activities portion of G.O. Bonds					(18,129,347)
Total – Governmental Activities – G.O. Bonds					$ 109,655,653

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

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt Principal	Governmental Activities General Obligation Debt Interest	Business-type Activities General Obligation Debt Principal	Business-type Activities General Obligation Debt Interest
2019	$ 9,194,710	$ 3,203,978	$ 1,750,290	$ 495,478
2020	8,291,554	2,936,424	1,618,446	449,953
2021	8,073,954	2,687,181	1,551,046	405,242
2022	7,866,635	2,436,076	1,323,365	361,758
2023	7,966,800	2,186,739	1,208,200	324,264
2024 - 2028	42,412,000	6,792,475	5,498,000	1,147,418
2029 - 2033	17,495,000	2,629,810	3,570,000	492,405
2034 - 2038	8,355,000	553,695	1,610,000	106,705
Totals	$ 109,655,653	$ 23,426,378	$ 18,129,347	$ 3,783,223

Revenue Debt

Business-type activities revenue bonds are payable only from revenues derived from the operation of the Water Utility and Sewer Utility.

The Water Utility has pledged future water revenues, net of specified operating expenses to repay $3,825,000 in water revenue bonds issued in 2009. Proceeds from the bonds provided financing for utility system improvements and for refinancing previous revenue bonds. The bonds are payable solely from water revenues and are payable through 2028. Annual principal and interest payments are expected to require 4% of Water Utility revenues. The bonds require net revenues of 1.25 times annual principal and interest payments on outstanding bonds. The total principal and interest remaining to be paid on the bonds are $3,656,958. Principal and interest paid for the current year and total customer net revenues were $368,290 and $5,376,780, respectively.

The Sewer Utility has pledged future sewer revenues, net of specified operating expenses to repay $39,766,956 in sewer revenue bonds issued in 2013. Proceeds from the bonds provided financing for treatment plant upgrades. The bonds are payable solely from sewer revenues and are payable through 2033. Annual principal and interest payments are expected to require 25% of Sewer Utility revenues. The bonds require net revenues of 1.10 times annual principal and interest payments on outstanding bonds. The total principal and interest remaining to be paid on the bonds are $41,553,646. Principal and interest paid for the current year and total customer net revenues were $2,775,992 and $5,916,294, respectively.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

F. LONG-TERM OBLIGATIONS (cont.)

Revenue Debt (cont.)

Revenue debt payable at December 31, 2018 consists of the following:

Business-type Activities Revenue Debt

	Date of Issue	Final Maturity	Interest Rates	Original Indebted-ness	Balance 12-31-18
Water Utility					
Revenue bonds	07/15/09	10/01/28	3.0-4.8%	$ 3,825,000	$ 2,885,000
Sewer Utility					
Revenue bonds	06/12/13	05/01/33	2.617%	39,766,956	34,374,151
Total – Business-type Activities – Revenue Debt					$ 37,259,151

Debt service requirements to maturity are as follows:

Years	Business-type Activities Revenue Debt Principal	Business-type Activities Revenue Debt Interest	Business-type Activities Revenue Debt Totals
2019	$ 2,140,657	$ 1,003,791	$ 3,144,448
2020	2,195,397	943,200	3,138,597
2021	2,256,439	881,078	3,137,517
2022	2,323,817	817,178	3,140,995
2023	2,387,565	751,251	3,138,816
2024 - 2028	12,989,593	2,689,148	15,678,741
2029 - 2033	12,965,683	865,807	13,831,490
Totals	$ 37,259,151	$ 7,951,453	$ 45,210,604

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

F. LONG-TERM OBLIGATIONS (cont.)

Other Debt Information

Estimated payments of compensated absences and other postemployment benefits are not included in the debt service requirement schedules. The compensated absences and other postemployment benefits liabilities attributable to governmental activities will be liquidated primarily by the General Fund.

A statutory mortgage lien upon the City's water system and any additions, improvements and extensions thereto is created by Section 66.0621 of the Wisconsin Statutes as provided for in the ordinances creating the revenue bond issues. The City's water system and the earnings of the system remain subject to the lien until payment in full of the principal and interest on the bonds.

The City issues debt to fund its capital projects. In 2008, a portion of the debt issued was used to retire the City's state retirement unfunded liability. The City has never defaulted on any of its prior outstanding indebtedness. Short-term debt is not issued for operational purposes.

Current Refunding

On September 27, 2018, the City issued $2,310,000 in general obligation bonds with an interest rate of 3.0-5.0% to current refund $2,490,000 of outstanding general obligation notes with an interest rate of 5.1%. The net proceeds were used to prepay the outstanding debt.

The cash flow requirements on the refunded bonds and notes prior to the current refunding was $2,532,650 in 2019. The cash flow requirements on the refunding bonds are $2,902,671 from 2019 through 2029. The current refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of $29,883.

On September 27, 2018, the City issued $2,650,000 in general obligation notes with an interest rate of 3.0-5.0% to current refund $2,780,000 of outstanding general obligation bonds with an interest rate of 3.8-4.2%. Of the proceeds, $2,180,000 related to governmental activities and $600,000 to business-type activities. The net proceeds were used to prepay the outstanding debt.

The cash flow requirements on the refunded bonds and notes prior to the current refunding was $3,387,222 from 2019 through 2028. The cash flow requirements on the refunding bonds are $3,188,337 from 2019 through 2028. The current refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of $173,717.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

F. LONG-TERM OBLIGATIONS (cont.)

Current Refunding (cont.)

On September 27, 2018, the City issued $5,335,000 in general obligation notes with an interest rate of 3.0-3.4% to current refund $5,275,000 of outstanding general obligation bonds with an interest rate of 5.25-6.125%. The net proceeds were used to prepay the outstanding debt.

The cash flow requirements on the refunded bonds and notes prior to the current refunding was $7,001,381 from 2019 through 2028. The cash flow requirements on the refunding bonds are $6,255,019 from 2019 through 2028. The current refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of $629,612.

G. NET POSITION/FUND BALANCES

Net position reported on the government wide statement of net position at December 31, 2018 includes the following:

Governmental Activities

Net Investment in Capital Assets	
Construction in progress	$ 14,116,361
Land	18,516,536
Other capital assets, net of accumulated depreciation/amortization	169,616,203
Less: Related long-term debt outstanding (excluding unspent capital related debt proceeds)	(94,371,259)
Total Net Investment in Capital Assets	$ 107,877,841

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

G. NET POSITION/FUND BALANCES (cont.)

Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2018 include the following:

	General Fund	Debt Service - General	Nonmajor Funds	Totals
Fund Balances				
Nonspendable:				
Long-term notes receivable	$ 25,000	$ -	$ -	$ 25,000
Long-term advances to other funds	2,623,587	-	-	2,623,587
Prepaid items and inventories	1,065,214	-	654,682	1,719,896
Restricted for:				
Debt service	-	4,868,393	2,485,070	7,353,463
Capital contracts	-	-	2,273,475	2,273,475
Cemetery maintenance	-	-	147,851	147,851
Hazardous materials	-	-	156,170	156,170
Community development	-	-	109,161	109,161
Home grant	-	-	4,749	4,749
Police department K9	-	-	412,066	412,066
Economic development	-	-	474,045	474,045
Community enhancement	-	-	44,054	44,054
Public library	-	-	880,137	880,137
City-County Health Department	-	-	1,250,141	1,250,141
Downtown	-	-	67,752	67,752
Bond construction	-	-	2,730,655	2,730,655
Committed for:				
Economic development	-	-	602,348	602,348
Assigned for:				
Capital projects	5,547,200	-	10,487,371	16,034,571
Carryover – 2018 budget	29,500	-	-	29,500
Highway 53 maintenance	1,718,312	-	-	1,718,312
Turf financing	172,048	-	-	172,048
Economic development	-	-	1,303,687	1,303,687
Unassigned (deficit):	18,525,450	-	(4,193,275)	14,332,175
Total Fund Balances	$ 29,706,311	$ 4,868,393	$ 19,890,139	$ 54,464,843

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

G. NET POSITION/FUND BALANCES (cont.)

Business-type Activities

Net Investment in Capital Assets	
Construction in progress	$ 634,927
Land	17,295,152
Other capital assets, net of accumulated depreciation	232,169,257
Less: Related long-term debt outstanding (excluding unspent capital related debt proceeds)	(55,931,896)
Total Net Investment in Capital Assets	$ 194,167,440

H. COMPONENT UNITS

Redevelopment Authority

This report contains the Redevelopment Authority of the City of Eau Claire (RDA), which is included as a component unit. Financial information is combined with the City's other component units and presented as a separate column in the statement of net position and statement of activities.

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

a. Basis of Accounting

The RDA prepares its financial statements in accordance with the accrual basis of accounting and the flow of economic resources measurement focus.

b. Deposits and Investments

The RDA is part of the City of Eau Claire's cash pool. The custodial credit risk pertaining specifically to the RDA's resources at these institutions cannot be determined individually for those accounts. At year-end, the RDA's deposits were $728,825. The City's investment policy is applied to the custody of the RDA's deposits (see Note III.A.).

Interest income on pooled deposits is not allocated to the RDA because the City provides services to the RDA at no cost.

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

H. COMPONENT UNITS (cont.)

Redevelopment Authority (cont.)

c. Property Held for Resale

To further its objectives, the RDA purchases and holds property for resale. As such, this property is presented as an asset at the lower of cost or market.

Property held for resale activity for the year ended December 31, 2018 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Property held for resale	$ 1,618,178	$ 1,061,457	$ 450,606	$ 2,229,029

d. Risk Management

The RDA participates in the same risk pools as the reporting entity. Information related specifically to the RDA is unavailable. See note IV.B. for further details.

e. Commitments and Contingencies

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

f. Related Parties

The City provides various administrative services and facilities to the RDA. No estimate of cost for these services is included in the financial statements. The salaries and fringe benefits of the City's staff that work on RDA projects are paid for by the City. The RDA does not reimburse the City for any of these costs.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

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

H. COMPONENT UNITS (cont.)

Business Improvement Districts

a. Basis of Accounting and Measurement Focus

The business improvement districts prepare their financial statements in accordance with the modified accrual basis of accounting. The measurement focus of the BIDs is the flow of current financial resources concept. Under this concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as unavailable revenue or nonspendable fund balance.

b. Deposits and Investments

The BIDs are part of the City of Eau Claire's cash and investment pool. The custodial credit risk pertaining specifically to the BIDs' resources at these institutions cannot be determined individually for those accounts. The City's investment policy is applied to the custody of the BIDs' deposits (see Note III.A.).

At year-end, the deposit balances for the BIDs were as follows:

South Barstow	$ 28,783
North Barstow/Medical	$ 126,224
West Grand	$ 30,814
Water Street	$ 28,981

I. TAX INCREMENTAL FINANCING DISTRICTS

The City currently maintains separate debt service and capital projects funds which account for seven Tax Incremental Financing Districts (TIDs) created in prior years in accordance with Section 66.1105 of the Wisconsin Statutes. The purpose of that section is to allow a municipality to recover development and improvements costs in a designated area. These costs are recovered from the property taxes generated on the increased value of the property after the creation date of the District. The tax on the increased value is called a tax increment. Wisconsin statutes allow the municipality to collect tax increments until the net project cost has been fully recovered, or until the termination date, whichever occurs first. The City of Eau Claire must absorb project costs that are not recovered from tax increment by the District's dissolution date.

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

I. *TAX INCREMENTAL FINANCING DISTRICTS* (cont.)

Debt service and capital project funds are maintained to account for tax increment and other revenues used to finance principal and interest payments on outstanding debt applicable to the districts.

	Effective Date	Amended Date	Expenditure Deadline	Termination Year
TIF No. 5	1997	09/23/2003	10/08/2014	10/08/2019
TIF No. 7	1997	02/24/2004	03/11/2019	03/11/2024
TIF No. 8	2003	09/09/2014	09/24/2024	09/24/2029
TIF No. 9	2008	N/A	09/09/2023	09/09/2028
TIF No. 10	2015	N/A	10/14/2036	10/14/2041
TIF No. 11	2016	N/A	09/22/2030	09/22/2035
TIF No. 12	2017	N/A	09/12/2032	09/12/2037

Upon termination, the incremental tax base created by each TIF will become part of the City's regular tax base. Any surplus remaining in the TIF fund at the time of termination will be allocated among all affected taxing jurisdictions.

The following tables summarize the project and expenditures from creation of the districts through December 31, 2018.

Project Costs	TIF No. 5	TIF No. 7	TIF No. 8
Capital expenditures	$ 8,900,506	$ 1,557,146	$ 24,177,295
Interest and fiscal charges	3,391,922	1,193,052	4,890,195
Development, marketing, bond issuance costs	26,542	3,300	385,021
Total Project Costs	12,318,970	2,753,498	29,452,511
Project Revenues			
Tax increments	12,702,423	2,105,125	9,688,359
Interest income and misc. revenue	1,371,617	384,552	2,128,229
Grants and donations	-	-	503,008
Total Project Revenues	14,074,040	2,489,677	12,319,596
Net Recoverable Costs (Refundable)	$ (1,755,070)	$ 263,821	$ 17,132,915

Project Costs (cont.)	TIF No. 9	TIF No. 10	TIF No. 11	TIF No. 12
Capital expenditures	$ -	$ 6,041,756	$ -	$ -
Interest and fiscal charges	1,050	478,369	7,306	-
Development, marketing, bond issuance costs	1,300	3,017,225	2,540	1,150
Total Project Costs	2,350	9,537,350	9,846	1,150
Project Revenues (cont.)				
Tax increments	447,976	1,055,606	582,211	-
Interest income and misc. revenue	17,297	228,393	30,138	-
Total Project Revenues	465,273	1,283,999	612,349	-
Net Recoverable Costs (Refundable)	$ (462,923)	$ 8,253,351	$ (602,503)	$ 1,150

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

NOTE IV – OTHER INFORMATION

A. *EMPLOYEES' RETIREMENT SYSTEM*

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 1,200 hours a year and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

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

Benefits provided. Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and State executive participants, if hired on or before December 31, 2016) are entitled to receive an unreduced retirement benefit. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor.

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

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

The WRS also provides death and disability benefits for employees.

NOTE IV – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

Year	Core Fund Adjustment	Variable Fund Adjustment
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
2015	2.9	2
2016	0.5	(5)
2017	2.0	4.0

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

During the reporting period, the WRS recognized $3,353,631 in contributions from the City.

Contribution rates for the plan year reported as of December 31, 2018 are:

Employee Category	Employee	Employer
General (Executives & Elected Officials)	6.8%	6.8%
Protective with Social Security	6.8%	10.6%
Protective without Social Security	6.8%	14.9%

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

NOTE IV – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

At December 31, 2018, the City reported an asset of $9,638,358 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2017, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2016 rolled forward to December 31, 2017. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2017, the City's proportion was 0.32462020%, which was an increase of 0.00786854% from its proportion measured as of December 31, 2016.

For the year ended December 31, 2018, the City recognized pension expense of $4,422,238.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 12,245,775	$ 5,728,167
Changes of actuarial assumptions	1,904,351	-
Net differences between projected and actual earnings on pension plan investments	-	13,247,028
Changes in proportion and differences between employer contributions and proportionate share of contributions	27,947	126,552
Employer contributions subsequent to the measurement date	3,433,203	-
Totals	$ 17,611,276	$ 19,101,747

NOTE IV – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

$3,433,203 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2019. Other amounts 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 Outflows of Resources and Deferred Inflows of Resources (Net)
2019	$ 1,019,055
2020	(119,705)
2021	(3,327,705)
2022	(2,518,305)
2023	22,986

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

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

** No postretirement 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 postretirement discount rate.*

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

NOTE IV – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

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

Core Fund Asset Class	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	50%	8.2%	5.3%
Fixed Income	24.5	4.24	1.4
Inflation Sensitive Assets	15.5	3.8	1.0
Real Estate	8	6.5	3.6
Private Equity/Debt	8	9.4	6.5
Multi-Asset	4	6.5	3.6
Total Core Fund	110	7.3	4.4
Variable Fund Asset Class			
U.S. Equities	70	7.5	4.6
International Equities	30	7.8	4.9
Total Variable Fund	100	7.9	5.0

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

NOTE IV – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

Sensitivity of the City's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.20 percent, as well as what the City's proportionate share of the net pension liability (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 (6.20%)	Current Discount Rate (7.20%)	1% Increase to Discount Rate (8.20%)
City's proportionate share of the net pension liability (asset)	$ 24,937,724	$ (9,638,358)	$ (35,917,252)

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://etf.wi.gov/publications/cafr.htm.

At December 31, 2018, the City reported a payable to the pension plan, which represents contractually required contributions outstanding as of the end of the year.

B. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets, errors and omissions; worker's compensation, health care of its employees. The City purchases commercial insurance to provide coverage for employee health, auto and general liability, property damage and boiler and machinery loss. Excess insurance for worker's compensation is also purchased; however, worker's compensation risks are accounted for and financed by an internal service fund – the Risk Management Fund.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

NOTE IV – OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

Self Insurance

For workers' compensation claims, the uninsured risk of loss is $550,000 per incident. The City has purchased excess insurance from Safety National Insurance Company for claims in excess of those amounts. Settled claims have not exceeded the excess coverage in any of the past three years.

All funds of the City participate in the insurance program and make payments to the Risk Management Fund. Amounts payable to the Risk Management Fund are based on historical cost estimates of the amounts necessary to pay prior and current year claims.

The unpaid claims liability of $2,121,933 at December 31, 2018 is based on GASB Statement No. 10 which requires that a liability for claims be established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. The liability is based on actuarial estimates of the present value of unpaid losses and includes both current claims payable and an amount for claims that have been incurred but not reported. The City does not allocate overhead costs or other nonincremental costs to the claims liability. The liability at year-end includes $1,512,756 of potential workers compensation claims and $609,177 for potential liability claims. Changes in unpaid claims liabilities in the current and prior year were:

Claims Liability

	Prior Year	Current Year
Unpaid claims – Beginning of Year	$ 2,151,486	$ 2,788,190
Current year claims and changes in estimates	1,794,160	675,169
Claim payments	(1,157,456)	(1,341,426)
Unpaid Claims – End of Year	$ 2,788,190	$ 2,121,933

Public Entity Risk Pool

Transit Mutual Insurance Corporation of Wisconsin (TMi)

Transit Mutual Insurance Corporation of Wisconsin (TMi) is a municipal mutual insurance corporation, which insures auto liability and vehicle physical damage for municipally-owned transit systems in Wisconsin. Each insured property is an owner of the mutual insurance corporation. The City insures its transit systems' auto liability and physical damage with TMi and is an owner of the corporation.

In 2018, TMi issued to the City an auto liability insurance policy with a $250,000 per person policy limit and a $7,000,000 per accident policy limit. Of the per accident policy limit, TMi insures $2,000,000.

NOTE IV – OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

Public Entity Risk Pool (cont.)

The physical damage policy issued by TMi to the City provides collision and comprehensive coverage for the lesser of the agreed value or the cost of repairs minus a $500 per accident deductible for private passenger and service units and a $1,000 per accident deductible for bus units.

Management of TMi consists of a board of directors comprised of one representative for each member. The City does not exercise any control over the activities of the corporation beyond its representation on the board of directors.

Premiums are determined in advance of each premium year, which begins on January 1. TMi is an assessable mutual; accordingly, the board of directors may require that supplemental contributions be made by members to ensure adequate funds are available to meet the obligations applicable to the premium year. Members are required by Wisconsin statue and TMi bylaws to fund any deficit attributable to a premium year during which they were a member. TMi was incorporated in 1985 and began issuing insurance policies in 1986; there has never been a member assessment beyond the annual premiums.

The City's share of this corporation is 2.81% for auto liability and 4.96% of physical damage liability. A list of the other members and their share of participation is available in the TMi report which is available from TMi, 400 N. Richmond Street, Suite J, Appleton, WI 54915-1483 or by email from tmi@new.rr.com.

Wisconsin Municipal Mutual Insurance Company (WMMIC)

The Wisconsin Municipal Mutual Insurance Company (WMMIC) is an intergovernmental cooperation commission created by contract under Section 66.30 of the Wisconsin Statutes, which has provided risk management and liability insurance services since January 1, 1988. Each member municipality appoints one policy holder to serve as a representative. The policy holders elect a seven member board of directors who are responsible for financing and budget control. The City does not exercise any control over the activities of the agencies beyond the election of officers and board. The City's initial capitalization of $766,496 is recorded as an asset in the Risk Management internal service fund.

Insurance coverage provided through WMMIC includes auto and public liability for claims over $100,000 per occurrence or $300,000 aggregate for years 1988-94 and $200,000 per occurrence or $500,000 aggregate for years 1995-97, and $200,000 per occurrence or $400,000 aggregate in 1999 through 2018, with an annual cap of $10,000,000. The policy is nonassessable, thereby limiting the City's commitment to a proportional share of a $13,935,000 revenue bond issue sold by WMMIC to provide for the initial capitalization. The share of participation is determined on a basis of prior claim history and can be affected by acceptance of new members. The City's current share of participation is 3.19%.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

NOTE IV – OTHER INFORMATION (cont.)

C. COMMITMENTS AND CONTINGENCIES

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

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

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

The City has active construction projects as of December 31, 2018. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

At December 31, 2018, the City had contracts for construction projects on which work had not been completed or billed. These commitments are normal ongoing construction including maintenance of streets, storm sewers, and utility mains. They also include major equipment ordered but not delivered. No restrictions of net position have been made for the proprietary fund amounts.

Capital Projects	
Street Projects	$ 336,455
Bridge Projects	68,248
Transportation Improvements	2,325,989
Land, Buildings and Equipment	905,471
Parks and Recreation Projects	319,105
Environmental Improvements	252
Library Buildings & Equipment	41,902
TIF No. 8 Downtown Development	39,470
TIF No. 10 Confluence Project	1,721,632
TIF No. 11 Downtown Mixed Use	12,000
Total Committed Construction	$ 5,770,524

NOTE IV – OTHER INFORMATION (cont.)

C. COMMITMENTS AND CONTINGENCIES (cont.)

Proprietary Funds	
Water Utility	$ 1,096,179
Sewer Utility	1,537,158
Storm Water Utility	1,166,161
Parking Utility	71,125
Public Transit	6,678,720
Hobbs Ice Center	115,248
Outdoor Pool	16,500
Central Equipment	33,773
Total Committed Construction and Equipment	$ 10,714,864

The City owned and operated a landfill in the Town of Union which closed in 1978. A treatment system operation began in 1997. This system is designed to contain VOCs (volatile organic compounds) from migration from the landfill to the Blue Valley subdivision. The City currently works with Potentially Responsible Parties (PRPs) and the Wisconsin Department of Natural Resources on a long-term monitoring plan for groundwater containment and treatment system. Ultimate final cleanup costs are unknown.

In addition to the Redevelopment Land Credit granted by the RDA, Phoenix Parkside, LLC shall receive from the City an annual developer incentive payment to stimulate economic development. The incentive is authorized through the TIF #8 project plan. The developer pays property taxes as they become due and, after meeting the criteria established in the development agreement, is entitled to future incentive payments that directly correlate to the taxes paid. PPL's commitment included constructing Phase I improvements to attain a market value of at least $9.7 million as of January 1, 2010 and for the next ten years thereafter. The incentive payment is equal to 50% of the property taxes received by the City each year on the incremental increased assessed value of the Phase I property and improvements up to $1.5 million. In calculating the amount due to PPL, the incremental increased fair market value of the Phase I property excludes the $600,000 purchase price. Also, the developer incentive payment due to PPL shall be reduced each year by the amount corresponding to the Redevelopment Land Credit discussed in Note III.I.g. PPL shall receive annual developer incentive payments on the Phase I property until they have received a maximum $900,000 payment or until the termination of the District, whichever occurs first. For the year ended December 31, 2018, the incentive payment to PPL was $63,081 and the remaining commitment is $501,985.

During 2014, the City entered into a 20 year lease commencing January 1, 2014 and continuing through December 31, 2033 to operate a Joint Law Enforcement Center within the Eau Claire County Courthouse. The lease may be extended for up to two additional ten-year terms at the option of the City. The monthly rental rate is adjusted annually based on actual operational costs. The total rental payments made in 2018 were $313,854.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

NOTE IV – OTHER INFORMATION (cont.)

C. COMMITMENTS AND CONTINGENCIES (cont.)

During 2018, the City entered into a one year lease commencing July 1, 2018 and continuing through June 30, 2019 to lease space at 2020 Prairie Lane for the temporary relocation of City Hall. After one year, the City may extend the lease on a month to month basis for up to six months at the same rate. The monthly rental rate is $21,316 per month. Total payments made in 2018 were $154,283 including security deposit and early occupancy costs.

D. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

General Information About the Plan

Plan description. The City's other postemployment benefit ("OPEB") plan provides medical benefits for eligible retirees and their spouses through the City's health insurance plan which covers both active and retired members. The City administers its single-employer defined benefit healthcare plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits provided. Benefit provisions are established through collective bargaining agreements or the employee handbook; benefits vary but, generally, the City will pay 100% of the lowest-priced single health policy between the age established by the Wisconsin Retirement System as normal retirement age and age 65. Administrative costs of the plan are financed by the City.

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

Inactive plan members or beneficiaries currently receiving benefit payments	161
Active plan members	433
	594

The plan is closed to new entrants from most employee groups, with the exception of firefighters, transit, patrol and library.

Total OPEB Liability

The City's total OPEB liability of $45,548,258 was measured as of December 31, 2017, and was determined by an actuarial valuation as of December 31, 2016.

NOTE IV – OTHER INFORMATION (cont.)

D. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (cont.)

Actuarial assumptions and other inputs. The total OPEB liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.20 percent
Salary increases	3.20 percent, average, plus inflation
Healthcare cost trend rates	4.0% initially for both pre-65 members and post-65 members, increased annually to a maximum of 9.4% for pre-65 members and 10.6% for post-65 members in 2019 before decreasing to an ultimate rate of 4.0% in 2074 and later years.
Retirees' share of benefit related costs	Varies

The discount rate was based on a yield for 20-year Bond Buyer GO Index.

Mortality rates were based on the Wisconsin 2012 Mortality table (with adjustments) as the base table and project future improvements with MP-2015 generational improvement scale (with adjustments), as adopted by the Board in connection with the 2012-2014 Experience Study performed by the actuary for the Wisconsin Retirement System.

The actuarial assumptions used in the December 31, 2016 valuation were based on the results of the Wisconsin Retirement System actuarial valuation as of December 31, 2016.

Changes in the Total OPEB Liability

Balance at December 31, 2017	$ 44,514,796
Changes for the year:	
Service cost	1,783,225
Interest	1,683,435
Changes in assumptions or other inputs	1,125,211
Benefit payments	(3,558,409)
Net changes	1,033,462
Balance at December 31, 2018	$ 45,548,258

Changes of assumptions or other inputs reflect an update of demographic assumptions based upon the most recent WRS experience study, a change in the annual claim costs to reflect current medical provisions and premiums, and an update to the medical trend rates to be consistent with the most recent Getzen model application.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

NOTE IV – OTHER INFORMATION (cont.)

D. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (cont.)

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

	1% Decrease (2.44%)	Discount Rate (3.44%)	1% Increase (4.44%)
Total OPEB Liability	$ 49,084,653	$ 45,548,258	$ 42,342,783

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

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	$ 41,035,538	$ 45,548,258	$ 50,864,724

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

For the year ended December 31, 2018, the City recognized OPEB expense of $3,523,728. At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of actuarial assumptions	$ 976,962	$ 509,700
Employer contributions subsequent to the measurement date	3,643,680	-
Totals	$ 4,620,642	$ 509,700

NOTE IV – OTHER INFORMATION (cont.)

D. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (cont.)

$3,643,680 reported as deferred outflows related to OPEB resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31:	Net Amount
2019	$ 57,068
2020	57,068
2021	57,068
2022	57,068
2023	57,068
Thereafter	181,922

E. RELATED PARTIES

Gateway Industrial Park Corporation (Gateway), a Wisconsin nonstock, nonprofit corporation was organized in 1984 for the purpose of acquiring, owning, and developing industrial and commercial property in Eau Claire County. The Board of Directors of Gateway is comprised of three members who serve indefinite terms and exercise equal control over the management of the company. The City, Xcel Energy, and the Eau Claire Area Industrial Development Corporation each appoint one director.

In April 1991, the City, Xcel Energy, the Industrial Development Corporation, and Gateway signed an agreement to provide Gateway with loans up to $960,000 (increased to $3,000,000 in 1995) for the acquisition and development of industrial property. As of December 31, 2018, the outstanding loans under the agreement were $1,000,000, of which $500,000 was due the City. Total interest earned by the City was $22,500 for the year ended December 31, 2018.

Downtown Eau Claire, Incorporated (DECI), a Wisconsin nonstock, nonprofit corporation was organized in 2002 for the purpose of promoting the development of business, housing and cultural resources and activities with downtown Eau Claire. The Board of Directors of the corporation consists of twenty-one individuals, of which fourteen are elected directors and seven are perpetual directors. Directors represent downtown business improvement districts, the adjacent neighborhoods, and others that reflect the diverse balance of downtown's major employers, financial institutions, property owners, business, and nonbusiness activities.

CITY OF EAU CLAIRE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2018

NOTE IV – OTHER INFORMATION (cont.)

E. RELATED PARTIES (cont.)

The seven perpetual directors consist of representatives or appointees of the following: Eau Claire City Manager, Eau Claire City Council, University of Wisconsin- Eau Claire, South Barstow Business Improvement District, North Barstow Business Improvement District, Water Street Business Improvement District, and West Grand Business Improvement District. Downtown Eau Claire, Incorporated is funded in part by the City of Eau Claire, the four business improvement districts, memberships, and festival revenue.

F. RELATED ORGANIZATIONS

Housing Authority

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

G. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

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

- Statement No. 83, *Certain Asset Retirement Obligations*
- Statement No. 84, *Fiduciary Activities*
- Statement No. 87, *Leases*
- Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*

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

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2018

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 42,123,200	$ 42,123,200	$ 42,059,639	$ (63,561)
Special assessments	1,788,300	1,788,300	2,744,668	956,368
Intergovernmental	12,207,700	12,699,900	12,365,985	(333,915)
Licenses and permits	1,662,300	1,662,300	1,872,527	210,227
Fines, forfeitures and penalties	519,000	519,000	554,677	35,677
Charges for services - public	4,139,100	4,139,100	4,223,525	84,425
Charges for services - intergovernmental	3,856,100	3,856,100	3,728,920	(127,180)
Investment income	975,000	975,000	1,530,350	555,350
Miscellaneous	291,000	312,677	415,514	102,837
Total Revenues	67,561,700	68,075,577	69,495,805	1,420,228
EXPENDITURES				
Current				
City council	117,800	117,800	88,918	28,882
Administrative services	2,222,200	2,215,200	2,002,537	212,663
Legal	534,200	534,200	524,568	9,632
Finance	2,500,800	2,505,800	2,393,501	112,299
Human resources	985,700	985,700	868,167	117,533
Planning and development	1,292,900	1,751,700	1,385,179	366,521
Police	17,971,400	17,973,077	17,733,429	239,648
Fire	11,786,600	11,800,000	11,798,850	1,150
Public works	9,411,200	9,416,200	9,662,298	(246,098)
Culture and recreation	4,788,200	4,818,200	4,404,447	413,753
Development	-	-	745,000	(745,000)
Miscellaneous	1,378,200	2,968,200	786,389	2,181,811
Debt service				
Interest and fiscal charges	-	-	7,578	(7,578)
Total Expenditures	52,989,200	55,086,077	52,400,861	2,685,216
Excess of revenues over expenditures	14,572,500	12,989,500	17,094,944	4,105,444
OTHER FINANCING SOURCES (USES)				
Long term debt issued	-	-	975,000	975,000
Premium on long-term debt issued	-	-	8,978	8,978
Transfers from other funds	1,870,800	1,870,800	1,816,590	(54,210)
Transfers to other funds	(19,309,200)	(19,316,200)	(19,022,694)	293,506
Proceeds from sale of capital assets	10,000	10,000	7,170	(2,830)
Total Other Financing Sources (Uses)	(17,428,400)	(17,435,400)	(16,214,956)	1,220,444
Net change in fund balances	(2,855,900)	(4,445,900)	879,988	5,325,888
FUND BALANCE - Beginning of Year	28,826,323	28,826,323	28,826,323	-
FUND BALANCE - END OF YEAR	$ 25,970,423	$ 24,380,423	$ 29,706,311	$ 5,325,888

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

CITY OF EAU CLAIRE

SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
WISCONSIN RETIREMENT SYSTEM (WRS)
For the Year Ended December 31, 2018

WRS Fiscal Year End Date (Measurement Date)	City's Proportion of the Net Pension Asset/Liability	City's Proportionate Share of the Net Pension (Asset) Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Asset/Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/17	0.324620200%	$ (9,638,358)	$ 37,120,165	25.97%	102.93%
12/31/16	0.316751660%	2,610,790	35,995,011	7.25%	99.12%
12/31/15	0.316787350%	5,147,732	36,336,415	14.17%	98.20%
12/31/14	0.311873610%	(7,660,469)	34,381,449	22.28%	102.74%

SCHEDULE OF EMPLOYER CONTRIBUTIONS
WISCONSIN RETIREMENT SYSTEM (WRS)
For the Year Ended December 31, 2018

City Year End Date	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/18	$ 3,433,203	$ 3,433,203	$ -	$ 38,209,333	8.99%
12/31/17	3,352,806	3,352,806	-	37,108,480	9.04%
12/31/16	3,005,095	3,005,095	-	35,995,011	8.35%
12/31/15	3,087,697	3,087,697	-	36,336,415	8.50%

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

CITY OF EAU CLAIRE

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
For the Year Ended December 31, 2018

	2018	2017
Total OPEB Liability		
Service cost	$ 1,783,225	$ 1,821,890
Interest	1,683,435	1,612,847
Changes of assumptions	1,125,211	(692,062)
Benefit payments	(3,558,409)	(3,140,000)
Net Change in Total OPEB Liability	1,033,462	(397,325)
Total OPEB Liability - Beginning	44,514,796	44,912,121
Total OPEB Liability - Ending	$ 45,548,258	$ 44,514,796
Covered payroll	$ 37,120,165	$ 35,995,011
Total OPEB liability as a percentage of covered-employee payroll	122.70%	123.67%

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

CITY OF EAU CLAIRE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended December 31, 2018

BUDGETARY INFORMATION

Formal budgets are prepared for governmental and proprietary funds. Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note I.C. The City adopts the budget at the fund-department level.

An annual budget has been adopted for the General Fund, Debt Service, and all Special Revenue funds, except for the Community Development Block Grant and Home Grant funds, which have nonlapsing budgets. Flexible, annual budgets are approved for proprietary funds to provide for financial management. Project length budgets are adopted for capital project funds. Although these appropriations are specific for each project, they are reviewed and may be adjusted annually by the City Council. Capital projects are categorized as recurring or nonrecurring projects, and this categorization determines the length of time funds are appropriated for expenditure. Funding for annual, recurring projects lapses at year-end each year whereas funding for nonrecurring projects lapses at the end of three years. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds. All annual appropriations lapse at year-end.

Purchase orders which are not completed by year end are recorded in the following year.

The following procedures, which comply with legal requirements, are used in establishing the budgetary data reflected in the financial statements:

1. Before October 25, the City Manager must submit to the City Council budget proposals for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the resources to finance them.
2. City Council work sessions are held to review the submitted budget.
3. Public hearings are conducted to obtain taxpayer comments.
4. The budget is adopted through passage of a resolution in November; public notification is given, showing adopted budgets and the resulting tax levy.
5. During the fiscal year, the director of finance may authorize transfers of budgeted amounts within departments; however, transfers between departments must be approved by City Council resolutions.
6. Formal budgetary integration is employed as a management control device during the year for the general, special revenue and debt service funds. Budgetary control for capital project funds is accomplished through the use of project controls.

The City Council approved proposed 2018 budgets for governmental and proprietary funds on November 14, 2017.

See independent auditors' report.

CITY OF EAU CLAIRE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended December 31, 2018

BUDGETARY INFORMATION (cont.)

During 2017 and 2018, additional appropriations were approved in several funds. A summary of these council actions follows:

Fund	Original Appropriation	Carryover of Appropriations	Grants and Donations	Other	Final Appropriation
General Fund	$ 72,298,400	$ 492,200	$ 20,000	$ 1,591,677	$ 74,402,277
Debt Service – General	9,656,400	-	-	10,063,000	19,719,400
Economic Development	380,000	386,600	51,300	120,000	937,900
Community Enhancement	2,030,100	-	-	51,100	2,081,200
Public Library	4,134,200	76,300	246,300	-	4,456,800
City-County Health	6,026,900	(80,100)	299,200	-	6,246,000
Debt Service – TIF No. 5	631,700	-	-	145,900	777,600

WISCONSIN RETIREMENT SYSTEM

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

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

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

Changes in assumptions. There were no changes in assumptions.

OTHER POSTEMPLOYMENT BENEFIT PLAN

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

Accumulation of assets. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement No. 75.

Changes in benefit terms and assumptions. There were no changes in the benefit terms. The discount rate changed from 3.78% in 2017 to 3.44% in 2018.

See independent auditors' report.

CITY OF EAU CLAIRE

GENERAL FUND
COMPARATIVE BALANCE SHEET
As of December 31, 2018 and 2017

	2018	2017
ASSETS		
Cash and investments	$ 26,566,505	$ 25,966,741
Receivables		
Taxes		
Current	43,868,448	42,927,341
Delinquent personal property, net	15,899	12,266
Total Taxes	43,884,347	42,939,607
Accounts receivable, net	1,912,457	2,088,644
Notes receivable	25,000	25,000
Special assessments		
Installment	4,589,971	4,488,519
Deferred	15,730	24,949
Interest	161,731	106,792
Due from other governments	277,411	223,417
Total Receivables	50,866,647	49,896,928
Due from other funds	1,387,645	944,153
Prepaid items and inventories	1,065,214	1,050,387
Advances to other funds	2,939,780	3,202,056
TOTAL ASSETS	$ 82,825,791	$ 81,060,265

	2018	2017
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities		
Accounts payable	$ 897,675	$ 596,331
Accrued liabilities	1,508,023	1,670,588
Deposits	454,754	427,822
Due to other governments	117,226	118,996
Total Liabilities	2,977,678	2,813,737
Deferred Inflows of Resources		
Unearned revenues - time requirements	42,821,162	42,007,587
Unavailable revenues	7,320,640	7,412,618
Total Deferred Inflows of Resources	50,141,802	49,420,205
Fund Balance		
Nonspendable	3,713,801	3,785,171
Assigned	7,467,060	4,828,248
Unassigned	18,525,450	20,212,904
Total Fund Balance	29,706,311	28,826,323
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 82,825,791	$ 81,060,265

CITY OF EAU CLAIRE

DETAILED SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	2018				2017
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
REVENUES					
TAXES					
Real and personal property	$ 41,712,600	$ 41,712,600	$ 41,641,087	$ (71,513)	$ 40,288,332
Mobile home fees	80,100	80,100	63,883	(16,217)	62,066
Payment in lieu of taxes:					
Other	327,500	327,500	338,094	10,594	363,079
Omitted and corrected taxes	-	-	7,196	7,196	-
Interest on delinquent taxes	3,000	3,000	9,379	6,379	8,670
Total Taxes	42,123,200	42,123,200	42,059,639	(63,561)	40,722,147
SPECIAL ASSESSMENTS					
Current	1,453,900	1,453,900	2,044,901	591,001	1,750,069
Installment	334,400	334,400	699,767	365,367	635,382
Total Special Assessments	1,788,300	1,788,300	2,744,668	956,368	2,385,451
INTERGOVERNMENTAL					
Federal aid	19,000	19,000	23,512	4,512	3,943
State aid					
Shared taxes	6,081,100	6,081,100	6,135,960	54,860	6,144,449
Municipal services	570,700	570,700	533,821	(36,879)	487,961
Utility tax	627,700	627,700	627,707	7	590,160
Local streets	3,242,100	3,242,100	3,239,590	(2,510)	2,976,900
Expenditure restraint program	1,161,000	1,161,000	1,148,342	(12,658)	1,120,321
Fire insurance	167,300	167,300	206,685	39,385	206,666
Underground tank inspections	6,300	6,300	5,656	(644)	-
Police training	15,000	15,000	14,720	(280)	14,560
Other	317,500	809,700	429,992	(379,708)	308,977
Total Intergovernmental	12,207,700	12,699,900	12,365,985	(333,915)	11,853,937
LICENSES AND PERMITS					
Television franchise	701,500	701,500	702,825	1,325	673,358
Licenses	339,000	339,000	374,273	35,273	329,856
Permits	621,800	621,800	795,429	173,629	870,277
Total Licenses and Permits	1,662,300	1,662,300	1,872,527	210,227	1,873,491
FINES, FORFEITURES AND PENALTIES					
Parking violation fines	290,000	290,000	289,056	(944)	237,743
County court fines	225,000	225,000	262,917	37,917	217,203
Other fines or forfeitures	4,000	4,000	2,704	(1,296)	2,704
Total Fines, Forfeitures and Penalties	519,000	519,000	554,677	35,677	457,650

CITY OF EAU CLAIRE

DETAILED SCHEDULE OF REVENUES AND OTHER FINANCING
SOURCES - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	2018				2017
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
PUBLIC CHARGES FOR SERVICES					
General government	$ 76,100	$ 76,100	$ 73,135	$ (2,965)	$ 91,874
Public safety	3,140,200	3,140,200	3,211,281	71,081	2,854,268
Public works	150,000	150,000	157,998	7,998	154,252
Parks and recreation	643,300	643,300	642,371	(929)	630,739
Development	1,000	1,000	16,646	15,646	9,277
Other	128,500	128,500	122,094	(6,406)	108,915
Total Charges for Services	4,139,100	4,139,100	4,223,525	84,425	3,849,325
CHARGES FOR SERVICES - INTERGOVERNMENTAL					
Communication center reimbursement	1,635,900	1,635,900	1,517,179	(118,721)	1,467,482
Police liaison	274,200	274,200	268,636	(5,564)	259,859
Departmental unfunded pension charge	146,600	146,600	146,800	200	146,600
Storm water management charge	441,600	441,600	441,636	36	401,472
Sewer utility charge	527,600	527,600	527,604	4	475,668
Water utility service charge	693,400	693,400	693,276	(124)	626,100
Other service charges	136,800	136,800	133,789	(3,011)	125,965
Total Charges for Services - Intergovernmental	3,856,100	3,856,100	3,728,920	(127,180)	3,503,146
INVESTMENT INCOME					
Investment interest and gains	500,000	500,000	1,138,459	638,459	594,854
Interest on advance to other funds	200,000	200,000	123,292	(76,708)	143,617
Interest on special assessments	275,000	275,000	268,599	(6,401)	271,752
Total Investment Income	975,000	975,000	1,530,350	555,350	1,010,223
MISCELLANEOUS					
Rental					
Rental of land and buildings	63,600	63,600	68,356	4,756	76,292
Total Rental	63,600	63,600	68,356	4,756	76,292
Other					
Donations	-	1,677	55,830	54,153	36,884
Other miscellaneous	227,400	247,400	291,328	43,928	277,439
Total Other	227,400	249,077	347,158	98,081	314,323
Total Miscellaneous	291,000	312,677	415,514	102,837	390,615
Total Revenues	67,561,700	68,075,577	69,495,805	1,420,228	66,045,985

CITY OF EAU CLAIRE

DETAILED SCHEDULE OF REVENUES AND OTHER FINANCING
SOURCES - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	2018				2017
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
OTHER FINANCING SOURCES					
Transfers from other funds	$ 175,800	$ 175,800	$ 175,800	$ -	$ 115,000
Transfer from water utility - PILOT	1,695,000	1,695,000	1,640,790	(54,210)	1,700,559
Long term debt issued	-	-	975,000	975,000	-
Premium on long-term debt issued	-	-	8,978	8,978	-
Proceeds from sale of capital assets	10,000	10,000	7,170	(2,830)	80,783
Total Other Financing Sources	1,880,800	1,880,800	2,807,738	926,938	1,896,342
TOTAL REVENUES AND OTHER FINANCING SOURCES	$ 69,442,500	$ 69,956,377	$ 72,303,543	$ 2,347,166	$ 67,942,327

CITY OF EAU CLAIRE

DETAILED SCHEDULE OF EXPENDITURES AND OTHER
FINANCING USES - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	2018				2017
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
EXPENDITURES					
GENERAL GOVERNMENT					
City council	$ 117,800	$ 117,800	$ 88,918	$ 28,882	$ 91,212
Administrative services					
City manager	466,400	459,400	419,883	39,517	439,557
City clerk/elections	666,200	666,200	552,751	113,449	379,954
Central duplicating	4,600	4,600	539	4,061	1,225
Information services	1,085,000	1,085,000	1,029,364	55,636	938,842
Total Administrative Services	2,222,200	2,215,200	2,002,537	212,663	1,759,578
Legal	534,200	534,200	524,568	9,632	483,067
Finance					
Administration	363,000	363,000	348,300	14,700	395,032
Accounting	740,600	745,600	617,009	128,591	600,798
Assessing	545,900	545,900	626,305	(80,405)	478,683
Customer services	851,300	851,300	801,887	49,413	774,275
Total Finance	2,500,800	2,505,800	2,393,501	112,299	2,248,788
Human resources					
Purchasing	250,700	250,700	236,919	13,781	224,556
Personnel administration	735,000	735,000	631,248	103,752	667,094
Total Human Resources	985,700	985,700	868,167	117,533	891,650
Planning and development					
Community planning	572,100	572,100	519,791	52,309	563,134
Inspection and zoning	720,800	1,179,600	865,388	314,212	726,568
Total Planning and Development	1,292,900	1,751,700	1,385,179	366,521	1,289,702
Total General Government	7,653,600	8,110,400	7,262,870	847,530	6,763,997
PUBLIC SAFETY					
Police					
Administration	1,729,300	1,729,300	1,424,847	304,453	1,279,106
Administrative services	1,004,000	1,004,000	983,849	20,151	1,527,398
Patrol services	9,262,500	9,254,500	9,550,985	(296,485)	9,312,823
Investigative services	3,071,300	3,072,977	3,107,489	(34,512)	2,928,861
Central communications	2,904,300	2,912,300	2,666,259	246,041	2,101,201
Total Police	17,971,400	17,973,077	17,733,429	239,648	17,149,389
Fire					
Administration	1,059,700	1,069,700	1,089,852	(20,152)	1,049,331
Suppression and rescue	10,321,300	10,324,700	10,344,360	(19,660)	10,004,621
Prevention and inspection	405,600	405,600	364,638	40,962	418,195
Total Fire	11,786,600	11,800,000	11,798,850	1,150	11,472,147
Total Public Safety	29,758,000	29,773,077	29,532,279	240,798	28,621,536

CITY OF EAU CLAIRE

DETAILED SCHEDULE OF EXPENDITURES AND OTHER
FINANCING USES - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	2018				2017
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
PUBLIC WORKS					
Administration	$ 238,100	$ 243,100	$ 301,446	$ (58,346)	$ 281,807
Parks and recreation administration	248,400	248,400	209,903	38,497	342,502
Operations	6,957,500	6,957,500	7,273,149	(315,649)	6,497,362
Engineering	1,967,200	1,967,200	1,877,800	89,400	1,827,975
Total Public Works	9,411,200	9,416,200	9,662,298	(246,098)	8,949,646
CULTURE AND RECREATION					
Park maintenance	3,131,700	3,161,700	2,892,342	269,358	2,826,385
Forestry	750,500	750,500	716,256	34,244	661,006
Recreation and playgrounds	906,000	906,000	795,849	110,151	718,385
Total Culture and Recreation	4,788,200	4,818,200	4,404,447	413,753	4,205,776
DEVELOPMENT					
Contribution to RDA	-	-	745,000	(745,000)	-
Total Development	-	-	745,000	(745,000)	-
MISCELLANEOUS					
Payments to other organizations	146,300	146,300	146,300	-	146,300
Contractual services	120,300	120,300	49,453	70,847	67,031
Insurance and retirement	777,200	777,200	507,846	269,354	55,675
Special assessments	117,200	117,200	28,058	89,142	165,199
Illegal taxes and refunds	-	-	41,321	(41,321)	627
Annexation rebates	7,200	7,200	7,148	52	7,827
Wellness program	10,000	10,000	6,263	3,737	11,915
Contingency	200,000	1,790,000	-	1,790,000	-
Total Miscellaneous	1,378,200	2,968,200	786,389	2,181,811	454,574
DEBT SERVICE					
Interest and fiscal charges	-	-	7,578	(7,578)	-
Total Debt Service	-	-	7,578	(7,578)	-
Total Expenditures	52,989,200	55,086,077	52,400,861	2,685,216	48,995,529
OTHER FINANCING USES					
Transfers to other funds:					
Special revenue fund	5,475,900	5,475,900	5,449,194	26,706	5,503,311
Debt service fund	9,412,800	9,412,800	9,405,436	7,364	8,694,671
Capital project funds	3,145,900	3,145,900	3,035,900	110,000	2,808,000
Proprietary funds	1,274,600	1,281,600	1,132,164	149,436	1,583,195
Total Other Financing Uses	19,309,200	19,316,200	19,022,694	293,506	18,589,177
TOTAL EXPENDITURES AND OTHER FINANCING USES	$ 72,298,400	$ 74,402,277	$ 71,423,555	$ 2,978,722	$ 67,584,706

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE - GENERAL
For the Year Ended December 31, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	2018				2017
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
REVENUES					
Special assessments	$ 300	$ 300	$ 77,716	$ 77,416	$ 167,749
Investment income	-	-	10,344	10,344	12,284
Total Revenues	300	300	88,060	87,760	180,033
EXPENDITURES					
Current					
General government	4,200	4,200	3,771	429	3,672
Debt Service					
Principal retirement	6,907,000	16,970,000	16,851,919	118,081	9,452,173
Interest and fiscal charges	2,745,200	2,745,200	2,855,005	(109,805)	2,562,611
Total Expenditures	9,656,400	19,719,400	19,710,695	8,705	12,018,456
Deficiency of revenues over expenditures	(9,656,100)	(19,719,100)	(19,622,635)	96,465	(11,838,423)
OTHER FINANCING SOURCES					
Refunding long-term debt issued	-	9,725,000	9,725,000	-	2,665,000
Premium on long-term debt issued	-	338,000	337,830	(170)	244,155
Transfers from other funds	9,482,000	9,482,000	9,474,521	(7,479)	8,764,422
Total Other Financing Sources	9,482,000	19,545,000	19,537,351	(7,649)	11,673,577
Net change in fund balances	(174,100)	(174,100)	(85,284)	88,816	(164,846)
FUND BALANCE - Beginning of Year	4,953,677	4,953,677	4,953,677	-	5,118,523
FUND BALANCE - END OF YEAR	$ 4,779,577	$ 4,779,577	$ 4,868,393	$ 88,816	$ 4,953,677

CITY OF EAU CLAIRE

COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
As of December 31, 2018

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Totals
ASSETS				
Cash and investments	$ 4,807,969	$ 2,485,070	$ 12,005,863	$ 19,298,902
Receivables				
Taxes	32,410	-	2,847,495	2,879,905
Accounts, net	369,787	-	33,817	403,604
Notes, net	2,915,414	-	-	2,915,414
Due from other governments	587,225	-	155,280	742,505
Prepaid items and inventories	145,763	-	508,919	654,682
Advances to other funds	400,000	-	1,000,000	1,400,000
Restricted Assets				
Revolving loan sequestered funds	474,045	-	-	474,045
Construction account	-	-	4,846,871	4,846,871
TOTAL ASSETS	$ 9,732,613	$ 2,485,070	$ 21,398,245	$ 33,615,928
LIABILITIES				
Accounts payable	$ 347,205	$ -	$ 2,408,063	$ 2,755,268
Accrued liabilities	407,941	-	-	407,941
Deposits	10,862	-	-	10,862
Due to other governments	40,441	-	3,900	44,341
Due to other funds	91,923	-	585,145	677,068
Advances from other funds	-	-	3,651,145	3,651,145
Total Liabilities	898,372	-	6,648,253	7,546,625
DEFERRED INFLOWS OF RESOURCES				
Unearned revenues - time requirements	-	-	2,847,495	2,847,495
Unavailable revenues	3,236,317	-	95,352	3,331,669
Total Deferred Inflows of Resources	3,236,317	-	2,942,847	6,179,164
FUND BALANCES				
Nonspendable	145,763	-	508,919	654,682
Restricted	3,546,126	2,485,070	5,004,130	11,035,326
Committed	602,348	-	-	602,348
Assigned	1,303,687	-	10,487,371	11,791,058
Unassigned (deficit)	-	-	(4,193,275)	(4,193,275)
Total Fund Balances	5,597,924	2,485,070	11,807,145	19,890,139
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 9,732,613	$ 2,485,070	$ 21,398,245	$ 33,615,928

CITY OF EAU CLAIRE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2018

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Totals
REVENUES				
Taxes	$ 2,022,688	$ 1,363,064	$ 2,711,319	$ 6,097,071
Intergovernmental	2,154,255	24,928	528,532	2,707,715
Licenses and permits	700,393	-	-	700,393
Fines, forfeitures and penalties	14,371	-	-	14,371
Charges for services - public	483,052	-	-	483,052
Charges for services - intergovernmental	2,249,230	-	150	2,249,380
Investment income	57,244	27,561	171,614	256,419
Miscellaneous				
Loan repayments	323,298	-	-	323,298
Gifts and donations	125,393	-	113,580	238,973
Other	783,365	-	254,889	1,038,254
Total Revenues	8,913,289	1,415,553	3,780,084	14,108,926
EXPENDITURES				
Current				
General government	-	4,200	313,492	317,692
Public safety	144,172	-	175,579	319,751
Public works	120,702	-	211,259	331,961
Health services	6,302,886	-	-	6,302,886
Culture and recreation	4,091,119	-	3,857	4,094,976
Development	2,905,608	-	1,575,700	4,481,308
Capital Outlay	195,179	-	20,088,767	20,283,946
Debt Service				
Principal retirement	-	595,000	1,395,000	1,990,000
Interest and fiscal charges	-	28,831	743,563	772,394
Total Expenditures	13,759,666	628,031	24,507,217	38,894,914
Excess (deficiency) of revenues over expenditures	(4,846,377)	787,522	(20,727,133)	(24,785,988)
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	-	-	14,080,000	14,080,000
Premium on long-term debt issued	-	-	624,732	624,732
Transfers from other funds	5,631,360	412,414	5,144,210	11,187,984
Transfers to other funds	(1,060,451)	-	(2,129,414)	(3,189,865)
Proceeds from sale of capital assets	2,425	-	-	2,425
Total Other Financing Sources (Uses)	4,573,334	412,414	17,719,528	22,705,276
Net changes in fund balances	(273,043)	1,199,936	(3,007,605)	(2,080,712)
FUND BALANCES - Beginning of Year	5,870,967	1,285,134	14,814,750	21,970,851
FUND BALANCES - END OF YEAR	$ 5,597,924	$ 2,485,070	$ 11,807,145	$ 19,890,139

CITY OF EAU CLAIRE

COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS
As of December 31, 2018

	Cemetery Maintenance	Hazardous Materials Response	Community Development	Home Grant	Police Department K9
ASSETS					
Cash and investments	$ 156,155	$ 158,299	$ 30,991	$ 125	$ 412,266
Receivables					
Taxes	-	-	-	-	-
Accounts, net	3,360	-	-	-	-
Notes, net	-	-	1,592,434	-	-
Due from other governments	-	37,066	164,248	82,178	-
Prepaid items and inventories	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Restricted Assets					
Revolving loan sequestered funds	-	-	-	-	-
TOTAL ASSETS	$ 159,515	$ 195,365	$ 1,787,673	$ 82,303	$ 412,266
LIABILITIES					
Accounts payable	$ 2,405	$ 10,206	$ 63,894	$ 7,837	$ -
Accrued liabilities	5,899	-	6,136	231	200
Deposits	-	-	30	-	-
Due to other governments	-	-	1,401	-	-
Due to other funds	-	-	-	60,890	-
Total Liabilities	8,304	10,206	71,461	68,958	200
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues	3,360	28,989	1,607,051	8,596	-
Total Deferred Inflows of Resources	3,360	28,989	1,607,051	8,596	-
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	147,851	156,170	109,161	4,749	412,066
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Total Fund Balances	147,851	156,170	109,161	4,749	412,066
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 159,515	$ 195,365	$ 1,787,673	$ 82,303	$ 412,266

Economic Development	Community Enhancement	Public Library	City-County Health Department	Downtown	Former Landfill Escrow	Totals
$ 1,513,916	$ -	$ 1,073,999	$ 1,376,823	$ 70,012	$ 15,383	$ 4,807,969
-	-	-	32,410	-	-	32,410
-	127,967	116,668	94,347	549	26,896	369,787
1,322,980	-	-	-	-	-	2,915,414
-	-	-	303,733	-	-	587,225
-	-	54,973	90,790	-	-	145,763
400,000	-	-	-	-	-	400,000
474,045	-	-	-	-	-	474,045
$ 3,710,941	$ 127,967	$ 1,245,640	$ 1,898,103	$ 70,561	$ 42,279	$ 9,732,613
$ 1,924	$ 52,880	$ 61,658	$ 140,827	$ 33	$ 5,541	$ 347,205
4,960	-	145,622	242,117	2,776	-	407,941
990	-	-	-	-	9,842	10,862
7	-	-	39,033	-	-	40,441
-	31,033	-	-	-	-	91,923
7,881	83,913	207,280	421,977	2,809	15,383	898,372
1,322,980	-	103,250	135,195	-	26,896	3,236,317
1,322,980	-	103,250	135,195	-	26,896	3,236,317
-	-	54,973	90,790	-	-	145,763
474,045	44,054	880,137	1,250,141	67,752	-	3,546,126
602,348	-	-	-	-	-	602,348
1,303,687	-	-	-	-	-	1,303,687
2,380,080	44,054	935,110	1,340,931	67,752	-	5,597,924
$ 3,710,941	$ 127,967	$ 1,245,640	$ 1,898,103	$ 70,561	$ 42,279	$ 9,732,613

CITY OF EAU CLAIRE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2018

	Cemetery Maintenance	Hazardous Materials Response	Community Development	Home Grant	Police Department K9
REVENUES					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	125,185	665,243	198,391	-
Licenses and permits	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-
Charges for services - public	155,483	-	-	-	-
Charges for services - intergovernmental	-	-	-	-	-
Investment income	-	1,899	-	-	5,112
Miscellaneous					
Loan repayments	-	-	167,849	11,740	-
Gifts and donations	-	-	-	-	-
Other	-	-	-	-	-
Total Revenues	155,483	127,084	833,092	210,131	5,112
EXPENDITURES					
Current					
Public safety	-	115,786	-	-	28,386
Public works	-	-	-	-	-
Health services	418,377	-	-	-	-
Culture and recreation	-	-	-	-	-
Development	-	-	721,789	206,475	-
Capital Outlay	-	-	-	-	-
Total Expenditures	418,377	115,786	721,789	206,475	28,386
Excess (deficiency) of revenues over expenditures	(262,894)	11,298	111,303	3,656	(23,274)
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	262,894	-	-	-	-
Transfers to other funds	(26,500)	-	(97,166)	-	(20,000)
Proceeds from sale of capital assets	-	-	-	-	-
Total Other Financing Sources (Uses)	236,394	-	(97,166)	-	(20,000)
Net change in fund balances	(26,500)	11,298	14,137	3,656	(43,274)
FUND BALANCES - Beginning of Year	174,351	144,872	95,024	1,093	455,340
FUND BALANCES - END OF YEAR	$ 147,851	$ 156,170	$ 109,161	$ 4,749	$ 412,066

Economic Development	Community Enhancement	Public Library	City-County Health Department	Downtown	Former Landfill Escrow	Totals
$ -	$ 2,022,688	$ -	$ -	$ -	$ -	$ 2,022,688
-	-	6,337	1,159,099	-	-	2,154,255
-	-	-	700,393	-	-	700,393
-	-	14,371	-	-	-	14,371
-	-	15,758	194,038	-	117,773	483,052
-	-	643,641	1,605,589	-	-	2,249,230
49,986	235	(217)	-	-	229	57,244
143,709	-	-	-	-	-	323,298
-	-	73,224	39,169	13,000	-	125,393
150,022	-	274,944	355,699	-	2,700	783,365
343,717	2,022,923	1,028,058	4,053,987	13,000	120,702	8,913,289
-	-	-	-	-	-	144,172
-	-	-	-	-	120,702	120,702
-	-	-	5,884,509	-	-	6,302,886
-	-	4,091,119	-	-	-	4,091,119
489,631	1,418,500	-	-	69,213	-	2,905,608
-	-	19,391	175,788	-	-	195,179
489,631	1,418,500	4,110,510	6,060,297	69,213	120,702	13,759,666
(145,914)	604,423	(3,082,452)	(2,006,310)	(56,213)	-	(4,846,377)
236,400	-	3,107,100	1,939,966	85,000	-	5,631,360
(85,000)	(662,700)	(140,360)	(28,725)	-	-	(1,060,451)
-	-	2,425	-	-	-	2,425
151,400	(662,700)	2,969,165	1,911,241	85,000	-	4,573,334
5,486	(58,277)	(113,287)	(95,069)	28,787	-	(273,043)
2,374,594	102,331	1,048,397	1,436,000	38,965	-	5,870,967
$ 2,380,080	$ 44,054	$ 935,110	$ 1,340,931	$ 67,752	$ -	$ 5,597,924

CITY OF EAU CLAIRE

COMBINING BALANCE SHEET -
NONMAJOR DEBT SERVICE FUNDS
As of December 31, 2018

	Debt Service - TIF No. 5	Debt Service - TIF No. 7	Totals
ASSETS			
Cash and investments	$ 2,485,070	$ -	$ 2,485,070
TOTAL ASSETS	$ 2,485,070	$ -	$ 2,485,070
FUND BALANCES			
Restricted	$ 2,485,070	$ -	$ 2,485,070
TOTAL FUND BALANCES	$ 2,485,070	$ -	$ 2,485,070

CITY OF EAU CLAIRE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
For the Year Ended December 31, 2018

	Debt Service - TIF No. 5	Debt Service - TIF No. 7	Totals
REVENUES			
Taxes	$ 1,363,064	$ -	$ 1,363,064
Intergovernmental	24,928	-	24,928
Investment income	27,561	-	27,561
Total Revenues	1,415,553	-	1,415,553
EXPENDITURES			
Current			
General government	4,200	-	4,200
Debt Service			
Principal retirement	595,000	-	595,000
Interest and fiscal charges	28,831	-	28,831
Total Expenditures	628,031	-	628,031
Excess of revenues over expenditures	787,522	-	787,522
OTHER FINANCING SOURCES			
Transfers from other funds	-	412,414	412,414
Net change in fund balances	787,522	412,414	1,199,936
FUND BALANCES (DEFICIT) - Beginning of Year	1,697,548	(412,414)	1,285,134
FUND BALANCES - END OF YEAR	$ 2,485,070	$ -	$ 2,485,070

CITY OF EAU CLAIRE

COMBINING BALANCE SHEET -
NONMAJOR CAPITAL PROJECTS FUNDS
As of December 31, 2018

	TIF No. 7 Soo Line Development Area	TIF No. 8 Downtown Development	TIF No. 9 Gateway NW Business Park Overlay	TIF No. 10 Confluence Project	TIF No. 11 Downtown Mixed Use	TIF No. 12 Water Street
ASSETS						
Cash and investments	$ 148,623	$ -	$ 462,923	$ -	$ 574,871	$ -
Receivables						
Taxes	125,506	1,344,174	68,370	634,014	299,889	375,542
Accounts	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-
Restricted assets						
Construction account	-	-	-	1,258,438	212,632	-
TOTAL ASSETS	$ 274,129	$ 1,344,174	$ 531,293	$ 1,892,452	$ 1,087,392	$ 375,542
LIABILITIES						
Accounts payable	$ -	$ -	$ -	$ 72,009	$ -	$ -
Due to other governments	-	-	-	-	-	-
Due to other funds	-	244,215	-	339,780	-	1,150
Advances from other funds	412,445	3,238,700	-	-	-	-
Total Liabilities	412,445	3,482,915	-	411,789	-	1,150
DEFERRED INFLOWS OF RESOURCES						
Unearned revenues - time requirements	125,506	1,344,174	68,370	634,014	299,889	375,542
Unavailable revenues	-	-	-	-	-	-
Total Deferred Inflows of Resources	125,506	1,344,174	68,370	634,014	299,889	375,542
FUND BALANCES (DEFICIT)						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	462,923	1,186,429	787,503	-
Assigned	-	-	-	-	-	-
Unassigned (deficit)	(263,822)	(3,482,915)	-	(339,780)	-	(1,150)
Total Fund Balances (Deficit)	(263,822)	(3,482,915)	462,923	846,649	787,503	(1,150)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 274,129	$ 1,344,174	$ 531,293	$ 1,892,452	$ 1,087,392	$ 375,542

	Bridge Projects	Street Projects	Transportation Improvements	Land, Buildings and Equipment	Parks and Recreation Projects	Environmental Improvements	Library Buildings & Equipment	Totals
	$ 221,027	$ 947,469	$ 4,167,629	$ 3,388,288	$ 27,657	$ 1,849,163	$ 218,213	$ 12,005,863
	-	-	-	-	-	-	-	2,847,495
	-	-	33,814	-	3	-	-	33,817
	-	-	26,687	13,394	115,199	-	-	155,280
	-	-	-	508,919	-	-	-	508,919
	-	1,000,000	-	-	-	-	-	1,000,000
	-	-	2,864,113	387,680	124,008	-	-	4,846,871
	$ 221,027	$ 1,947,469	$ 7,092,243	$ 4,298,281	$ 266,867	$ 1,849,163	$ 218,213	$ 21,398,245
	$ 12,548	$ 123,204	$ 1,639,682	$ 514,597	$ 20,753	$ 1,400	$ 23,870	$ 2,408,063
	-	-	-	3,900	-	-	-	3,900
	-	-	-	-	-	-	-	585,145
	-	-	-	-	-	-	-	3,651,145
	12,548	123,204	1,639,682	518,497	20,753	1,400	23,870	6,648,253
	-	-	-	-	-	-	-	2,847,495
	-	-	26,687	13,394	55,271	-	-	95,352
	-	-	26,687	13,394	55,271	-	-	2,942,847
	-	-	-	508,919	-	-	-	508,919
	68,249	336,455	1,224,052	447,473	296,451	252	194,343	5,004,130
	140,230	1,487,810	4,201,822	2,809,998	-	1,847,511	-	10,487,371
	-	-	-	-	(105,608)	-	-	(4,193,275)
	208,479	1,824,265	5,425,874	3,766,390	190,843	1,847,763	194,343	11,807,145
	$ 221,027	$ 1,947,469	$ 7,092,243	$ 4,298,281	$ 266,867	$ 1,849,163	$ 218,213	$ 21,398,245

CITY OF EAU CLAIRE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
For the Year Ended December 31, 2018

	TIF No. 7 Soo Line Development Area	TIF No. 8 Downtown Development	TIF No. 9 Gateway NW Business Park Overlay	TIF No. 10 Confluence Project	TIF No. 11 Downtown Mixed Use	TIF No. 12 Water Street
REVENUES						
Taxes	$ 148,742	$ 1,449,764	$ 70,881	$ 703,013	$ 338,899	$ -
Intergovernmental	-	72,020	2,204	126	4,312	-
Charges for services - intergovernmental	-	-	-	-	-	-
Investment income	-	-	5,208	46,261	11,291	-
Miscellaneous						
Gifts and donations	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Revenues	148,742	1,521,804	78,293	749,400	354,502	-
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Development	150	66,329	150	1,508,771	150	150
Capital Outlay	-	901,218	-	2,495,695	-	-
Debt Service						
Principal retirement	-	1,040,000	-	340,000	15,000	-
Interest and fiscal charges	-	390,625	-	216,320	7,306	-
Total Expenditures	150	2,398,172	150	4,560,786	22,456	150
Excess (deficiency) of revenues over expenditures	148,592	(876,368)	78,143	(3,811,386)	332,046	(150)
OTHER FINANCING SOURCES (USES)						
Long-term debt issued	-	885,000	-	2,375,000	-	-
Premium on long-term debt issued	-	68,776	-	86,589	-	-
Transfers from other funds	-	171,810	-	-	-	-
Transfer to other funds	(412,414)	-	-	-	-	-
Total Other Financing Sources (Uses)	(412,414)	1,125,586	-	2,461,589	-	-
Net change in fund balances	(263,822)	249,218	78,143	(1,349,797)	332,046	(150)
FUND BALANCES (DEFICIT) - Beginning of Year	-	(3,732,133)	384,780	2,196,446	455,457	(1,000)
FUND BALANCES (DEFICIT) - END OF YEAR	$ (263,822)	$ (3,482,915)	$ 462,923	$ 846,649	$ 787,503	$ (1,150)

Bridge Projects	Street Projects	Transportation Improvements	Land, Buildings and Equipment	Parks and Recreation Projects	Environmental Improvements	Library Buildings & Equipment	Totals
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,711,319
-	45,000	259,832	85,107	59,931	-	-	528,532
-	-	-	150	-	-	-	150
10,139	-	37,156	38,376	817	22,225	141	171,614
-	-	110,000	3,580	-	-	-	113,580
-	-	199,473	36,654	18,762	-	-	254,889
10,139	45,000	606,461	163,867	79,510	22,225	141	3,780,084
-	-	-	313,492	-	-	-	313,492
-	-	-	175,579	-	-	-	175,579
-	38,167	94,953	-	-	78,139	-	211,259
-	-	-	-	-	-	3,857	3,857
-	-	-	-	-	-	-	1,575,700
169,474	319,362	8,988,280	6,327,199	711,543	2,973	173,023	20,088,767
-	-	-	-	-	-	-	1,395,000
-	-	88,011	35,677	5,039	-	585	743,563
169,474	357,529	9,171,244	6,851,947	716,582	81,112	177,465	24,507,217
(159,335)	(312,529)	(8,564,783)	(6,688,080)	(637,072)	(58,887)	(177,324)	(20,727,133)
-	-	7,805,000	2,780,000	145,000	-	90,000	14,080,000
-	-	320,588	143,017	39	-	5,723	624,732
-	-	2,815,000	1,942,400	115,000	-	100,000	5,144,210
(775,000)	(900,000)	-	(42,000)	-	-	-	(2,129,414)
(775,000)	(900,000)	10,940,588	4,823,417	260,039	-	195,723	17,719,528
(934,335)	(1,212,529)	2,375,805	(1,864,663)	(377,033)	(58,887)	18,399	(3,007,605)
1,142,814	3,036,794	3,050,069	5,631,053	567,876	1,906,650	175,944	14,814,750
$ 208,479	$ 1,824,265	$ 5,425,874	$ 3,766,390	$ 190,843	$ 1,847,763	$ 194,343	$ 11,807,145

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS)
For the Year Ended December 31, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	Cemetery Maintenance				
	2018				2017
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
REVENUES					
Charges for services - public	$ 173,700	$ 173,700	$ 155,483	$ (18,217)	$ 195,528
Miscellaneous					
Other	-	-	-	-	27
Total Revenues	173,700	173,700	155,483	(18,217)	195,555
EXPENDITURES					
Current					
Health services	463,300	463,300	418,377	44,923	470,190
Deficiency of revenues over expenditures	(289,600)	(289,600)	(262,894)	26,706	(274,635)
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	289,600	289,600	262,894	(26,706)	274,635
Transfers to other funds	(26,500)	(26,500)	(26,500)	-	-
Total Other Financing Sources (Uses)	263,100	263,100	236,394	(26,706)	274,635
Net change in fund balances	(26,500)	(26,500)	(26,500)	-	-
FUND BALANCES - Beginning of Year	174,351	174,351	174,351	-	174,351
FUND BALANCES - END OF YEAR	$ 147,851	$ 147,851	$ 147,851	$ -	$ 174,351

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS)
For the Year Ended December 31, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	Hazardous Materials Response				
	2018				2017
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
REVENUES					
Intergovernmental	$ 116,000	$ 116,000	$ 125,185	$ 9,185	$ 95,160
Charges for services - public	2,000	2,000	-	(2,000)	-
Investment income	300	300	1,899	1,599	931
Total Revenues	118,300	118,300	127,084	8,784	96,091
EXPENDITURES					
Current					
Public safety	125,300	125,300	115,786	9,514	121,694
Excess (deficiency) of revenues over expenditures	(7,000)	(7,000)	11,298	18,298	(25,603)
OTHER FINANCING SOURCES					
Transfers from other funds	-	-	-	-	26,476
Net change in fund balances	(7,000)	(7,000)	11,298	18,298	873
FUND BALANCES - Beginning of Year	144,872	144,872	144,872	-	143,999
FUND BALANCES - END OF YEAR	$ 137,872	$ 137,872	$ 156,170	$ 18,298	$ 144,872

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS)
For the Year Ended December 31, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	Police Department K9				
	2018				2017
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
REVENUES					
Investment income	$ 1,200	$ 1,200	$ 5,112	$ 3,912	$ 3,165
EXPENDITURES					
Current					
Public safety	30,500	30,500	28,386	2,114	51,115
Deficiency of revenues over expenditures	(29,300)	(29,300)	(23,274)	6,026	(47,950)
OTHER FINANCING USES					
Transfers to other funds	(20,000)	(20,000)	(20,000)	-	-
Net change in fund balances	(49,300)	(49,300)	(43,274)	6,026	(47,950)
FUND BALANCES - Beginning of Year	455,340	455,340	455,340	-	503,290
FUND BALANCES - END OF YEAR	$ 406,040	$ 406,040	$ 412,066	$ 6,026	$ 455,340

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS)
For the Year Ended December 31, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	Economic Development				
	2018				2017
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
REVENUES					
Intergovernmental	$ -	$ 34,000	$ -	$ (34,000)	$ -
Investment income	29,200	36,100	49,986	13,886	33,496
Miscellaneous					
Loan repayments	92,700	131,900	143,709	11,809	52,723
Other	100	17,400	150,022	132,622	350,015
Total Revenues	122,000	219,400	343,717	124,317	436,234
EXPENDITURES					
Current					
Development	295,000	852,900	489,631	363,269	504,788
Deficiency of revenues over expenditures	(173,000)	(633,500)	(145,914)	487,586	(68,554)
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	236,400	236,400	236,400	-	453,680
Transfers to other funds	(85,000)	(85,000)	(85,000)	-	(85,000)
Proceeds from sale of capital assets	-	-	-	-	85
Total Other Financing Sources (Uses)	151,400	151,400	151,400	-	368,765
Net change in fund balances	(21,600)	(482,100)	5,486	487,586	300,211
FUND BALANCES - Beginning of Year	2,374,594	2,374,594	2,374,594	-	2,074,383
FUND BALANCES - END OF YEAR	$ 2,352,994	$ 1,892,494	$ 2,380,080	$ 487,586	$ 2,374,594

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS)
For the Year Ended December 31, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	Community Enhancement				
	2018				2017
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
REVENUES					
Taxes	$ 1,950,000	$ 2,001,100	$ 2,022,688	$ 21,588	$ 2,006,478
Investment income	100	100	235	135	121
Total Revenues	1,950,100	2,001,200	2,022,923	21,723	2,006,599
EXPENDITURES					
Current					
Development	1,367,400	1,418,500	1,418,500	-	1,406,989
Excess of revenues over expenditures	582,700	582,700	604,423	21,723	599,610
OTHER FINANCING USES					
Transfers to other funds	(662,700)	(662,700)	(662,700)	-	(584,400)
Net change in fund balances	(80,000)	(80,000)	(58,277)	21,723	15,210
FUND BALANCES - Beginning of Year	102,331	102,331	102,331	-	87,121
FUND BALANCES - END OF YEAR	$ 22,331	$ 22,331	$ 44,054	$ 21,723	$ 102,331

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS)
For the Year Ended December 31, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	Public Library				
	2018				2017
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
REVENUES					
Intergovernmental	$ -	$ -	$ 6,337	$ 6,337	$ -
Fines and forfeitures	7,300	7,300	14,371	7,071	70,898
Charges for services - public	16,200	16,200	15,758	(442)	7,528
Charges for services - intergovernmental	642,100	642,100	643,641	1,541	627,632
Investment income	600	600	(217)	(817)	4,244
Miscellaneous					
Gifts and donations	18,000	96,000	73,224	(22,776)	47,455
Other	269,100	276,400	274,944	(1,456)	256,702
Total Revenues	953,300	1,038,600	1,028,058	(10,542)	1,014,459
EXPENDITURES					
Current					
Culture and recreation	4,084,300	4,306,900	4,091,119	215,781	3,883,330
Capital Outlay	9,500	9,500	19,391	(9,891)	31,526
Total Expenditures	4,093,800	4,316,400	4,110,510	205,890	3,914,856
Deficiency of revenues over expenditures	(3,140,500)	(3,277,800)	(3,082,452)	195,348	(2,900,397)
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	3,107,100	3,107,100	3,107,100	-	3,233,200
Transfers to other funds	(40,400)	(140,400)	(140,360)	40	(100,248)
Proceeds from sale of capital assets	500	500	2,425	1,925	3,589
Total Other Financing Sources (Uses)	3,067,200	2,967,200	2,969,165	1,965	3,136,541
Net change in fund balances	(73,300)	(310,600)	(113,287)	197,313	236,144
FUND BALANCES - Beginning of Year	1,048,397	1,048,397	1,048,397	-	812,253
FUND BALANCES - END OF YEAR	$ 975,097	$ 737,797	$ 935,110	$ 197,313	$ 1,048,397

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS)
For the Year Ended December 31, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	City-County Health Department				
	2018				2017
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
REVENUES					
Intergovernmental	$ 1,122,700	$ 1,171,000	$ 1,159,099	$ (11,901)	$ 1,334,986
Licenses and permits	695,400	695,400	700,393	4,993	662,541
Charges for services - public	265,000	265,000	194,038	(70,962)	128,916
Charges for services - intergovernmental	1,612,400	1,612,400	1,605,589	(6,811)	1,591,654
Miscellaneous					
Gifts and donations	1,600	38,400	39,169	769	11,047
Other	200,000	332,300	355,699	23,399	468,020
Total Revenues	3,897,100	4,114,500	4,053,987	(60,513)	4,197,164
EXPENDITURES					
Current					
Health services	5,938,100	6,157,200	5,884,509	272,691	5,625,970
Capital Outlay	60,000	60,000	175,788	(115,788)	55,342
Total Expenditures	5,998,100	6,217,200	6,060,297	156,903	5,681,312
Deficiency of revenues over expenditures	(2,101,000)	(2,102,700)	(2,006,310)	96,390	(1,484,148)
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	1,938,200	1,939,900	1,939,966	66	1,896,194
Transfers to other funds	(28,800)	(28,800)	(28,725)	75	(29,503)
Total Other Financing Sources (Uses)	1,909,400	1,911,100	1,911,241	141	1,866,691
Net change in fund balances	(191,600)	(191,600)	(95,069)	96,531	382,543
FUND BALANCES - Beginning of Year	1,436,000	1,436,000	1,436,000	-	1,053,457
FUND BALANCES - END OF YEAR	$ 1,244,400	$ 1,244,400	$ 1,340,931	$ 96,531	$ 1,436,000

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS)
For the Year Ended December 31, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	Downtown				
	2018				2017
	Budgeted Amounts				
	Original	Final	Actual	Variance with Final Budget	Actual
REVENUES					
Miscellaneous					
Gifts and donations	$ 13,000	$ 13,000	$ 13,000	$ -	$ 13,000
EXPENDITURES					
Current					
Development	133,500	133,500	69,213	64,287	113,481
Deficiency of revenues over expenditures	(120,500)	(120,500)	(56,213)	64,287	(100,481)
OTHER FINANCING SOURCES					
Transfers from other funds	85,000	85,000	85,000	-	85,000
Net change in fund balances	(35,500)	(35,500)	28,787	64,287	(15,481)
FUND BALANCES - Beginning of Year	38,965	38,965	38,965	-	54,446
FUND BALANCES - END OF YEAR	$ 3,465	$ 3,465	$ 67,752	$ 64,287	$ 38,965

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS)
For the Year Ended December 31, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	Former Landfill Escrow				
	2018				2017
	Budgeted Amounts				
	Original	Final	Actual	Variance with Final Budget	Actual
REVENUES					
Charges for services - public	$ 150,000	$ 150,000	$ 117,773	$ (32,227)	$ 97,648
Investment income	-	-	229	229	122
Miscellaneous					
Other	-	-	2,700	2,700	-
Total Revenues	150,000	150,000	120,702	(29,298)	97,770
EXPENDITURES					
Current					
Public works	150,000	150,000	120,702	29,298	97,770
Net change in fund balances	-	-	-	-	-
FUND BALANCES - Beginning of Year	-	-	-	-	-
FUND BALANCES - END OF YEAR	$ -	$ -	$ -	$ -	$ -

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS)
For the Year Ended December 31, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	Debt Service - TIF No. 5				
	2018				2017
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
REVENUES					
Taxes	$ 1,373,300	$ 1,373,300	$ 1,363,064	$ (10,236)	$ 1,355,798
Intergovernmental	22,900	22,900	24,928	2,028	23,501
Investment income	8,200	8,200	27,561	19,361	10,298
Total Revenues	1,404,400	1,404,400	1,415,553	11,153	1,389,597
EXPENDITURES					
Current					
General government	2,700	2,700	4,200	(1,500)	-
Development	200	146,100	-	146,100	150
Debt Service					
Principal retirement	595,000	595,000	595,000	-	1,070,000
Interest and fiscal charges	33,800	33,800	28,831	4,969	58,626
Total Expenditures	631,700	777,600	628,031	149,569	1,128,776
Excess (deficiency) of revenues over expenditures	772,700	626,800	787,522	160,722	260,821
OTHER FINANCING SOURCES (USES)					
Refunding long-term debt issued	-	-	-	-	340,000
Premium on long-term debt issued	-	-	-	-	5,518
Total Other Financing Sources (Uses)	-	-	-	-	345,518
Net change in fund balances	772,700	626,800	787,522	160,722	606,339
FUND BALANCES - Beginning of Year	1,697,548	1,697,548	1,697,548	-	1,091,209
FUND BALANCES - END OF YEAR	$ 2,470,248	$ 2,324,348	$ 2,485,070	$ 160,722	$ 1,697,548

CITY OF EAU CLAIRE

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS)
For the Year Ended December 31, 2018
With Comparative Actual Totals for the Year Ended December 31, 2017

	Debt Service - TIF No. 7				
	2018				2017
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
REVENUES					
Taxes	$ 153,000	$ 153,000	$ -	$ (153,000)	$ 137,091
Intergovernmental	1,000	1,000	-	(1,000)	1,065
Investment income	-	-	-	-	44
Total Revenues	154,000	154,000	-	(154,000)	138,200
EXPENDITURES					
Current					
General government	100	-	-	-	-
Development	200	-	-	-	150
Debt Service					
Principal retirement	-	-	-	-	150,000
Interest and fiscal charges	-	-	-	-	3,000
Total Expenditures	300	-	-	-	153,150
Excess (deficiency) of revenues over expenditures	153,700	154,000	-	(154,000)	(14,950)
OTHER FINANCING SOURCES					
Transfers from other funds	-	-	412,414	412,414	-
Net change in fund balances	153,700	154,000	412,414	258,414	(14,950)
FUND BALANCES (DEFICIT) - Beginning of Year	(412,414)	(412,414)	(412,414)	-	(397,464)
FUND BALANCES (DEFICIT) - END OF YEAR	$ (258,714)	$ (258,414)	$ -	$ 258,414	$ (412,414)

CITY OF EAU CLAIRE

COMBINING STATEMENT OF NET POSITION -
NONMAJOR ENTERPRISE FUNDS
As of December 31, 2018

	Hobbs Ice Center	Outdoor Pool	Public Transit	Parking Utility	Total Nonmajor Enterprise Funds
ASSETS					
Current Assets					
Cash and investments	$ 248,804	$ 114,903	$ 23,301	$ 1,075,795	$ 1,462,803
Accounts receivable, net	98,009	1,965	25,136	13,026	138,136
Due from other governments	42,329	-	862,143	-	904,472
Inventories	-	-	209,573	-	209,573
Prepaid items	-	-	1,503	-	1,503
Total Current Assets	389,142	116,868	1,121,656	1,088,821	2,716,487
Noncurrent Assets					
Restricted assets					
Cash and investments	-	-	-	706,223	706,223
Net pension asset	25,628	8,920	365,040	15,830	415,418
Capital assets					
Construction in progress	108,661	-	-	-	108,661
Land	5,000	-	-	645,196	650,196
Capital assets	9,180,082	3,592,023	6,507,384	18,495,342	37,774,831
Less: Accumulated depreciation	(4,336,418)	(1,288,814)	(5,094,083)	(5,765,914)	(16,485,229)
Total Capital Assets (Net of Accumulated Depreciation)	4,957,325	2,303,209	1,413,301	13,374,624	22,048,459
Total Noncurrent Assets	4,982,953	2,312,129	1,778,341	14,096,677	23,170,100
Total Assets	5,372,095	2,428,997	2,899,997	15,185,498	25,886,587
DEFERRED OUTFLOWS OF RESOURCES					
Other postemployment benefit related amounts	4,204	-	101,283	3,352	108,839
Pension related amounts	44,876	14,693	685,207	26,124	770,900
Total Deferred Outflows of Resources	49,080	14,693	786,490	29,476	879,739
LIABILITIES					
Current Liabilities					
Accounts payable	72,320	1,817	208,635	62,423	345,195
Accrued payroll and payroll taxes	9,956	2,233	99,736	5,235	117,160
Accrued compensated absences	7,223	3,259	84,061	7,117	101,660
Accrued interest	29,244	-	-	10,086	39,330
Deposits	603	13,656	42,100	15,279	71,638
Due to other governments	132	83	-	-	215
Due to other funds	46,629	-	663,948	-	710,577
Current portion of advances	230,000	-	-	-	230,000
Current portion of general obligation debt	-	-	-	47,000	47,000
Total Current Liabilities	396,107	21,048	1,098,480	147,140	1,662,775
Noncurrent Liabilities					
Advances from other funds	2,420,000	-	-	-	2,420,000
General obligation debt payable	-	-	-	1,199,600	1,199,600
Other postemployment benefits	41,439	-	998,402	33,032	1,072,873
Total Noncurrent Liabilities	2,461,439	-	998,402	1,232,632	4,692,473
Total Liabilities	2,857,546	21,048	2,096,882	1,379,772	6,355,248
DEFERRED INFLOWS OF RESOURCES					
Other postemployment benefit related amounts	465	-	11,173	370	12,008
Pension related amounts	55,706	20,389	693,205	33,224	802,524
Total Deferred Inflows of Resources	56,171	20,389	704,378	33,594	814,532
NET POSITION					
Net investment in capital assets	4,933,456	2,303,209	1,413,301	12,774,872	21,424,838
Restricted for pension	25,628	8,920	365,040	15,830	415,418
Unrestricted (deficit)	(2,451,626)	90,124	(893,114)	1,010,906	(2,243,710)
TOTAL NET POSITION	$ 2,507,458	$ 2,402,253	$ 885,227	$ 13,801,608	$ 19,596,546

CITY OF EAU CLAIRE

COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
For the Year Ended December 31, 2018

	Hobbs Ice Center	Outdoor Pool	Public Transit	Parking Utility	Total Nonmajor Enterprise Funds
OPERATING REVENUES					
Charges for services	$ 712,446	$ 286,312	$ 1,205,752	$ 654,043	$ 2,858,553
Other	70,396	46,871	46,228	2,355	165,850
Total Operating Revenues	782,842	333,183	1,251,980	656,398	3,024,403
OPERATING EXPENSES					
Personal services	304,605	257,492	3,011,139	149,528	3,722,764
Contractual services	80,772	31,617	1,583,896	110,106	1,806,391
Supplies and materials	65,759	65,936	792,852	21,820	946,367
Utilities	266,331	37,686	8,959	64,204	377,180
Depreciation	406,712	82,100	377,654	367,487	1,233,953
Administrative	9,400	7,416	165,151	81,323	263,290
Total Operating Expenses	1,133,579	482,247	5,939,651	794,468	8,349,945
Operating loss	(350,737)	(149,064)	(4,687,671)	(138,070)	(5,325,542)
NONOPERATING REVENUES (EXPENSES)					
Operating grants	-	-	3,387,460	-	3,387,460
Investment income	39	-	-	4,432	4,471
Net gain (loss) on disposal of capital assets	-	-	(10,341)	-	(10,341)
Interest and fiscal charges	(96,742)	-	-	(23,222)	(119,964)
Total Nonoperating Revenues (Expenses)	(96,703)	-	3,377,119	(18,790)	3,261,626
Loss before transfers	(447,440)	(149,064)	(1,310,552)	(156,860)	(2,063,916)
Transfers from other funds	479,062	102,714	922,288	-	1,504,064
Transfers to other funds	-	-	-	(171,810)	(171,810)
Total Transfers	479,062	102,714	922,288	(171,810)	1,332,254
Change in net position	31,622	(46,350)	(388,264)	(328,670)	(731,662)
NET POSITION - Beginning of Year	2,475,836	2,448,603	1,273,491	14,130,278	20,328,208
NET POSITION - END OF YEAR	$ 2,507,458	$ 2,402,253	$ 885,227	$ 13,801,608	$ 19,596,546

CITY OF EAU CLAIRE

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Year Ended December 31, 2018

	Hobbs Ice Center	Outdoor Pool	Public Transit	Parking Utility	Total Nonmajor Enterprise Funds
CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES					
Cash received from customers	$ 774,050	$ 341,431	$ 1,230,206	$ 647,952	$ 2,993,639
Cash paid to suppliers for goods and services	(420,810)	(141,515)	(2,508,624)	(275,663)	(3,346,612)
Cash paid to employees for services	(301,500)	(252,742)	(3,001,586)	(143,477)	(3,699,305)
Administrative charges	-	-	(62,347)	-	(62,347)
Net Cash Flows From (Used By) Operating Activities	51,740	(52,826)	(4,342,351)	228,812	(4,114,625)
CASH FLOWS FROM (USED BY) NONCAPITAL FINANCING ACTIVITIES					
Operating grants received	-	-	2,852,143	-	2,852,143
Negative cash implicitly financed	-	-	597,639	-	597,639
Transfers from other funds	479,062	62,714	922,288	-	1,464,064
Transfers to other funds	-	-	-	(171,810)	(171,810)
Net Cash Flows From (Used By) Noncapital Financing Activities	479,062	62,714	4,372,070	(171,810)	4,742,036
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income	39	-	-	4,432	4,471
CASH FLOWS FROM (USED BY) CAPITAL AND RELATED FINANCING ACTIVITIES					
Debt issued	-	-	-	970,000	970,000
Debt retired	-	-	-	(12,000)	(12,000)
Interest and fiscal charges paid	-	-	-	(15,903)	(15,903)
Capital related transfers from other funds	-	40,000	-	-	40,000
Acquisition and construction of capital assets	(430,992)	(102,068)	(9,044)	(257,746)	(799,850)
Capital related advance received from other funds	230,000	-	-	-	230,000
Principal paid on capital advances from other funds	(215,000)	-	-	-	(215,000)
Interest paid on capital advances from other funds	(89,352)	-	-	-	(89,352)
Net Cash Flows From (Used By) Capital and Related Financing Activities	(505,344)	(62,068)	(9,044)	684,351	107,895
Net Change in Cash and Cash Equivalents	25,497	(52,180)	20,675	745,785	739,777
CASH AND CASH EQUIVALENTS - Beginning of Year	223,307	167,083	2,626	1,036,233	1,429,249
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 248,804	$ 114,903	$ 23,301	$ 1,782,018	$ 2,169,026
RECONCILIATION OF CASH AND CASH EQUIVALENTS					
Cash and cash equivalents per Statement of Net Position	$ 248,804	$ 114,903	$ 23,301	$ 1,075,795	$ 1,462,803
Restricted cash and cash equivalents	-	-	-	706,223	706,223
CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS	$ 248,804	$ 114,903	$ 23,301	$ 1,782,018	$ 2,169,026

	Hobbs Ice Center	Outdoor Pool	Public Transit	Parking Utility	Total Nonmajor Enterprise Funds
RECONCILIATION OF OPERATING LOSS TO NET CASH FLOWS FROM OPERATING ACTIVITIES					
Operating loss	$ (350,737)	$ (149,064)	$ (4,687,671)	$ (138,070)	$ (5,325,542)
Adjustments to Reconcile Operating Loss to Net Cash Flows From Operating Activities					
Noncash items included in income					
Depreciation	406,712	82,100	377,654	367,487	1,233,953
Change in assets, deferred outflows, liabilities and deferred inflows					
Accounts receivable	(8,792)	2,392	(8,380)	(4,735)	(19,515)
Inventories	-	-	(24,052)	-	(24,052)
Prepaid items	-	-	(1,503)	-	(1,503)
Accounts payable	43,485	1,558	5,442	2,635	53,120
Due to other funds	(40,458)	-	-	-	(40,458)
Other liabilities	(1,575)	2,410	(20,436)	41	(19,560)
Other postemployment benefit related deferrals and liability	(109)	-	(2,629)	(88)	(2,826)
Pension related deferrals and asset/liability	3,214	1,922	32,618	5,253	43,007
Deposits	-	5,856	(13,394)	(3,711)	(11,249)
NET CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES	$ 51,740	$ (52,826)	$ (4,342,351)	$ 228,812	$ (4,114,625)

NONCASH CAPITAL, INVESTING AND FINANCING ACTIVITIES

The following funds had accrued accounts payable for capital assets acquired prior to December 31, 2018:

Hobbs Ice Center	$ 23,869
Parking Utility	59,375

CITY OF EAU CLAIRE

COMBINING STATEMENT OF NET POSITION -
INTERNAL SERVICE FUNDS
As of December 31, 2018

	Risk Management	Central Equipment	Totals
ASSETS			
Current Assets			
Cash and investments	$ 6,866,867	$ 5,670,202	$ 12,537,069
Accounts receivable, net	81,141	-	81,141
Due from other governments	12,832	1,569	14,401
Inventories	-	682,729	682,729
Prepaid items	-	1,659	1,659
Total Current Assets	6,960,840	6,356,159	13,316,999
Noncurrent Assets			
Restricted assets			
Escrow account	340,171	-	340,171
Net pension asset	20,129	142,402	162,531
Deposit in insurance pools	766,496	-	766,496
Advances to other funds	1,838,700	-	1,838,700
Capital assets			
Construction in progress	-	111,644	111,644
Land	-	247,199	247,199
Land improvements	-	32,009	32,009
Intangible assets	-	217,528	217,528
Buildings	-	7,018,186	7,018,186
Equipment	-	768,737	768,737
Rental equipment	-	20,353,380	20,353,380
Less: Accumulated depreciation	-	(15,509,820)	(15,509,820)
Total Capital Assets (Net of Accumulated Depreciation)	-	13,238,863	13,238,863
Total Noncurrent Assets	2,965,496	13,381,265	16,346,761
Total Assets	9,926,336	19,737,424	29,663,760
DEFERRED OUTFLOWS OF RESOURCES			
Other postemployment benefit related amounts	3,668	13,675	17,343
Pension related amounts	37,179	254,223	291,402
Total Deferred Outflows of Resources	40,847	267,898	308,745
LIABILITIES			
Current Liabilities			
Accounts payable	66,997	183,941	250,938
Accrued payroll and payroll taxes	4,997	36,727	41,724
Accrued compensated absences	2,804	53,118	55,922
Current portion of unpaid claims	220,000	-	220,000
Total Current Liabilities	294,798	273,786	568,584
Noncurrent Liabilities			
Other postemployment benefits	36,158	134,801	170,959
Unpaid claims	1,901,933	-	1,901,933
Total Noncurrent Liabilities	1,938,091	134,801	2,072,892
Total Liabilities	2,232,889	408,587	2,641,476
DEFERRED INFLOWS OF RESOURCES			
Other postemployment benefit related amounts	405	1,508	1,913
Pension related amounts	40,454	291,047	331,501
Total Deferred Inflows of Resources	40,859	292,555	333,414
NET POSITION			
Net investment in capital assets	-	13,132,059	13,132,059
Restricted for:			
Pension	20,129	142,402	162,531
Insurance deposits	1,106,667	-	1,106,667
Unrestricted	6,566,639	6,029,719	12,596,358
TOTAL NET POSITION	$ 7,693,435	$ 19,304,180	$ 26,997,615

CITY OF EAU CLAIRE

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2018

	Risk Management	Central Equipment	Totals
OPERATING REVENUES			
Charges for services	$ 1,775,388	$ 1,644,409	$ 3,419,797
Rental of equipment	-	3,244,272	3,244,272
Total Charges for Services	1,775,388	4,888,681	6,664,069
Other			
Repayment of insurance claims	378,845	-	378,845
Building rental	-	248,945	248,945
Miscellaneous	-	15,155	15,155
Total Operating Revenues	2,154,233	5,152,781	7,307,014
OPERATING EXPENSES			
Personal services	159,436	1,175,689	1,335,125
Contractual services	155,544	443,295	598,839
Supplies and materials	4,732	1,425,531	1,430,263
Utilities	289	222,441	222,730
Depreciation	-	1,833,902	1,833,902
Administrative	468,125	115,504	583,629
Claims	1,224,117	-	1,224,117
Total Operating Expenses	2,012,243	5,216,362	7,228,605
Operating income (loss)	141,990	(63,581)	78,409
NONOPERATING REVENUES			
Investment income	86,372	15	86,387
Net gain on disposal of capital assets	-	54,618	54,618
Total Nonoperating Revenues	86,372	54,633	141,005
Income (loss) before transfers	228,362	(8,948)	219,414
Transfers from other funds	-	88,000	88,000
Change in net position	228,362	79,052	307,414
NET POSITION - Beginning of Year	7,465,073	19,225,128	26,690,201
NET POSITION - END OF YEAR	$ 7,693,435	$ 19,304,180	$ 26,997,615

CITY OF EAU CLAIRE

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2018

	Risk Management	Central Equipment	Totals
CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES			
Cash received from customers	$ 1,760,737	$ 5,151,730	$ 6,912,467
Cash payments to suppliers for goods and services	(620,952)	(2,250,073)	(2,871,025)
Cash payments to employees for services	(158,447)	(1,156,224)	(1,314,671)
Claims paid	(1,890,374)	-	(1,890,374)
Repayment of insurance claims	378,845	-	378,845
Net Cash Flows From (Used By) Operating Activities	(530,191)	1,745,433	1,215,242
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income	86,372	15	86,387
CASH FLOWS FROM (USED BY) CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital related transfers from other funds	-	88,000	88,000
Acquisition and construction of capital assets	-	(2,390,836)	(2,390,836)
Proceeds from sale of capital assets	-	187,297	187,297
Net Cash Flows From (Used By) Capital and Related Financing Activities	-	(2,115,539)	(2,115,539)
Net change in cash and cash equivalents	(443,819)	(370,091)	(813,910)
CASH AND CASH EQUIVALENTS - Beginning of Year	7,650,857	6,040,293	13,691,150
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 7,207,038	$ 5,670,202	$ 12,877,240
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Cash and cash equivalents per Statement of Net Position	$ 6,866,867	$ 5,670,202	$ 12,537,069
Restricted cash and cash equivalents	340,171	-	340,171
CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS	$ 7,207,038	$ 5,670,202	$ 12,877,240

	Risk Management	Central Equipment	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	$ 141,990	$ (63,581)	$ 78,409
Adjustments to reconcile operating income (loss) to net cash flows from operating activities			
Depreciation	-	1,833,902	1,833,902
Change in assets, deferred outflows, liabilities and deferred inflows			
Accounts receivable	(14,651)	(1,051)	(15,702)
Inventories	-	(44,665)	(44,665)
Prepaid items	-	1,732	1,732
Accounts payable	7,738	(283)	7,455
Accrued liabilities	(197)	713	516
Other postemployment benefit related deferrals and liability	(95)	(355)	(450)
Unpaid claims	(666,257)	-	(666,257)
Pension related deferrals and asset/liability	1,281	19,021	20,302
NET CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES	$ (530,191)	$ 1,745,433	$ 1,215,242

NONCASH CAPITAL, INVESTING AND FINANCING ACTIVITIES

Central Equipment had accrued $106,804 of accounts payable for capital assets acquired prior to December 31, 2018.

CITY OF EAU CLAIRE

STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES
AGENCY FUND
For the Year Ended December 31, 2018

Tax Collection Fund	Balance Jan. 1, 2018	Additions	Deletions	Balance Dec. 31, 2018
ASSETS				
Cash and investments	$ 24,622,723	$ 113,203,265	$ 114,793,729	$ 23,032,259
Taxes receivable	44,952,220	94,869,628	92,607,202	47,214,646
TOTAL ASSETS	$ 69,574,943	$ 208,072,893	$ 207,400,931	$ 70,246,905
LIABILITIES				
Due to other taxing units	$ 69,574,943	$ 70,246,905	$ 69,574,943	$ 70,246,905

CITY OF EAU CLAIRE

BALANCE SHEET
MAJOR GOVERNMENTAL COMPONENT UNITS
As of December 31, 2018

	South Barstow Business Improvement District	North Barstow/ Medical Business Improvement District	Totals
ASSETS			
Cash and investments	$ 28,783	$ 126,224	$ 155,007
Receivables			
Special assessments	115,000	95,350	210,350
TOTAL ASSETS	$ 143,783	$ 221,574	$ 365,357
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	$ 1,362	$ -	$ 1,362
Total Liabilities	1,362	-	1,362
Deferred Inflows of Resources			
Unearned revenue - time requirements	115,000	95,350	210,350
Total Deferred Inflows of Resources	115,000	95,350	210,350
Fund Balances			
Restricted	27,421	126,224	153,645
Total Fund Balances	27,421	126,224	153,645
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 143,783	$ 221,574	$ 365,357

CITY OF EAU CLAIRE

STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
MAJOR GOVERNMENTAL COMPONENT UNITS
For the Year Ended December 31, 2018

	South Barstow Business Improvement District	North Barstow/ Medical Business Improvement District	Totals
REVENUES			
Special assessments	$ 105,000	$ 44,000	$ 149,000
Investment income	553	1,448	2,001
Total Revenues	105,553	45,448	151,001
EXPENDITURES			
Current			
Contractual services	73,560	41,768	115,328
Supplies and materials	27,216	-	27,216
Total Expenditures	100,776	41,768	142,544
Net change in fund balances	4,777	3,680	8,457
FUND BALANCES - Beginning of Year	22,644	122,544	145,188
FUND BALANCES - END OF YEAR	$ 27,421	$ 126,224	$ 153,645

CITY OF EAU CLAIRE

COMBINING STATEMENT OF NET POSITION
NONMAJOR COMPONENT UNITS
As of December 31, 2018

	West Grand Business Improvement District	Water Street Business Improvement District	Totals
ASSETS			
Cash and investments	$ 30,814	$ 28,981	$ 59,795
Receivables			
Special assessments	15,000	11,000	26,000
Notes	4,167	-	4,167
Total Assets	49,981	39,981	89,962
LIABILITIES			
Accounts payable	2,077	318	2,395
Total Liabilities	2,077	318	2,395
DEFERRED INFLOWS OF RESOURCES			
Unearned revenues - time requirements	15,000	11,000	26,000
Total Deferred Inflows of Resources	15,000	11,000	26,000
NET POSITION			
Restricted for business improvement	32,904	28,663	61,567
TOTAL NET POSITION	$ 32,904	$ 28,663	$ 61,567

CITY OF EAU CLAIRE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL COMPONENT UNITS
As of December 31, 2018

	West Grand Business Improvement District	Water Street Business Improvement District	Totals
ASSETS			
Cash and investments	$ 30,814	$ 28,981	$ 59,795
Receivables			
Special assessments	15,000	11,000	26,000
Notes	4,167	-	4,167
TOTAL ASSETS	$ 49,981	$ 39,981	$ 89,962
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	$ 2,077	$ 318	$ 2,395
Total Liabilities	2,077	318	2,395
Deferred Inflows of Resources			
Unearned revenues - time requirements	15,000	11,000	26,000
Unavailable revenues	4,167	-	4,167
Total Deferred Inflows of Resources	19,167	11,000	30,167
Fund Balances			
Restricted	28,737	28,663	57,400
Total Fund Balances	28,737	28,663	57,400
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 49,981	$ 39,981	$ 89,962
AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION ARE DIFFERENT BECAUSE			
Fund balance at year end	$ 28,737	$ 28,663	$ 57,400
Notes receivable are long-term assets that are not available to pay for current-period expenditures and, therefore, are unavailable revenue in the funds.	4,167	-	4,167
NET POSITION AT YEAR END	$ 32,904	$ 28,663	$ 61,567

CITY OF EAU CLAIRE

COMBINING STATEMENT OF ACTIVITIES
NONMAJOR COMPONENT UNITS
For the Year Ended December 31, 2018

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	West Grand Business Improvement District	Water Street Business Improvement District	Totals
West Grand Business Improvement District	$ 7,070	$ -	$ -	$ -	$ (7,070)	$ -	$ (7,070)
Water Street Business Improvement District	7,001	-	-	-	(7,001)	-	(7,001)
Total Nonmajor Component Units	$ 14,071	$ -	$ -	$ -	(7,070)	(7,001)	(14,071)
General Revenues							
Special assessments					15,000	11,000	26,000
Investment income					358	345	703
Total General Revenues					15,358	11,345	26,703
Change in net position					8,288	4,344	12,632
NET POSITION - Beginning of Year					24,616	24,319	48,935
NET POSITION - END OF YEAR					$ 32,904	$ 28,663	$ 61,567

CITY OF EAU CLAIRE

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL COMPONENT UNITS
For the Year Ended December 31, 2018

	West Grand Business Improvement District	Water Street Business Improvement District	Totals
REVENUES			
Special assessments	$ 15,000	$ 11,000	$ 26,000
Investment income	358	345	703
Miscellaneous			
Other	833	-	833
Total Revenues	16,191	11,345	27,536
EXPENDITURES			
Current			
Contractual services	12,070	7,001	19,071
Total Expenditures	12,070	7,001	19,071
Net change in fund balances	4,121	4,344	8,465
FUND BALANCES - Beginning of Year	24,616	24,319	48,935
FUND BALANCES - END OF YEAR	$ 28,737	$ 28,663	$ 57,400

RECONCILIATION OF NET CHANGE IN FUND BALANCES TO CHANGE IN NET POSITION

Net change in fund balances	$ 4,121	$ 4,344	$ 8,465
Governmental funds report repayments of loans receivable as revenue and issuing of new loans as expenditures. However, in the statement of activities, these amounts are not reported as revenues and expenses.			
New loans recognized as expenditures on fund statements	5,000	-	5,000
Repayment of principal on loans recognized as revenue on fund statements	(833)	-	(833)
CHANGE IN NET POSITION	$ 8,288	$ 4,344	$ 12,632

CITY OF EAU CLAIRE

TABLE 1
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Governmental activities										
Net investment in capital assets	$ 107,677,841	$ 108,081,249	$ 106,818,444	$ 106,095,598	$ 100,938,789	$ 95,534,363	$ 97,125,034	$ 98,427,662	$ 90,572,719	$ 88,485,022
Restricted	25,221,878	16,147,710	20,826,392	24,838,403	22,366,545	24,351,108	24,967,847	26,402,223	14,905,845	17,257,799
Unrestricted	1,652,859	6,608,875	21,304,521	24,420,648	24,795,242	27,686,816	32,209,137	34,201,343	50,715,707	51,074,170
Total governmental activities net position	134,752,578	130,837,934	148,949,457	155,354,647	148,070,576	147,566,287	154,302,018	159,031,228	156,194,271	156,816,991
Business-type activities										
Net investment in capital assets	194,167,440	189,245,423	186,039,230	171,288,239	164,710,447	161,838,061	154,554,974	149,683,001	144,754,595	142,147,587
Restricted	9,839,779	7,045,463	6,236,620	6,432,015	3,280,640	3,457,280	1,734,280	1,738,780	1,756,280	1,720,280
Unrestricted	17,408,821	18,312,890	19,057,783	19,392,440	17,570,033	15,319,319	17,163,338	16,299,324	14,599,905	14,752,404
Total business-type activities net position	221,416,040	214,603,776	211,233,833	197,112,694	185,571,120	180,654,660	173,452,592	167,691,105	161,107,840	158,620,271
Primary government										
Net investment in capital assets (1)	293,490,686	287,970,103	282,585,357	275,290,419	263,199,244	254,463,127	248,657,334	244,774,021	231,714,628	226,794,574
Restricted	35,061,657	23,193,173	27,063,012	31,270,418	25,657,185	27,808,388	26,702,127	28,141,003	16,662,125	18,978,079
Unrestricted (1)	27,915,275	24,278,434	50,834,721	43,906,504	44,785,287	45,949,432	52,395,149	53,807,309	68,925,358	69,664,509
Total primary government net position	$ 356,168,618	$ 345,441,710	$ 360,283,090	$ 352,467,341	$ 333,641,696	$ 328,220,947	$ 327,754,610	$ 326,722,333	$ 317,302,111	$ 315,437,262

(1) Primary government totals may not match the combined totals for governmental and business-type activities due to a reclassification of debt

Source: City of Eau Claire Comprehensive Annual Financial Reports

CITY OF EAU CLAIRE

TABLE 2
CHANGES IN NET POSITION
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Expenses	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Governmental activities:										
General government	$ 9,249,124	$ 8,302,415	$ 8,488,859	$ 7,437,428	$ 8,057,579	$ 7,304,201	$ 7,784,358	$ 7,688,891	$ 7,413,879	$ 6,914,248
Public safety	31,792,869	29,988,626	32,848,940	29,280,552	29,094,423	28,084,089	28,215,577	28,078,889	27,320,440	25,574,799
Public works	15,984,033	17,212,553	16,889,105	19,636,363	15,025,070	16,208,836	14,777,016	12,092,862	14,006,148	14,203,614
Health services	6,372,757	6,336,338	6,604,167	5,966,318	6,555,268	6,376,282	5,177,080	5,296,571	5,128,740	5,079,081
Culture and recreation	9,995,611	10,158,159	9,717,841	9,577,588	9,393,095	9,277,789	10,957,742	9,990,949	8,893,462	8,745,604
Development	5,494,366	6,802,760	3,489,797	3,996,569	3,756,001	3,082,492	3,598,455	5,347,354	3,329,286	3,111,437
Interest and fiscal charges	3,445,326	3,397,913	3,142,230	2,924,436	2,919,581	3,066,357	2,984,386	3,070,331	2,885,972	2,814,770
Total governmental activities expenses	82,334,186	82,198,788	81,278,939	78,819,254	74,800,067	75,430,045	73,494,614	71,565,847	69,177,927	66,443,553
Business-type activities										
Water Utility	6,856,005	6,866,768	6,458,676	6,030,093	6,733,490	6,148,766	6,231,089	6,336,311	6,561,935	6,403,962
Sewer Utility	9,165,896	9,731,121	8,185,254	7,692,253	7,512,146	6,994,271	6,832,166	6,328,716	6,451,288	5,987,480
Storm Water Utility	3,519,018	3,298,068	3,398,280	3,306,591	3,163,028	3,752,368	2,888,377	2,944,824	2,153,306	2,117,002
Public Transit	5,936,953	6,138,377	6,017,849	5,608,443	5,980,184	5,545,632	5,531,514	5,745,719	5,194,260	4,795,731
Parking Utility	816,753	663,853	534,105	533,452	528,347	483,670	429,501	408,272	496,319	484,008
Hobbs Ice Center	1,229,614	1,234,173	1,201,063	1,172,166	1,181,985	1,193,577	1,128,084	1,116,011	991,013	703,386
Outdoor Pool	481,878	443,666	560,575	467,192	393,815	350,115	344,940	346,058	350,890	368,257
Total business-type activities expenses	28,006,118	28,476,026	26,355,802	24,810,190	25,492,995	24,468,399	23,385,671	23,225,911	22,199,011	20,860,826
Total primary government expenses	$ 110,340,304	$ 110,564,792	$ 107,624,541	$ 103,629,444	$ 100,293,062	$ 99,898,445	$ 96,880,285	$ 94,791,758	$ 91,376,938	$ 87,304,379

CITY OF EAU CLAIRE

TABLE 2
CHANGES IN NET POSITION
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Program Revenues	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Governmental activities:										
Charges for services										
General government	$ 3,836,505	$ 3,872,897	$ 3,777,404	$ 3,584,223	$ 3,349,035	$ 3,329,885	$ 3,289,407	$ 3,885,540	$ 3,750,838	$ 3,873,184
Public safety	5,460,252	5,291,466	5,240,453	5,252,806	5,149,959	4,892,213	4,874,142	4,945,608	4,779,379	4,807,907
Public works	493,506	404,999	345,341	416,844	335,389	336,719	355,763	368,467	391,199	299,856
Health services	2,425,274	2,298,715	2,351,774	2,089,179	2,032,859	1,844,279	2,089,515	2,073,356	2,089,397	1,857,008
Culture and recreation	1,585,498	1,566,513	1,563,919	1,529,852	1,556,224	1,444,807	1,635,845	1,541,235	1,599,991	1,603,176
Development	419,080	378,370	278,881	658,419	689,675	362,644	526,008	726,283	378,568	99,137
Operating grants and contributions										
General government	192,556	82,194	211,463	48,631	43,652	28,852	14,405	43,279	34,331	13,723
Public safety	568,043	540,282	543,569	483,459	1,469,282	987,735	1,049,144	585,005	525,055	475,848
Public works	4,826	-	35,049	158,435	15,193	163,559	162,105	6,658	-	1,011,157
Health services	1,763,511	2,002,217	1,435,871	1,584,354	1,388,681	1,184,405	1,336,198	1,028,504	1,231,045	1,209,737
Culture and recreation	66,865	47,455	131,521	140,754	47,988	70,394	36,528	100,469	59,889	32,337
Development	785,434	690,384	1,165,833	391,658	812,867	1,284,788	1,513,340	1,497,532	711,533	1,741,828
Interest and fiscal charges	168,650	176,885	184,590	190,624	197,028	206,540	222,611	230,884	-	-
Capital grants and contributions										
General government	308,105	187,327	-	9,831	35,000	155,000	-	-	-	301,393
Public safety	13,254	349,739	392,960	346,504	-	-	-	102,038	97,089	110,899
Public works	8,226,890	5,042,902	13,114,212	8,147,391	5,883,864	5,291,184	4,739,362	5,693,193	4,960,891	4,744,942
Health services	-	-	-	11,400	16,378	-	-	-	-	-
Culture and recreation	436,280	100,273	976,963	349,053	424,468	103,330	406,739	521,094	503,022	804,943
Development	-	-	-	25,000	-	74,500	3,187	17,144	53,750	-
Total governmental activities program revenues	26,784,310	23,032,715	31,752,839	25,425,408	23,479,324	21,453,778	22,259,380	23,168,469	20,251,866	23,015,325
Business-type activities										
Charges for services										
Water Utility	9,916,024	9,647,682	9,731,499	9,653,806	9,443,358	9,368,810	9,347,480	8,648,397	8,388,766	8,379,381
Sewer Utility	10,771,781	10,483,196	9,781,687	9,356,855	9,380,247	9,721,206	8,520,852	7,659,365	6,955,547	6,617,211
Storm Water Utility	4,675,233	4,530,613	4,500,514	4,370,957	4,247,032	4,084,504	3,915,685	3,739,357	3,522,074	3,245,820
Public Transit	1,205,752	1,100,817	1,091,397	761,665	739,331	709,843	682,133	705,102	655,056	699,585
Parking Utility	854,043	827,623	312,313	172,568	166,299	163,655	194,258	217,547	201,233	219,362
Hobbs Ice Center	712,446	721,781	698,789	723,920	721,323	703,816	695,823	626,016	574,396	485,956
Outdoor Pool	286,312	275,429	284,208	276,325	240,191	230,722	242,323	231,326	217,258	205,888
Operating grants and contributions										
Water Utility	-	-	-	-	(67,880)	-	-	-	-	-
Sewer Utility	-	3,230	3,230	-	-	-	-	-	-	-
Storm Water Utility	38,737	38,545	41,085	42,049	42,787	44,078	47,836	62,447	-	-
Public Transit	3,387,460	3,377,676	3,311,823	3,327,135	3,757,723	3,499,753	3,079,057	3,269,478	3,139,414	2,907,050
Capital grants and contributions										
Water Utility	1,436,521	307,508	378,348	528,227	682,033	261,559	172,770	627,308	870,815	378,597
Sewer Utility	751,700	190,153	226,918	269,797	483,456	332,833	106,577	409,621	247,327	58,364
Storm Water Utility	751,804	37,763	244,105	430,683	282,510	182,513	137,994	379,626	96,737	19,470
Public Transit	-	-	-	-	-	1,311,862	5,258	1,828,001	-	-
Parking Utility	-	-	110,000	-	-	-	-	50,000	-	-
Hobbs Ice Center	-	-	-	10,000	-	-	-	8,437	343,592	-
Total business-type activities program revenues	34,587,813	31,343,046	30,725,916	29,934,008	30,129,341	30,626,354	27,147,848	28,857,829	25,212,805	23,206,734
Total primary government program revenues	61,372,223	54,375,761	62,478,755	53,383,416	53,607,665	52,080,132	49,407,238	52,044,338	45,464,671	46,222,059
Net (Expense) Revenue										
Governmental activities	(55,549,876)	(59,076,051)	(49,526,100)	(55,393,846)	(51,321,473)	(53,976,268)	(51,235,234)	(48,379,436)	(48,926,061)	(43,428,228)
Business-type activities	6,581,695	2,867,020	4,370,114	5,147,818	4,635,346	6,157,955	3,762,175	5,632,818	3,013,794	2,345,908
Total primary government net expenses	$ (48,968,181)	$ (56,209,031)	$ (45,155,986)	$ (50,246,028)	$ (46,686,127)	$ (47,818,313)	$ (47,473,059)	$ (42,747,420)	$ (45,912,267)	$ (41,082,320)

CITY OF EAU CLAIRE

TABLE 2
CHANGES IN NET POSITION
Last Ten Fiscal Years
(Accrual Basis of Accounting)

General Revenues and Other Changes in Net Position	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Governmental activities										
Taxes	$ 48,202,857	$ 45,956,354	$ 43,188,274	$ 42,416,855	$ 41,232,091	$ 38,386,203	$ 38,406,838	$ 36,973,482	$ 35,566,702	$ 33,555,043
Intergovernmental revenues	8,703,519	8,636,848	8,592,189	8,896,147	8,472,470	8,476,661	8,410,416	9,457,785	9,895,627	10,069,736
Investment income	1,926,995	1,185,182	699,230	1,188,703	1,368,713	518,206	1,032,748	1,381,465	1,429,077	1,045,243
Gain on disposal of capital assets	9,595	82,605	47,216	375,358	386,773	18,066	-	-	-	34,589
Miscellaneous	267,018	503,737	117,443	55,956	121,329	159,353	64,586	29,585	274,145	184,711
Transfers	354,536	(424,493)	(9,523,442)	(3,752,900)	244,286	(750,521)	(1,426,574)	(329,626)	1,337,790	298,000
Total governmental activities	59,464,520	55,940,323	43,120,910	49,179,819	51,825,762	47,808,168	46,506,014	47,533,291	48,303,341	45,187,322
Business-type activities										
Investment income	297,630	169,025	85,104	53,151	112,878	81,087	80,733	160,168	136,594	208,680
Gain on sale of capital assets	-	627,835	-	-	83	12,134	34,699	-	-	-
Miscellaneous	287,375	282,285	242,078	643,985	412,539	445,618	475,306	482,053	674,971	884,303
Transfers	(354,536)	424,493	9,523,442	3,752,900	(244,286)	750,521	1,426,574	329,626	(1,337,790)	(298,000)
Total business-type activities	230,469	1,513,648	9,850,624	4,450,036	281,114	1,289,360	1,999,312	951,247	(528,225)	774,983
Total primary government	59,694,989	57,453,971	52,971,534	53,629,855	52,106,876	49,097,528	48,505,326	48,484,538	47,777,116	45,962,305
Change in Net Position										
Governmental activities	3,914,644	(3,135,728)	(6,405,190)	(6,213,927)	504,289	(6,168,100)	(4,729,210)	(846,147)	(622,720)	1,759,094
Business-type activities	6,812,264	4,380,548	14,220,938	9,567,854	4,916,466	7,447,315	5,761,487	6,583,285	2,487,569	3,120,891
Total primary government	$ 10,726,908	$ 1,244,820	$ 7,815,748	$ 3,353,927	$ 5,420,749	$ 1,279,215	$ 1,032,277	$ 5,737,138	$ 1,864,849	$ 4,879,985

Source: City of Eau Claire Comprehensive Annual Financial Reports

CITY OF EAU CLAIRE

TABLE 3
FUND BALANCES
GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Fund										
Nonspendable	$ 3,713,801	$ 3,785,171	$ 4,221,466	$ 4,649,638	$ 5,234,391	$ 4,859,049	$ 6,386,186	$ 6,833,801	$ 7,511,280	$ 8,124,878
Restricted	-	-	-	75,000	-	-	-	-	-	-
Assigned	7,467,060	4,828,248	5,442,677	4,615,065	5,321,453	5,596,353	6,774,678	6,873,403	3,767,065	3,250,173
Unassigned	18,525,450	20,212,904	18,854,559	15,852,442	14,230,239	13,735,102	12,524,213	13,089,710	14,087,620	12,549,834
Total General Fund	29,706,311	28,826,323	28,498,702	25,142,145	24,786,083	24,190,504	25,685,077	26,796,914	25,365,965	23,924,885
All Other Governmental Funds										
Nonspendable										
Special revenue funds	145,763	140,216	126,597	124,461	114,298	126,907	111,421	81,089	65,071	65,766
Capital projects funds	508,919	697	-	-	-	-	-	31,654	-	-
Restricted										
Special revenue funds	3,546,126	3,742,695	3,372,897	5,714,980	6,194,555	5,903,534	5,792,285	5,571,228	5,647,550	5,479,406
Debt service funds	7,353,463	6,651,225	6,551,687	6,652,653	6,235,878	7,084,958	7,651,161	8,251,980	8,909,211	8,888,011
Capital projects funds	5,004,130	10,815,184	13,885,769	4,720,117	5,180,083	8,244,329	5,615,218	6,902,429	6,868,734	6,003,611
Committed										
Special revenue funds	602,348	254,586	1,248,997	-	-	-	-	-	-	-
Assigned										
Special revenue funds	1,303,687	1,733,470	283,908	-	-	-	-	-	-	-
Capital projects funds	10,487,371	8,002,894	4,895,101	6,237,008	11,395,947	11,446,114	9,931,969	8,733,925	16,177,083	17,267,084
Unassigned (deficit)										
Special revenue funds	-	-	-	(25,663)	(18,469)	-	-	-	(1,709)	-
Debt service funds	-	(412,414)	(397,464)	(379,250)	(356,357)	(174,829)	(96,237)	(26,145)	-	-
Capital projects funds	(4,193,275)	(4,004,025)	(3,963,292)	(3,513,561)	(3,251,270)	(2,943,758)	(2,485,767)	(2,386,857)	(2,235,123)	(2,134,426)
Total All Other Governmental Funds	24,758,532	26,924,528	26,004,210	19,930,745	25,494,865	29,687,955	26,520,050	27,160,293	35,430,827	35,569,452
Total All Governmental Funds	$ 54,464,843	$ 55,750,851	$ 54,472,912	$ 44,672,890	$ 50,280,748	$ 53,878,459	$ 52,187,127	$ 53,957,207	$ 60,796,792	$ 59,494,337

Source: City of Eau Claire Comprehensive Annual Financial Reports

CITY OF EAU CLAIRE

TABLE 4
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Dollars in Thousands)

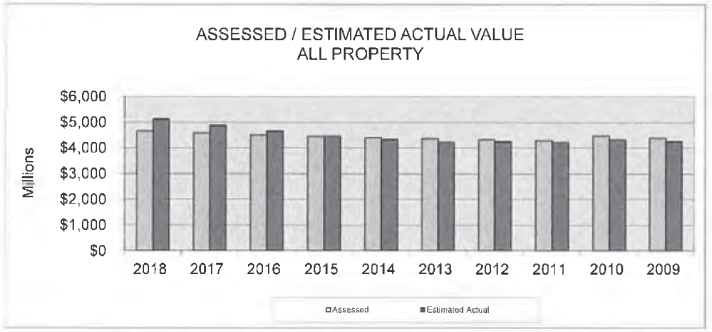
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Revenues										
Taxes	$ 48,157	$ 46,223	$ 43,210	$ 42,377	$ 41,308	$ 39,093	$ 38,374	$ 37,319	$ 35,477	$ 33,526
Special assessments	2,822	2,553	2,180	2,549	2,499	2,313	1,930	1,888	1,853	1,989
Intergovernmental	15,074	14,265	15,305	14,465	13,960	14,290	14,507	15,287	16,033	15,958
Licenses and permits	2,573	2,536	2,456	2,265	2,093	1,966	1,996	1,821	1,936	1,993
Fines, forfeitures and penalties	568	529	605	793	753	749	758	865	866	897
Charges for services	10,685	10,003	9,937	10,265	9,292	8,678	8,990	9,316	9,049	9,878
Investment income	1,797	1,090	564	1,063	1,192	432	977	1,249	1,296	1,430
Miscellaneous	2,016	2,307	1,885	1,678	2,189	1,803	1,675	2,282	1,879	2,218
Total revenues	83,693	79,506	76,142	75,455	73,286	69,324	69,207	70,027	68,389	67,889
Expenditures										
General government	7,584	6,771	7,071	6,367	6,585	6,238	6,343	6,135	6,136	5,888
Public safety	29,852	28,794	27,916	26,880	26,234	26,467	25,653	25,909	25,362	24,739
Public works	9,994	10,152	8,798	8,732	9,145	9,002	8,112	8,106	8,723	8,545
Health services	6,303	6,096	5,719	5,453	5,457	4,913	4,983	5,026	5,026	4,959
Culture and recreation	8,500	8,096	8,062	7,993	7,821	8,268	8,328	8,220	8,062	7,935
Development	5,226	6,733	3,686	3,774	3,667	3,106	3,369	2,701	2,738	3,096
Miscellaneous	786	455	369	392	541	435	382	474	612	451
Capital outlay	20,284	14,046	14,439	22,714	14,233	15,730	10,689	17,593	9,179	9,685
Debt service										
Principal	18,842	12,732	9,506	11,193	8,200	12,577	7,276	5,740	4,930	4,983
Interest	3,635	3,354	3,248	2,907	3,118	3,002	3,063	3,034	3,134	2,907
Total expenditures	111,006	97,229	88,814	96,405	85,001	89,738	78,198	82,938	73,902	73,188
Other financing sources (uses)										
Debt issued	24,780	18,045	22,360	16,150	7,184	21,580	7,757	6,060	7,707	11,618
Premium on debt issued	971	803	321	322	37	295	52	30	27	-
Discount on debt issued	-	-	-	-	-	-	-	-	-	(79)
Payment to refunding agent	-	-	-	-	-	-		-	(2,293)	-
Pay-off of unfunded retirement liability	-	-	-	-	-	-	-	-	-	-
Transfers in	22,479	20,478	11,954	14,582	13,134	11,402	11,906	10,318	10,141	10,390
Transfers out	(22,213)	(20,409)	(12,281)	(16,385)	(12,689)	(11,189)	(12,531)	(10,398)	(8,832)	(11,494)
Proceeds from sale of capital assets	10	84	118	673	451	18	26	72	65	578
Total other financing sources (uses)	26,027	19,001	22,472	15,342	8,117	22,106	7,210	6,082	6,815	11,013
Net change in fund balances	$ (1,286)	$ 1,278	$ 9,800	$ (5,608)	$ (3,598)	$ 1,692	$ (1,781)	$ (6,829)	$ 1,302	$ 5,714
Debt service as a percentage of noncapital expenditures	24.7%	19.4%	16.5%	17.9%	16.2%	20.6%	15.3%	13.5%	12.4%	12.4%

Source: City of Eau Claire Comprehensive Annual Financial Reports

CITY OF EAU CLAIRE

TABLE 5
ASSESSED AND ESTIMATED ACTUAL VALUE
OF ALL TAXABLE PROPERTY
Last Ten Fiscal Years
(Dollars in Thousands)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
ALL PROPERTY										
Real property:										
Assessed value	$4,501,005	$4,418,314	$4,341,114	$4,268,982	$4,219,220	$4,205,728	$4,164,172	$4,129,685	$4,298,042	$4,229,806
Estimated actual value (1)	4,935,157	4,694,709	4,489,828	4,279,412	4,149,675	4,065,232	4,098,830	4,062,866	4,154,706	4,100,813
Personal property:										
Assessed value	$166,467	$167,299	$169,474	$178,769	$179,945	$162,039	$151,299	$160,043	$167,057	$152,927
Estimated actual value	184,559	178,913	174,824	182,188	175,990	158,492	148,638	161,758	161,241	154,122
Total:										
Assessed value	$4,667,472	$4,585,604	$4,510,587	$4,447,751	$4,399,165	$4,367,767	$4,315,471	$4,289,728	$4,465,099	$4,382,733
Estimated actual value	$5,119,716	$4,872,722	$4,664,452	4,461,599	4,325,664	4,223,724	4,247,468	4,224,624	4,315,947	4,254,935
Ratio of total assessed to total estimated actual value	91.17%	94.11%	96.70%	99.69%	101.70%	103.41%	101.60%	101.54%	103.46%	103.00%
Direct tax rate:										
Eau Claire County	$9.26	$9.08	$8.73	$8.74	$8.50	$8.24	$8.22	$8.01	$7.34	$7.12
Chippewa County	$9.27	$9.04	$8.77	$8.99	$8.72	$8.24	$8.30	$8.19	$7.51	$7.18



NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year. Values are for both Eau Claire and Chippewa counties. Tax incremental districts have been included. Tax rates are per $1,000 of assessed value.

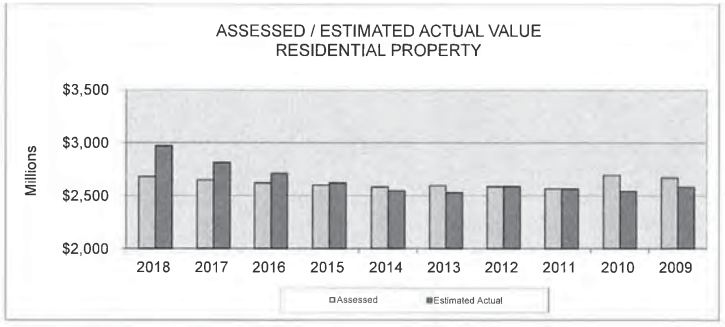
(1) NOTE: Equalized valuation (est. market value) is set by the Wisconsin Department of Revenue.

Source: City of Eau Claire Assessor's Office, Statement of Changes in Equalized Values by Class & Item, as compiled by the Wisconsin Department of Revenue

CITY OF EAU CLAIRE

TABLE 6
ASSESSED AND ESTIMATED ACTUAL VALUE
OF RESIDENTIAL PROPERTY
Last Ten Fiscal Years
(Dollars in Thousands)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
RESIDENTIAL										
Real property:										
Assessed value	$2,682,003	$2,649,404	$2,622,135	$2,600,068	$2,581,699	$2,595,948	$2,586,846	$2,569,325	$2,692,408	$2,670,924
Estimated actual value	2,971,571	2,814,296	2,710,764	2,620,864	2,549,958	2,531,431	2,587,946	2,567,621	2,542,048	2,579,753
Personal property: (1)										
Assessed value	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Estimated actual value	0	0	0	0	0	0	0	0	0	0
Total residential:										
Assessed value	$2,682,003	$2,649,404	$2,622,135	$2,600,068	$2,581,699	$2,595,948	$2,586,846	$2,569,325	$2,692,408	$2,670,924
Estimated actual value	2,971,571	2,814,296	2,710,764	2,620,864	2,549,958	2,531,431	2,587,946	2,567,621	2,542,048	2,579,753
Total all classes:										
Assessed value	$4,667,472	$4,585,604	$4,510,587	$4,447,751	$4,399,165	$4,367,767	$4,315,471	$4,289,728	$4,465,099	$4,382,733
Estimated actual value	5,119,716	4,872,722	4,664,452	4,461,599	4,325,664	4,223,724	4,247,468	4,224,624	4,315,947	4,254,935
Residential property as a percentage of total:										
Assessed value	57.46%	57.78%	58.13%	58.46%	58.69%	59.43%	59.94%	59.89%	60.30%	60.94%
Estimated actual value	58.04%	57.76%	58.12%	58.74%	58.95%	59.93%	60.93%	60.78%	58.90%	60.63%
Number of parcels	20,204	20,167	20,056	19,995	19,976	19,974	19,960	19,941	19,922	19,829
Number of parcels with improvements	19,145	19,050	18,953	18,892	18,845	18,752	18,737	18,668	18,590	18,445



NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal years listed. Values are for both Eau Claire and Chippewa counties. Tax incremental districts have been included.

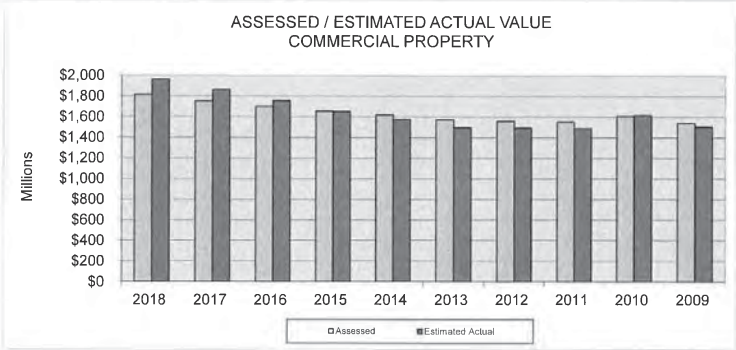
(1) NOTE: Chapter 70 of the Wisconsin State Statutes exempts residential personal property from taxation.

Source: City of Eau Claire Assessor's Office, Statement of Changes in Equalized Values by Class & Item, as compiled by the Wisconsin Department of Revenue

CITY OF EAU CLAIRE

TABLE 7
ASSESSED AND ESTIMATED ACTUAL VALUE
OF COMMERCIAL PROPERTY
Last Ten Fiscal Years
(Dollars in Thousands)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
COMMERCIAL										
Real property:										
Assessed value	$1,678,227	$1,617,932	$1,564,450	$1,512,479	$1,478,093	$1,442,120	$1,427,191	$1,409,526	$1,459,862	$1,406,379
Estimated actual value	1,810,392	1,718,628	1,617,532	1,503,139	1,440,058	1,370,911	1,362,726	1,346,057	1,471,159	1,372,777
Personal property:										
Assessed value	$137,673	$135,708	$135,265	$142,521	$139,062	$128,431	$131,570	$138,680	$145,125	$130,769
Estimated actual value	152,971	144,155	139,781	146,120	135,234	126,004	129,175	140,642	139,976	132,663
Total commercial:										
Assessed value	$1,815,901	$1,753,640	$1,699,715	$1,655,000	$1,617,156	$1,570,551	$1,558,761	$1,548,206	$1,604,987	$1,537,148
Estimated actual value	1,963,363	1,862,783	1,757,313	1,649,259	1,575,292	1,496,915	1,491,901	1,486,699	1,611,135	1,505,440
Total all classes:										
Assessed value	$4,667,472	$4,585,604	$4,510,587	$4,447,751	$4,399,165	$4,367,767	$4,315,471	$4,289,728	$4,465,099	$4,382,733
Estimated actual value	5,119,716	4,872,722	4,664,452	4,461,599	4,325,664	4,223,724	4,247,468	4,224,624	4,315,947	4,254,935
Commercial property as a percentage of total:										
Assessed value	38.91%	38.24%	37.68%	37.21%	36.76%	35.96%	36.12%	36.09%	35.95%	35.07%
Estimated actual value	38.35%	38.23%	37.67%	36.97%	36.42%	35.44%	35.12%	35.19%	37.33%	35.38%
Number of parcels	2,218	2,203	2,199	2,192	3,241	3,139	3,174	3,236	3,224	3,200
Number of parcels with improvements	1,968	1,966	1,958	1,948	1,944	1,933	1,918	1,913	1,904	1,881



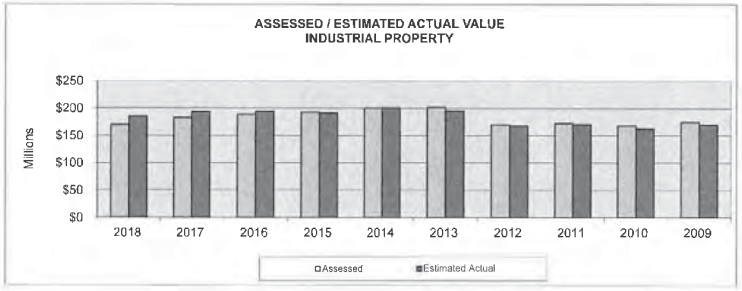
NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year. Values are for both Eau Claire and Chippewa Counties. Tax incr

Source: City of Eau Claire Assessor's Office, Statement of Changes in Equalized Values by Class & Item, as compiled by the Wisconsin Department of Revenue.

CITY OF EAU CLAIRE

TABLE 8
ASSESSED AND ESTIMATED ACTUAL VALUE
OF INDUSTRIAL PROPERTY
Last Ten Fiscal Years
(Dollars in Thousands)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
INDUSTRIAL										
Real property:										
Assessed value	$140,775	$150,978	$154,529	$156,437	$159,428	$167,661	$150,135	$150,835	$145,773	$152,504
Estimated actual value	153,194	160,375	159,337	155,409	159,660	162,891	148,158	149,188	141,499	148,282
Personal property:										
Assessed value	$28,794	$31,582	$34,209	$36,247	$40,883	$33,608	$19,729	$21,363	$21,932	$22,159
Estimated actual value	31,589	33,547	35,349	36,068	40,755	32,488	19,463	21,116	21,264	21,459
Total industrial:										
Assessed value	$169,568	$182,560	$188,738	$192,684	$200,310	$201,269	$169,864	$172,198	$167,705	$174,663
Estimated actual value	184,783	193,922	194,686	191,477	200,416	195,379	167,621	170,304	162,763	169,741
Total all classes:										
Assessed value	$4,667,472	$4,585,604	$4,510,587	$4,447,751	$4,399,165	$4,367,767	$4,315,471	$4,289,728	$4,465,099	$4,382,733
Estimated actual value	5,119,716	4,872,722	4,664,452	4,461,599	4,325,664	4,223,724	4,247,468	4,224,624	4,315,947	4,254,935
Industrial property as a percentage of total:										
Assessed value	3.63%	3.98%	4.18%	4.33%	4.55%	4.61%	3.94%	4.01%	3.76%	3.99%
Estimated actual value	3.61%	3.98%	4.17%	4.29%	4.63%	4.63%	3.95%	4.03%	3.77%	3.99%
Number of parcels	84	91	91	90	92	93	96	94	95	97
Number of parcels with improvements	71	77	77	76	77	78	80	79	80	82



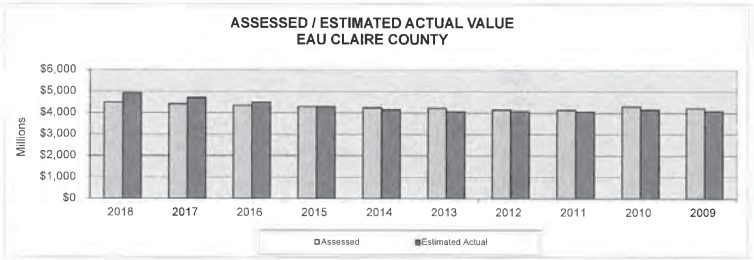
NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year. Values are for both Eau Claire and Chippewa Counties. Tax incremental districts have been included.

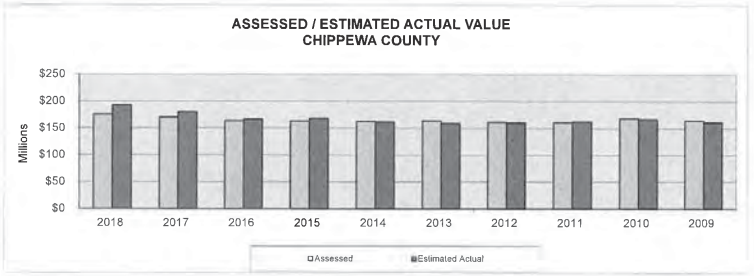
Source: City of Eau Claire Assessor's Office, Statement of Changes in Equalized Values by Class & Item, as compiled by the Wisconsin Department of Revenue.

CITY OF EAU CLAIRE

TABLE 9
ASSESSED AND ESTIMATED ACTUAL VALUE
OF TAXABLE PROPERTY BY COUNTY
Last Ten Fiscal Years
(Dollars in Thousands)

PORTION OF CITY IN:	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
EAU CLAIRE COUNTY										
Assessed value	$4,491,967	$4,415,228	$4,346,679	$4,283,958	$4,236,710	$4,203,777	$4,154,056	$4,128,456	$4,296,383	$4,218,200
Estimated actual value	4,927,011	4,690,667	4,495,853	4,293,242	4,163,778	4,064,974	4,087,132	4,062,445	4,149,314	4,093,908
Ratio of assessment	91.17%	94.13%	96.68%	99.78%	101.75%	103.41%	101.64%	101.62%	103.54%	103.04%
CHIPPEWA COUNTY										
Assessed value	$175,504	$170,376	$163,908	$163,793	$162,455	$163,990	$161,416	$161,273	$168,716	$164,533
Estimated actual value	192,705	180,333	166,910	168,357	161,886	158,750	160,335	162,179	166,633	161,027
Ratio of assessment	91.07%	94.48%	98.20%	97.29%	100.35%	103.30%	100.67%	99.44%	101.25%	102.18%





NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year. Values are for both Eau Claire and Chippewa Counties. Tax incremental districts have been included.

CITY OF EAU CLAIRE

TABLE 10
EQUALIZED VALUE OF
TAX INCREMENT DISTRICTS
Last Ten Fiscal Years
(Dollars in Thousands)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
TID #5 equalized valuation:										
Base	$1,000	$1,000	$1,000	$1,000	$1,000	$1,000	$1,000	$1,000	$1,000	$1,000
Increment	60,475	58,603	45,968	48,498	46,556	39,284	30,122	29,187	23,258	22,901
Total TID #5	$61,475	$59,603	$46,968	$49,498	$47,556	$40,284	$31,122	$30,187	$24,258	$23,901
TID #6 equalized valuation:										
Base	$0	$0	$0	$0	$0	$0	$0	$0	$986	$986
Increment	0	0	0	0	0	0	0	0	11,383	11,404
Total TID #6	$0	$0	$0	$0	$0	$0	$0	$0	$12,369	$12,390
TID #7 equalized valuation:										
Base	$329	$329	$329	$329	$329	$329	$329	$329	$329	$329
Increment	6,599	5,946	5,631	5,172	5,983	5,507	5,265	6,007	6,467	6,193
Total TID #7	$6,928	$6,275	$5,960	$5,501	$6,292	$5,836	$5,594	$6,336	$6,796	$6,522
TID #8 equalized valuation:										
Base	$12,418	$12,418	$12,418	$10,845	$10,845	$10,441	$10,441	$10,441	$10,441	$10,441
Increment	64,322	58,659	57,174	35,945	36,349	29,055	26,805	25,813	22,362	18,523
Total TID #8	$76,740	$71,077	$69,592	$46,790	$47,194	$39,496	$37,246	$36,254	$32,803	$28,964
TID #9 equalized valuation:										
Base	$11,239	$11,239	$11,239	$11,239	$11,239	$11,239	$11,239	$11,239	$11,239	$0
Increment	3,145	2,326	1,476	167	355	2,201	2,310	5,117	2,222	0
Total TID #9	$14,384	$13,565	$12,715	$11,406	$11,594	$13,440	$13,549	$16,356	$13,461	$0
TID #10 equalized valuation:										
Base	$9,794	$9,794	$0	$0	$0	$0	$0	$0	$0	$0
Increment	31,190	15,293	0	0	0	0	0	0	0	0
Total TID #10	$40,984	$25,087	$0	$0	$0	$0	$0	$0	$0	$0
TID #11 equalized valuation:										
Base	$16,625	$16,625	$0	$0	$0	$0	$0	$0	$0	$0
Increment	15,036	10,553	0	0	0	0	0	0	0	0
Total TID #11	$31,661	$27,178	$0	$0	$0	$0	$0	$0	$0	$0
ALL PROPERTY										
All property - w/o TIDs	$4,887,544	$4,669,737	$4,529,217	$4,348,404	$4,213,028	$4,124,668	$4,159,957	$4,135,491	$4,226,260	$4,183,157
Base valuation - TIDs	51,405	51,405	24,886	23,413	23,413	23,009	23,009	23,008	23,995	12,756
All property - w/o TID increment	4,936,949	4,721,142	4,554,203	4,371,817	4,236,441	4,147,677	4,182,966	4,158,500	4,250,255	4,195,913
Increment valuation - TIDs	180,767	151,580	110,249	89,782	89,223	76,047	64,502	66,124	65,692	59,022
Equalized valuation - all property	$5,119,716	$4,872,722	$4,664,452	$4,461,599	$4,325,664	$4,223,724	$4,247,468	$4,224,624	$4,315,947	$4,254,935

NOTE. Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year. Values are for both Eau Claire and Chippewa counties.

Source: City of Eau Claire Assessor's Office, Statement of Changes in Equalized Values by Class & Item, as compiled by the Wisconsin Department of Revenue.

CITY OF EAU CLAIRE

TABLE 11
PROPERTY TAX RATES -
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years
(Per $1,000 Assessed Valuation)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
City Property Located in Eau Claire County (Eau Claire Area School District)										
City	$8.160	$7.989	$7.652	$7.670	$7.532	$7.166	$7.141	$6.934	$6.321	$6.084
Library	0.690	0.685	0.679	0.671	0.673	0.674	0.680	0.679	0.644	0.653
Health	0.409	0.406	0.401	0.395	0.396	0.394	0.399	0.401	0.379	0.383
Total Direct Rate	9.259	9.080	8.732	8.736	8.601	8.236	8.220	8.014	7.344	7.120
Eau Claire School Dist.	10.263	10.383	9.715	9.879	9.410	9.772	10.012	9.876	9.219	8.714
Vocational District	0.947	0.933	0.916	0.900	1.706	1.707	1.714	1.728	1.606	1.535
Eau Claire County	4.253	4.108	3.927	3.782	3.608	3.511	3.518	3.499	3.379	3.316
State Forestry	0.000	0.180	0.175	0.170	0.167	0.164	0.167	0.167	0.164	0.165
Gross Tax Rate	24.722	24.684	23.465	23.467	23.492	23.390	23.631	23.284	21.712	20.850
Less State Credit	(1.834)	(1.640)	(1.677)	(1.495)	(1.526)	(1.535)	(1.534)	(1.558)	(1.527)	(1.630)
Net Tax Rate	$ 22.888	$ 23.044	$ 21.788	$ 21.972	$ 21.966	$ 21.855	$ 22.097	$ 21.726	$ 20.185	$ 19.220
City Property Located in Eau Claire County (Altoona School District)										
City	$8.160	$7.989	$7.652	$7.670	$7.532	$7.166	$7.141	$6.934	$6.321	$6.084
Library	0.690	0.685	0.679	0.671	0.673	0.674	0.680	0.679	0.644	0.653
Health	0.409	0.406	0.401	0.395	0.396	0.394	0.399	0.401	0.379	0.383
Total Direct Rate	9.259	9.080	8.732	8.736	8.601	8.236	8.220	8.014	7.344	7.120
Altoona School Dist.	11.652	12.055	12.609	11.747	9.568	9.344	9.271	8.859	8.931	8.533
Vocational District	0.947	0.933	0.916	0.900	1.706	1.707	1.714	1.728	1.606	1.535
Eau Claire County	4.253	4.108	3.927	3.782	3.608	3.511	3.518	3.499	3.379	3.316
State Forestry	0.000	0.180	0.175	0.170	0.167	0.164	0.167	0.167	0.164	0.165
Gross Tax Rate	26.111	26.356	26.359	25.335	23.650	22.962	22.890	22.267	21.423	20.669
Less State Credit	(1.834)	(1.640)	(1.677)	(1.495)	(1.526)	(1.535)	(1.534)	(1.558)	(1.527)	(1.630)
Net Tax Rate	$ 24.277	$ 24.716	$ 24.682	$ 23.840	$ 22.124	$ 21.427	$ 21.356	$ 20.709	$ 19.896	$ 19.039

Source: City of Eau Claire Annual Operating Budget

CITY OF EAU CLAIRE

TABLE 11 (cont.)
PROPERTY TAX RATES -
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years
(Per $1,000 Assessed Valuation)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
City Property Located in Chippewa County (Eau Claire Area School District)										
City	$8.167	$7.956	$7.682	$7.866	$7.637	$7.175	$7.210	$7.086	$6.464	$6.135
Library	0.691	0.682	0.683	0.689	0.682	0.675	0.687	0.693	0.658	0.659
Health	0.410	0.404	0.402	0.405	0.402	0.395	0.402	0.410	0.388	0.386
Total Direct Rate	9.268	9.042	8.767	8.959	8.721	8.245	8.299	8.189	7.510	7.180
Eau Claire School Dist	10.274	10.341	9.755	10.132	9.561	9.749	10.108	10.081	9.428	8.787
Vocational District	0.948	0.929	0.920	0.922	1.730	1.709	1.730	1.765	1.642	1.549
Chippewa County	3.846	3.697	3.686	3.732	3.611	3.461	3.357	3.307	3.166	3.044
State Forestry	0.000	0.179	0.176	0.174	0.169	0.164	0.168	0.171	0.168	0.166
Gross Tax Rate	24.336	24.188	23.304	23.921	23.792	23.328	23.662	23.513	21.914	20.726
Less State Credit	(1.850)	(1.677)	(1.769)	(1.554)	(1.589)	(1.547)	(1.516)	(1.496)	(1.455)	(1.586)
Net Tax Rate	$ 22.486	$ 22.511	$ 21.535	$ 22.367	$ 22.203	$ 21.781	$ 22.146	$ 22.017	$ 20.459	$ 19.140
City Property Located in Chippewa County (Chippewa Falls Area School District)										
City	$8.167	$7.956	$7.682	$7.866	$7.637	$7.175	$7.210	$7.086	$6.464	$6.135
Library	0.691	0.682	0.683	0.689	0.682	0.675	0.687	0.693	0.658	0.659
Health	0.410	0.404	0.402	0.405	0.402	0.395	0.402	0.410	0.388	0.386
Total Direct Rate	9.268	9.042	8.767	8.959	8.721	8.245	8.299	8.189	7.510	7.180
Chippewa Falls School Dist	9.013	9.119	9.408	9.506	8.793	10.285	9.079	8.957	8.335	7.403
Vocational District	0.948	0.929	0.920	0.922	1.730	1.709	1.730	1.765	1.642	1.549
Chippewa County	3.846	3.697	3.686	3.732	3.611	3.461	3.357	3.307	3.166	3.044
State Forestry	0.000	0.179	0.176	0.174	0.169	0.164	0.168	0.171	0.168	0.166
Gross Tax Rate	23.075	22.966	22.957	23.294	23.024	23.864	22.633	22.389	20.821	19.341
Less State Credit	(1.850)	(1.677)	(1.769)	(1.554)	(1.589)	(1.547)	(1.516)	(1.496)	(1.455)	(1.586)
Net Tax Rate	$ 21.225	$ 21.289	$ 21.188	$ 21.741	$ 21.435	$ 22.317	$ 21.117	$ 20.893	$ 19.366	$ 17.755

Source: City of Eau Claire Annual Operating Budget

CITY OF EAU CLAIRE

TABLE 12
PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(Dollars in Thousands)

Taxpayer	2018 Equalized Value	2018 Rank	2018 Percentage of Total Equalized Value	2009 Equalized Value	2009 Rank	2009 Percentage of Total Equalized Value
Oakwood Hills Mall	$ 79,579	1	1.55%	$ 71,139	1	1.67%
Mayo Clinic Health System	79,543	2	1.55%	-		
Nestle Foods	72,727	3	1.42%	25,365	6	0.60%
Menard Inc.	56,307	4	1.10%	20,950	9	0.49%
Keystone Corporation	53,127	5	1.04%	38,444	3	0.90%
Marshfield Clinic	52,749	6	1.03%	32,597	4	0.77%
Haymarket Concepts	35,379	7	0.69%	-		
Royal Credit Union	23,025	8	0.45%	22,780	7	0.54%
Hutchinson Technology, Inc.	19,309	9	0.38%	39,486	2	0.93%
Ch Valley Partners	16,843	10	0.33%	-		
Phillips Properties	-			17,092	10	0.40%
F&L II & JHP Eau Claire	-			-		
Luther Hospital	-			32,158	5	0.76%
Midelfort Clinic	-			21,773	8	0.51%
Principal Taxpayers total	$ 488,588			$ 321,784		
TOTAL CITY EQUALIZED VALUE	$ 5,119,716			$ 4,254,935		

NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year Values are for both Eau Claire and Chippewa counties

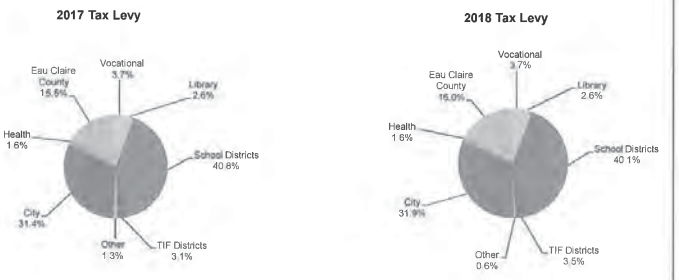
Sources: City of Eau Claire Assessor's Office, Clerk's Statement of Assessments, Statistical Report: Eau Claire and Chippewa Counties

CITY OF EAU CLAIRE

TABLE 13
GROSS TAX LEVY BY TAXING ENTITY
Last Ten Fiscal Years
(Dollars in Thousands)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
City	$ 36,738	$ 35,487	$ 33,701	$ 33,455	$ 32,485	$ 30,742	$ 30,360	$ 29,303	$ 27,815	$ 26,301
TIF Districts	4,074	3,495	2,484	2,087	2,118	1,827	1,538	1,553	1,460	1,251
Library	3,107	3,041	2,995	2,929	2,901	2,891	2,891	2,867	2,834	2,825
Health	1,843	1,804	1,765	1,723	1,707	1,691	1,695	1,696	1,671	1,656
Eau Claire School District	46,011	45,925	42,603	42,903	40,390	41,723	42,373	41,545	40,408	37,511
Chippewa Falls School District	48	47	49	51	42	51	50	49	31	33
Altoona School District	169	171	178	166	134	130	127	121	126	121
Vocational District	4,263	4,144	4,037	3,923	7,355	7,323	7,285	7,300	7,065	6,639
Eau Claire County	18,409	17,553	16,654	15,866	14,959	14,486	14,386	14,213	14,330	13,824
Chippewa County	675	630	604	611	587	567	542	533	498	465
State Forestry- Eau Claire County	0	796	763	729	707	690	694	689	704	695
State Forestry- Chippewa County	0	31	29	29	27	27	27	28	28	27
Total tax levy	$115,337	$113,124	$105,862	$104,472	$103,392	$102,148	$101,968	$ 99,897	$ 96,970	$ 91,348
City percent of total levy	31.85%	31.37%	31.83%	32.02%	31.40%	30.10%	29.77%	29.33%	28.68%	28.79%

CHANGES IN PROPORTIONS - TAX LEVIES BY ENTITY



Sources: City of Eau Claire Annual Operating Budget, Annual Tax Levy Certification Forms from the Board of Education, Vocational School and Counties.

CITY OF EAU CLAIRE

TABLE 14
REAL AND PERSONAL PROPERTY TAX
LEVIES AND COLLECTIONS
Last Ten Fiscal Years
(Dollars in Thousands)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Tax Levy	$ 45,762	$ 43,827	$ 40,945	$ 40,195	$ 39,191	$ 35,324	$ 34,946	$ 33,865	$ 32,319	$ 30,782
Current tax collections	$ 45,437	$ 43,581	$ 40,766	$ 39,925	$ 38,989	$ 35,177	$ 34,801	$ 33,612	$ 32,142	$ 30,633
Percentage of Levy	99.3%	99.4%	99.6%	99.3%	99.5%	99.6%	99.6%	99.3%	99.5%	99.5%
Collection of delinquent personal property taxes	$ 252	$ 169	$ 149	$ 252	$ 187	$ 122	$ 116	$ 192	$ 134	$ 132
Total tax collections (1)	$ 45,689	$ 43,750	$ 40,915	$ 40,177	$ 39,176	$ 35,299	$ 34,917	$ 33,804	$ 32,276	$ 30,765
Percentage of Levy	99.8%	99.8%	99.9%	100.0%	99.9%	99.9%	99.9%	99.8%	99.9%	99.9%

(1) NOTE: Does not include mobile home fees or payment in lieu of taxes.

Source: City of Eau Claire Comprehensive Annual Financial Reports

CITY OF EAU CLAIRE

TABLE 15
SPECIAL ASSESSMENT COLLECTIONS
Last Ten Fiscal Years
(Dollars in Thousands)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total assessments levied each fiscal period: (1)										
General fund	$1,247	$1,276	$1,110	$1,413	$1,334	$1,036	$808	$383	$271	$120
Business Improvement Districts	175	175	150	150	150	147	147	145	145	152
Debt Service	78	164	292	378	468	596	711	1,126	1,373	1,546
Water Utility	25	28	42	48	49	64	70	82	83	87
Sewer Utility	22	20	29	29	39	51	51	77	82	90
Storm Water Utility	1	1	1	1	6	0	0	0	0	0
Health	4	5	7	3	4	6	5	6	8	8
Delinquent utility bills	763	780	801	833	777	774	776	774	809	656
Total assessments levied	$2,315	$2,449	$2,432	$2,855	$2,827	$2,674	$2,568	$2,593	$2,771	$2,659
Current collections	$2,315	$2,449	$2,432	$2,855	$2,827	$2,674	$2,568	$2,593	$2,771	$2,659
Total collections	$2,315	$2,449	$2,432	$2,855	$2,827	$2,674	$2,568	$2,593	$2,771	$2,659

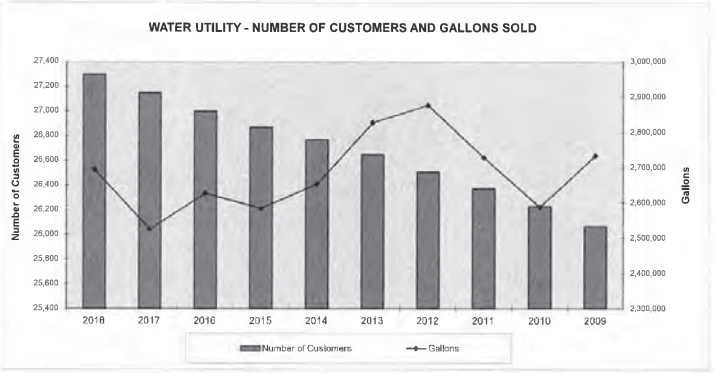
(1) NOTE: Includes current interest due on installment special assessments.

Sources: City of Eau Claire Comprehensive Annual Financial Report; Statement of Taxes

CITY OF EAU CLAIRE

TABLE 16
WATER UTILITY CUSTOMER SUMMARY
LAST TEN FISCAL YEARS

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Number of customers										
Residential	24,466	24,825	24,589	24,376	24,281	23,931	23,556	23,417	23,293	23,152
Commercial	2,503	1,997	2,079	2,163	2,158	2,390	2,625	2,628	2,612	2,593
Industrial	104	104	104	106	109	109	109	109	109	109
Public	225	224	225	225	221	217	216	217	216	212
Total	27,298	27,150	26,997	26,870	26,769	26,647	26,506	26,371	26,230	26,066
Gallons (thousands)										
Residential	1,330,806	1,243,196	1,260,199	1,224,855	1,265,265	1,350,816	1,297,806	1,210,111	1,182,343	1,288,528
Commercial	506,931	483,572	537,566	530,879	555,737	650,697	701,560	673,138	656,846	667,586
Industrial	648,667	585,756	593,008	594,629	607,964	571,655	612,696	604,273	505,853	517,711
Public	207,631	212,693	236,506	234,094	224,465	254,054	264,612	241,090	242,820	259,869
Total	2,694,035	2,525,217	2,627,279	2,584,457	2,653,331	2,827,222	2,876,674	2,728,612	2,587,862	2,733,694



Sources: Wisconsin Public Service Commission Annual Reports
Customer Services - City of Eau Claire

CITY OF EAU CLAIRE

TABLE 17
WATER UTILITY CUSTOMER RATES
LAST TEN FISCAL YEARS

		2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Metered Service											
Quarterly Service Charge											
5/8	inch meter	$ 21.00	$ 21.00	$ 21.00	$ 21.00	$ 21.00	$ 18.17	$ 17.61	$ 17.61	$ 17.10	$ 17.10
3/4	inch meter	21.00	21.00	21.00	21.00	21.00	18.17	17.61	17.61	17.10	17.10
1	inch meter	30.00	30.00	30.00	30.00	30.00	28.38	27.50	27.50	26.70	26.70
1 1/4	inch meter	39.00	39.00	39.00	39.00	39.00	37.63	36.46	36.46	35.40	35.40
1 1/2	inch meter	51.00	51.00	51.00	51.00	51.00	46.55	45.11	45.11	43.80	43.80
2	inch meter	75.00	75.00	75.00	75.00	75.00	69.52	67.36	67.36	65.40	65.40
3	inch meter	120.00	120.00	120.00	120.00	120.00	111.61	108.15	108.15	105.00	105.00
4	inch meter	180.00	180.00	180.00	180.00	180.00	165.82	160.68	160.68	156.00	156.00
6	inch meter	312.00	312.00	312.00	312.00	312.00	290.19	281.19	281.19	273.00	273.00
8	inch meter	474.00	474.00	474.00	474.00	474.00	436.88	423.33	423.33	411.00	411.00
10	inch meter	660.00	660.00	660.00	660.00	660.00	628.21	608.73	608.73	591.00	591.00
12	inch meter	825.00	825.00	825.00	825.00	825.00	819.54	794.13	794.13	771.00	771.00
Volume rate (per 100 cubic feet)											
First 7,500 cubic feet		$ 1.70	$ 1.70	$ 1.70	$ 1.70	$ 1.70	$ 1.58	$ 1.53	$ 1.53	$ 1.49	$ 1.49
Next 742,500 cubic feet		1.45	1.45	1.45	1.45	1.45	1.36	1.32	1.32	1.28	1.28
Over 750,000 cubic feet		1.10	1.10	1.10	1.10	1.10	0.95	0.92	0.92	0.89	0.89
Public Fire Protection											
Quarterly Service Charge											
5/8	inch meter	$ 10.80	$ 10.80	$ 10.80	$ 10.80	$ 10.80	$ 10.21	$ 9.89	$ 9.89	$ 9.60	$ 9.60
3/4	inch meter	10.80	10.80	10.80	10.80	10.80	10.21	9.89	9.89	9.60	9.60
1	inch meter	27.00	27.00	27.00	27.00	27.00	25.51	24.72	24.72	24.00	24.00
1 1/4	inch meter	39.00	39.00	39.00	39.00	39.00	37.63	36.46	36.46	35.40	35.40
1 1/2	inch meter	54.00	54.00	54.00	54.00	54.00	51.02	49.44	49.44	48.00	48.00
2	inch meter	87.00	87.00	87.00	87.00	87.00	81.63	79.10	79.10	76.80	76.80
3	inch meter	165.00	165.00	165.00	165.00	165.00	153.07	148.32	148.32	144.00	144.00
4	inch meter	270.00	270.00	270.00	270.00	270.00	255.11	247.20	247.20	240.00	240.00
6	inch meter	540.00	540.00	540.00	540.00	540.00	510.22	494.40	494.40	480.00	480.00
8	inch meter	870.00	870.00	870.00	870.00	870.00	816.35	791.04	791.04	768.00	768.00
10	inch meter	1,350.00	1,350.00	1,350.00	1,350.00	1,350.00	1,224.53	1,186.56	1,186.56	1,152.00	1,152.00
12	inch meter	1,740.00	1,740.00	1,740.00	1,740.00	1,740.00	1,632.71	1,582.08	1,582.08	1,536.00	1,536.00

Source: Customer Services - City of Eau Claire

Note: Increases in water rates must be approved by the Public Service Commission of Wisconsin.

CITY OF EAU CLAIRE

TABLE 18
WATER UTILITY - TEN LARGEST CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO

	2018		
Customer	Gallons Billed	Amount Billed	% of Total
Nestle USA	214,334,164	$ 368,664	8.0%
Hutchinson Technology	141,145,356	251,965	5.2%
Cascade Tissue of WI Inc	125,657,268	216,521	4.7%
American Phoenix	108,966,396	172,812	4.0%
University of Wisconsin - Eau Claire	51,371,892	140,788	1.9%
Mayo Clinic Health System	47,328,204	109,737	1.8%
Silver Springs Foods	27,554,076	52,509	1.0%
Sacred Heart Hospital	26,459,004	59,105	1.0%
Eau Claire Area School District	22,661,408	78,154	0.8%
Oak Ridge Village	16,829,252	36,107	0.6%
Subtotal (ten largest)	782,307,020	1,486,361	29.0%
All other customers	1,911,727,980	7,986,947	71.0%
Grand Totals	2,694,035,000	$ 9,473,308	100.0%

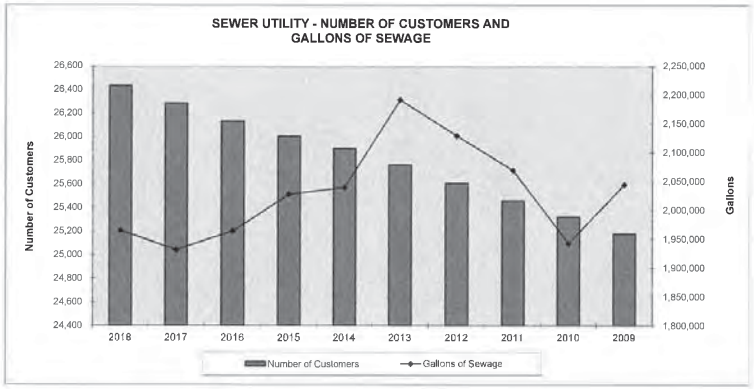
	2009		
Customer	Gallons Billed	Amount Billed	% of Total
Hutchinson Technology	188,019,524	$ 255,221	6.9%
Nestles Food Company	134,969,120	191,824	4.9%
Cascade Tissue	133,500,048	177,755	4.9%
University of Wisconsin-Eau Claire	74,531,468	138,031	2.7%
Sacred Heart Hospital	45,052,040	69,896	1.6%
Eau Claire School District	42,671,156	84,122	1.6%
American Phoenix	35,530,000	51,099	1.3%
Luther Midelfort-Mayo Health	33,179,784	60,159	1.2%
Oak Ridge Villa	12,035,320	20,623	0.4%
Huebsch Laundry Co.	11,466,092	19,287	0.4%
Subtotal (ten largest)	710,954,552	1,068,017	25.9%
All other customers	2,022,739,448	5,625,902	74.1%
Grand Totals	2,733,694,000	$ 6,693,919	100.0%

Source: Customer Services - City of Eau Claire

CITY OF EAU CLAIRE

TABLE 19
SEWER UTILITY CUSTOMER SUMMARY
LAST TEN FISCAL YEARS

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Number of customers										
Residential	23,828	24,185	23,951	23,729	23,625	23,272	22,895	22,753	22,626	22,495
Commercial	2,346	1,842	1,924	2,012	2,012	2,231	2,451	2,445	2,435	2,424
Industrial	93	93	93	97	98	95	95	95	94	93
Public	167	167	167	169	169	167	167	187	168	168
Total	26,434	26,287	26,135	26,007	25,904	25,765	25,608	25,480	25,323	25,180
Gallons (thousands)										
Residential	1,121,051	1,137,083	1,122,278	1,144,500	1,164,036	1,184,590	1,087,106	1,080,152	1,035,729	1,082,255
Commercial	463,060	447,873	497,141	516,095	511,521	615,338	632,874	600,681	566,088	599,731
Industrial	285,281	249,516	245,028	263,422	262,107	274,097	302,251	285,293	235,880	252,218
Public	94,883	96,898	99,496	103,959	102,396	117,949	107,545	103,340	105,089	110,403
Total	1,965,275	1,931,370	1,963,943	2,027,976	2,040,060	2,191,974	2,129,776	2,069,466	1,942,786	2,044,607



Sources: Customer Services - City of Eau Claire

CITY OF EAU CLAIRE

TABLE 20
SEWER UTILITY CUSTOMER RATES
LAST TEN FISCAL YEARS

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Metered Service										
Quarterly Minimum Charge *	$ 5.80	$ 5.60	$ 5.50	$ 5.40	$ 5.31	$ 5.19	$ 22.56	$ 21.12	$ 19.76	$ 18.48
Volume rate (per 100 cubic feet)	$ 3.49	$ 3.34	$ 3.20	$ 3.05	$ 2.97	$ 2.89	$ 2.82	$ 2.64	$ 2.47	$ 2.31

* Prior to 2013 the Quarterly Minimum charge was 8 CCF x volume rate, in 2013 the pricing structure was changed to a minimum flat fee of $5.19 per quarterly billing.

Sources: Customer Services - City of Eau Claire

CITY OF EAU CLAIRE

TABLE 21
SEWER UTILITY - TEN LARGEST CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO

	2018		
Customer	Gallons Billed	Amount Billed	% of Total
Nestle USA	139,671,796	$ 651,932	7.1%
Hutchinson Technology	96,312,480	449,488	4.9%
University of Wisconsin - Eau Claire	42,131,561	197,293	2.1%
Mayo Clinic Health System	36,814,316	171,953	1.9%
Sacred Heart Hospital	21,943,759	102,547	1.1%
Silver Spring Foods	18,248,208	85,165	0.9%
Eau Claire Area School District	17,634,771	82,889	0.9%
Oak Ridge Village	16,774,972	78,291	0.9%
Kwil Trip Inc	15,286,533	71,535	0.8%
John Mogensen	10,388,503	51.194	0.5%
Subtotal (ten largest)	415,206,899	1,942,287	21.1%
All other customers	1,550,069,101	7,949,126	78.9%
Grand Totals	1,965,276,000	$ 9,891,412	100.0%

	2009		
Customer	Gallons Billed	Amount Billed	% of Total
Hutchinson Technology	123,396,812	$ 379,819	6.0%
Nestles Food Company	89,585,321	276,661	4.4%
University of Wisconsin-Eau Claire	60,014,103	185,338	2.9%
Sacred Heart Hospital	38,778,949	119,759	1.9%
Luther Midelfort-Mayo Health	31,120,932	96,109	1.5%
Eau Claire Area School District	15,351,716	47,410	0.8%
American Phoenix	13,268,098	40,975	0.6%
Oak Ridge Villa	12,035,320	36,589	0.6%
Huebsch Laundry	11,466,092	35,410	0.6%
Silver Spring Gardens	8,602,295	26,566	0.4%
Subtotal (ten largest)	403,619,638	1,244,636	20.2%
All other customers	1,640,987,362	4,670,756	79.8%
Grand Totals	2,044,607,000	$ 5,915,392	100.0%

Source: Customer Services - City of Eau Claire

CITY OF EAU CLAIRE

TABLE 22
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Dollars in Thousands, except per capita)

	Governmental Activities		Business-Type Activities					
Fiscal Year	General Obligation Bonds/Notes	State Trust Fund Loans	General Obligation Bonds/Notes	State Trust Fund Loans	Revenue Bonds	Total Primary Government	Percentage of Personal Income	Per Capita
2018	$ 112,255	$ -	$ 18,485	$ -	$ 37,269	$ 168,009	5.61%	$ 2,469
2017	105,547	-	17,749	-	39,353	162,649	5.44%	2,395
2016	99,659	-	17,941	-	42,347	159,947	5.52%	2,374
2015	86,643	-	15,738	-	43,605	145,986	5.08%	2,184
2014	80,594	-	18,166	-	39,466	138,226	5.30%	2,068
2013	81,919	-	18,616	-	22,037	122,572	4.73%	1,844
2012	72,916	-	18,959	43	7,925	99,843	4.31%	1,509
2011	72,002	433	18,673	84	8,700	99,892	4.28%	1,512
2010	71,647	468	17,253	124	9,445	98,937	4.40%	1,502
2009	71,060	468	16,405	162	10,070	98,165	4.42%	1,488

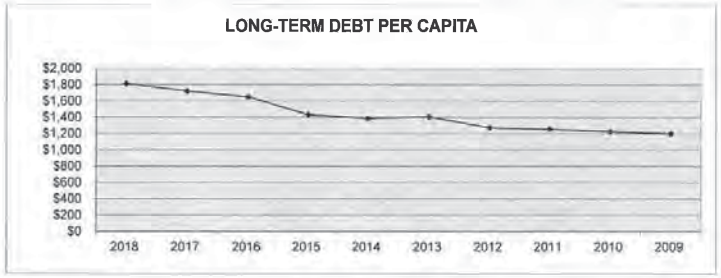
Source: City of Eau Claire Comprehensive Annual Financial Reports

Note: Personal income data and population data can be found on Table 29.

CITY OF EAU CLAIRE

TABLE 23
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years
(Dollars in Thousands)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Population	68,043	67,926	67,381	67,006	66,834	66,480	66,170	66,060	65,883	65,950
Equalized valuation	$5,453,061	$5,119,716	$4,872,722	$4,664,452	$4,461,599	$4,325,665	$4,223,724	$4,247,468	$4,224,624	$4,315,947
General obligation bonds/notes	130,740	123,296	117,600	102,381	98,760	100,535	91,875	90,675	88,900	87,465
State trust fund loans	-	-	-	-	-	-	-	517	592	630
Total long-term debt (1)	130,740	123,296	117,600	102,381	98,760	100,535	91,875	91,192	89,492	88,095
Resources on hand for payment of debt	(7,353)	(5,239)	(6,154)	(6,273)	(5,880)	(6,910)	(7,555)	(8,226)	(8,609)	(8,689)
Net long-term debt	$ 123,387	$ 117,057	$ 111,446	$ 96,108	$ 92,880	$ 93,625	$ 84,320	$ 82,966	$ 80,883	$ 79,207
Percent of net long-term debt to equalized value	2.26%	2.29%	2.29%	2.06%	2.08%	2.16%	2.00%	1.95%	1.91%	1.84%
Net long-term debt per capita (not in thousands)	$1,813	$1,723	$1,654	$1,434	$1,390	$1,408	$1,274	$1,256	$1,228	$1,201



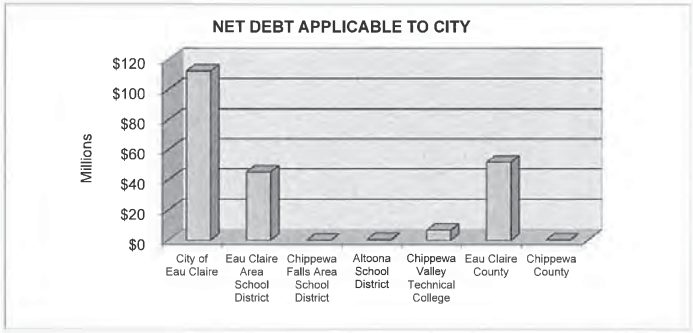
(1) NOTE: Includes General Long-Term Debt and Enterprise General Obligation Debt. Other enterprise debt and accrued employee absences are not included.

Sources: State of Wisconsin, Department of Administration, Demographic Services Center (population)
City of Eau Claire Assessor's Office, Statement of Changes in Equalized Values by Class & Item, as compiled by the Wisconsin Department of Revenue.

CITY OF EAU CLAIRE

TABLE 24
SCHEDULE OF DIRECT AND INDIRECT
GOVERNMENTAL ACTIVITIES GENERAL OBLIGATION DEBT
December 31, 2018

Governmental Unit	Total Debt	Estimated Percentage Applicable To City (1)	Net Debt Applicable To City
Direct debt:			
City of Eau Claire	$ 112,255,000	100.00%	$ 112,255,000
Indirect debt:			
Eau Claire Area School District	61,270,000	73.87%	45,259,442
Chippewa Falls Area School District	55,000,000	0.22%	121,191
Altoona School District	21,900,000	2.76%	604,343
Chippewa Valley Technical College	31,285,000	21.52%	6,731,330
Eau Claire County	84,830,000	61.04%	51,783,885
Chippewa County	10,285,000	3.97%	408,236
Total indirect debt	264,570,000		104,908,427
Total direct and indirect debt	$ 376,825,000		$ 217,163,427
Indirect debt per capita			$ 1,542
Indirect debt as a % of equalized value			1.92%
Total direct and indirect debt per capita			$ 3,191.56
Total direct and indirect debt as a % of equalized value			3.98%



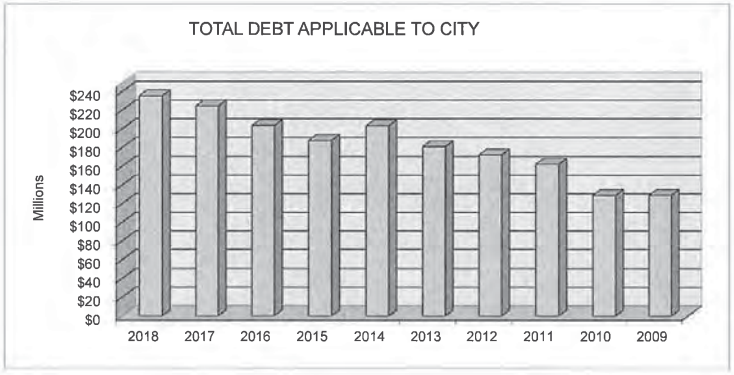
(1) NOTE: The percentage of debt applicable to the City is based on the most recent equalized value of the taxing districts within the City as compared to the entire district.

Sources: City of Eau Claire Comprehensive Annual Financial Report
Financial Officers of the overlapping School Districts and Counties

CITY OF EAU CLAIRE

TABLE 25
SCHEDULE OF DIRECT AND INDIRECT
GENERAL OBLIGATION DEBT
Last Ten Fiscal Years
(Dollars in Thousands)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total debt applicable to City	$235,648	$224,895	$203,752	$187,935	$203,547	$181,242	$172,347	$162,524	$129,133	$129,213
Direct debt:										
General City	$130,740	$123,296	$117,600	$102,381	$98,760	$100,535	$91,875	$91,192	$89,492	$88,095
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Indirect debt:										
Eau Claire Area School District	$45,259	$48,907	$34,096	$36,850	$45,259	$42,713	$44,164	$32,777	$13,703	$20,512
Percent	73.87%	70.72%	71.19%	71.51%	74.02%	74.03%	74.03%	74.27%	74.09%	75.12%
Chippewa Falls Area School District	$121	$0	$0	$0	$0	$0	$0	$0	$0	$0
Percent	0.22%	0.21%	0.21%	0.21%	0.21%	0.00%	0.00%	0.24%	0.24%	0.16%
Altoona School District	$604	$566	$606	$634	$604	$42	$118	$142	$156	$176
Percent	2.76%	2.70%	2.72%	2.73%	2.62%	2.67%	2.65%	2.68%	2.65%	2.65%
C.V. Technical College	$6,731	$5,004	$5,917	$5,084	$6,731	$3,657	$4,349	$4,272	$4,116	$4,643
Percent	21.52%	20.11%	20.09%	20.92%	20.89%	20.69%	20.69%	20.58%	20.22%	20.33%
Eau Claire County	$51,784	$46,916	$45,282	$42,677	$51,784	$33,889	$31,487	$33,517	$21,345	$15,444
Percent	61.04%	57.21%	57.84%	60.75%	60.29%	60.41%	60.65%	60.89%	60.72%	61.62%
Chippewa County	$408	$206	$251	$309	$408	$406	$354	$624	$320	$343
Percent	3.97%	3.62%	3.50%	3.59%	3.69%	3.64%	3.63%	3.64%	3.64%	3.50%



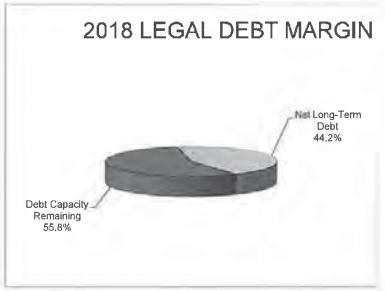
Source: City of Eau Claire Schedule of Long-Term Debt

Note: The information on this table differs from Table 24 as all general obligation debt is reported, including debt from business-type activities.

CITY OF EAU CLAIRE

TABLE 26
COMPUTATION OF LEGAL DEBT MARGIN
Last Ten Fiscal Years
(Dollars in Thousands)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Equalized valuation	$5,453,961	$5,119,716	$4,872,722	$4,664,452	$4,461,599	$4,325,665	$4,223,724	$4,247,468	$4,224,624	$4,315,947
Legal debt percentage	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Legal debt limit	$272,698	$255,986	$243,636	$233,223	$223,080	$216,283	$211,186	$212,373	$211,231	$215,797
Resources on hand for payment of debt	($7,353)	($6,239)	($6,154)	($6,273)	($5,880)	($6,910)	($7,555)	($8,226)	($8,609)	($8,888)
Net long-term debt	$120,432	$114,921	$109,981	$94,842	$92,880	$93,625	$84,320	$82,449	$80,291	$78,577
Legal debt margin	$152,266	$141,065	$133,655	$138,381	$130,200	$122,658	$126,866	$129,924	$130,940	$137,220
Legal debt margin as a percentage of the debt limit	56%	55%	55%	59%	58%	57%	60%	61%	62%	64%



Sources: City of Eau Claire Comprehensive Annual Financial Report
City of Eau Claire Annual Operating Budget

CITY OF EAU CLAIRE

TABLE 27
PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years
(Dollars in Thousands)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
WATER UTILITY										
Operating revenue	$9,926	$9,650	$9,739	$9,655	$9,446	$9,372	$9,349	$8,649	$8,390	$8,379
Operating expense (1)	$4,604	$4,315	$4,446	$5,776	$6,349	$5,670	$5,686	$4,120	$4,280	$4,230
Income available for debt service	$5,322	$5,335	$5,293	$3,879	$3,097	$3,702	$3,663	$4,529	$4,110	$4,149
Debt service current year (2)	$368	$500	$413	$417	$2,685	$1,160	$1,154	$1,156	$1,094	$3,176
Coverage	14.46	10.67	12.82	9.30	1.15	3.19	3.17	3.92	3.76	1.31
Debt service for highest principal and interest year in retirement schedule	$369	$369	$557	$557	$557	$1,163	$1,163	$1,163	$1,163	$1,163
Coverage on highest year	14.42	14.46	9.50	6.96	5.56	3.18	3.15	3.89	3.53	3.57
SEWER UTILITY										
Operating revenue	$10,884	$10,625	$9,875	$9,667	$9,461	$9,742	$8,591	$7,692	$6,979	$6,653
Operating expense (1)	$5,192	$5,304	$5,565	$7,637	$7,383	$6,886	$6,775	$4,975	$5,069	$4,639
Income available for debt service	$5,692	$5,321	$4,310	$2,030	$2,078	$2,856	$1,816	$2,717	$1,910	$2,014
Debt service current year (2)	$2,776	$2,775	$2,741	$946	$376	$0	$0	$0	$0	$0
Coverage	2.05	1.92	1.57	2.15	5.53	N/A	N/A	N/A	N/A	N/A
Debt service for highest principal and interest year in retirement schedule	$2,775	$2,776	$2,775	$2,725	$2,423	$1,041	$0	$0	$0	$0
Coverage on highest year	2.05	1.92	1.55	0.74	0.86	2.74	N/A	N/A	N/A	N/A

(1) NOTE: Operating expense does not include depreciation or property tax equivalent.

(2) NOTE: Includes only revenue bond principal and interest.

Sources: City of Eau Claire Comprehensive Annual Financial Report
City of Eau Claire Schedule of Long Term Debt annual report

CITY OF EAU CLAIRE

TABLE 28
RATIO OF ANNUAL GENERAL FUND DEBT PAYMENTS
TO TOTAL GENERAL FUND EXPENDITURES AND
OTHER FINANCING USES
Last Ten Fiscal Years
(Dollars in Thousands)

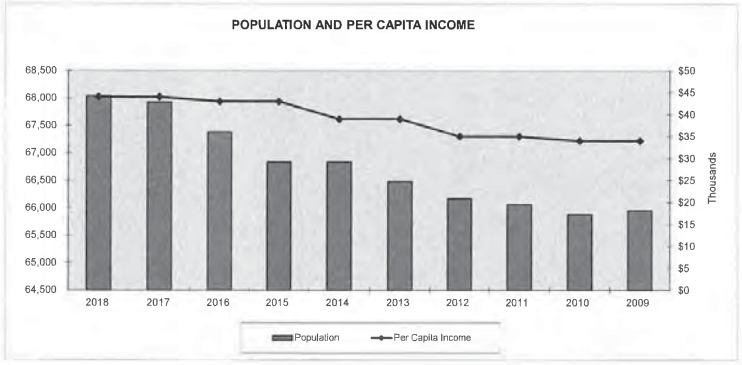
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Transfers to Debt Service fund	$9,405	$8,695	$7,607	$7,792	$7,433	$6,187	$6,096	$5,534	$4,966	$4,187
Total expenditures and other financing uses	$71,424	$67,584	$59,272	$61,134	$58,192	$56,570	$56,330	$54,065	$52,623	$51,108
Percent of debt transfers to expenditures and other financing uses	13.2%	12.9%	12.8%	12.7%	12.8%	10.9%	10.8%	10.2%	9.4%	8.2%

Source: City of Eau Claire Annual Operating Budget

CITY OF EAU CLAIRE

TABLE 29
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years
(Dollars in Thousands)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Population	68,043	67,926	67,381	66,834	66,834	66,480	66,170	66,060	65,883	65,950
Consumer price index (1)	251.2	246.5	241.4	236.5	234.8	233.0	229.6	224.9	218.1	214.5
Per capita income (2)	$44	$44	$43	$43	$39	$39	$35	$35	$34	$34
Personal income	$2,993,892	$2,988,744	$2,897,383	$2,873,862	$2,606,526	$2,592,720	$2,315,950	$2,331,918	$2,249,066	$2,219,811
Unemployment rate E.C. Metro Area	3.0%	2.8%	3.8%	4.3%	4.3%	6.1%	6.3%	6.7%	7.2%	7.4%
Area in square miles	34.55	34.37	34.35	34.35	34.28	34.26	33.99	33.91	33.90	33.88
Number of residential parcels	20,204	20,167	20,056	19,995	19,976	19,974	19,960	19,941	19,922	19,829
Number of business properties	1,543	1,542	1,540	1,539	1,535	1,534	1,530	1,527	1,527	1,524
Acres devoted to business	3,329	3,350	3,342	3,340	3,334	3,318	3,290	3,287	3,287	3,282
Miles of street	342.7	340.0	346.0	348.0	346.0	344.6	344.5	343.3	343.4	341.9



(1) U.S. All Cities Consumer Price Index for all urban consumers (CPU-U), annual average.

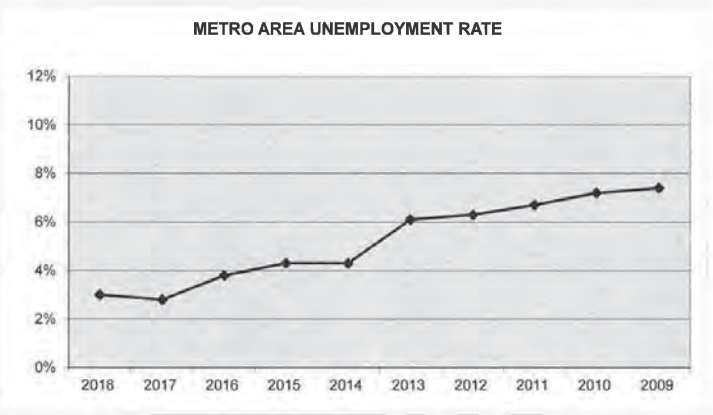
(2) Through 2009, U.S. Bureau of Economic Analysis; 2010 is estimated.
Due to the government shut-down, the per capita income was not available at the time of issuance. Since no amount was available for 2018, the amount of $44 from 2017 was used.

Sources: City of Eau Claire Department of Community Development
City of Eau Claire Public Works Department
WI Dept. of Labor, Bureau of Workforce Information
Statistical Report of Property Values - Eau Claire and Chippewa Counties

CITY OF EAU CLAIRE

TABLE 29 (cont.)
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years
(Dollars in Thousands)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Number of residential parcels	20,204	20,167	20,056	19,995	19,976	19,974	19,960	19,941	19,922	19,829
Vacancy rates (percent):										
Residential	4.82	4.88	4.50	4.50	4.50	4.50	4.50	4.25	4.25	3.50
Commercial	10.84	11.43	8.35	10.68	12.92	9.11	8.00	7.60	8.18	7.09
Industrial	2.33	1.85	9.00	9.00	8.50	8.70	8.70	8.70	8.78	7.50
Unemployment rate E.C. Metro Area	3.0%	2.8%	3.8%	4.3%	4.3%	6.1%	6.3%	6.7%	7.2%	7.4%



Sources: Department of Community Development
WI Dept. of Labor, Bureau of Workforce Information
Statistical Report of Property Values - Eau Claire and Chippewa Counties

CITY OF EAU CLAIRE

TABLE 30
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

	2018		2009	
Employer	Employees	Rank	Employees	Rank
Mayo Clinic Health System	3600+	1	3,261	2
Menard's Inc.	3000+	2	4,500	1
Sacred Heart Hospital	1300+	3	1,350	6
Eau Claire Area School District	1300+	4	1,350	5
University of Wisconsin - Eau Claire	1300+	5	1,400	4
Marshfield Clinic - Eau Claire	1000+	6	716	9
United Health Group	500-999	7	1,470	3
Hutchinson Technology	500-999	8	1,054	8
Nestle Foods	500-999	9		
City of Eau Claire	568	10	570	10
CVTC			1,300	7

Sources : Wisconsin Department of Workforce Development, Office of Economic Advisors
eauclairedevelopment.com/doing-business/major-industries

CITY OF EAU CLAIRE

TABLE 31
EMPLOYEE SUMMARY -
NUMBER OF MUNICIPAL EMPLOYEES
Last Ten Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Government	49.8	48.8	48.8	48.8	47.8	47.8	47.8	47.8	47.8	49.3
Public Safety	233.8	232.8	232.8	231.8	230.8	230.8	231.0	229.0	228.0	227.0
Public Works	62.0	62.0	63.0	63.0	63.0	60.0	60.0	60.0	59.0	61.0
Culture and Recreation	30.0	30.0	29.0	28.0	29.0	32.0	32.0	32.0	33.0	34.0
Development	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Cemetery	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Library	36.2	36.1	36.1	36.1	36.1	36.3	36.0	36.4	36.5	37.6
Health Services	36.5	36.6	34.8	36.1	32.6	33.8	33.9	33.4	33.8	34.3
Water Utility	29.0	29.0	29.0	29.0	29.0	29.0	29.0	29.0	29.0	29.0
Sewer Utility	22.5	22.5	22.5	26.5	26.5	26.5	26.5	26.5	26.5	26.5
Storm Water Utility	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0
Public Transit	32.5	32.5	38.0	38.0	38.0	38.0	38.5	38.5	37.5	37.5
Parking Utility	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Hobbs Ice Center	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0	3.5
Outdoor Pool	-	-	-	-	-	-	-	-	-	-
Central Equipment	13.5	13.5	9.0	9.0	8.0	8.0	7.0	7.0	7.0	7.0
Risk Management	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Total Employees	567.7	565.7	564.9	568.3	562.7	564.0	563.6	562.5	561.0	567.7

NOTES: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave).
Full-time equivalent employment is calculated by dividing total labor hours by 2,080.

Source: City of Eau Claire Annual Operating Budget

CITY OF EAU CLAIRE

TABLE 32
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

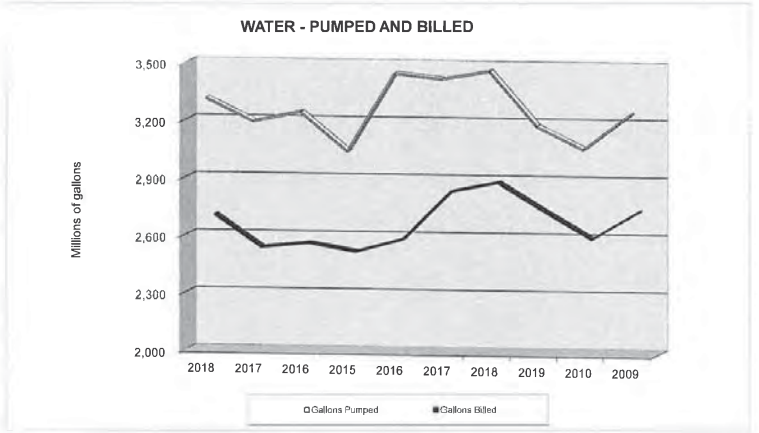
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General government										
Size of the City in square miles	34.55	34.37	34.35	34.35	34.28	33.99	34.26	33.90	33.90	33.88
Population	68,043	67,926	67,381	67,006	66,834	66,480	66,170	66,060	66,149	65,950
Community Development										
Building permits issued	864	995	980	958	961	1,091	1,389	1,197	1,179	1,102
Police										
Calls for service	28,138	28,227	27,891	27,103	26,477	26,107	26,748	26,173	27,591	27,309
Adult arrests	n/a	3,663	4,736	3,925	4,069	4,025	4,217	4,202	5,388	5,604
Part 1 Crimes	1,986	2,161	1,964	1,851	1,856	1,713	1,968	2,109	2,059	1,845
Fire										
EMS responses	7,973	7,508	7,332	7,265	6,801	6,480	6,420	6,294	6,056	5,819
Fire responses	108	144	109	137	145	152	156	183	157	163
Fire inspections	4,989	4,850	4,903	4,500	4,230	4,268	4,000	3,865	3,925	3,962
Public Works										
Miles of street plowed/maintained	343	340	346	348	346	344	343	343	343	349
Vehicles and equipment in fleet	318	309	308	304	295	302	295	298	299	293
Parks & Recreation										
Hobbs Ice Arena - rented hours	7,451	7,869	7,132	7,546	7,034	5,308	4,264	4,539	4,336	3,199
Outdoor Pool attendance	65,574	59,611	70,252	63,354	58,199	60,345	67,051	64,189	60,070	47,027
Library										
Volumes in collection	192,555	211,431	241,670	269,215	273,214	271,678	277,022	282,018	279,260	291,003
Circulation	1,011,983	977,094	979,431	1,015,666	1,085,971	1,189,608	1,291,468	1,386,018	1,389,733	1,324,094
Health Department										
Environmental Health Inspections	4,305	4,180	4,381	4,968	4,353	3,585	4,444	5,740	5,301	5,117
Number of lab analysis	24,059	18,210	21,239	10,495	13,163	18,226	21,595	21,223	17,152	18,817
Public Health Nurse visits	2,283	1,827	1,937	1,915	2,523	2,706	4,246	4,635	3,893	4,928
Water										
Meters in service	29,103	29,117	28,349	28,147	28,076	27,801	27,469	26,136	26,291	26,146
Average daily consumption (1,000 gallons)	7,381	6,918	7,198	7,080	7,269	7,746	7,881	7,476	7,096	7,490
Sewer										
Sewer customers	26,434	26,287	26,135	26,007	25,904	25,765	25,608	25,460	25,323	25,180
Stormwater										
ERU rate	$ 92.00	$ 90.00	$ 90.00	$ 88.00	$ 86.00	$ 83.00	$ 80.00	$ 77.00	$ 73.00	$ 68.00
Transit										
Total route miles	1,130,065	1,153,085	1,280,029	1,199,008	1,136,003	1,077,649	1,078,552	998,349	1,040,089	1,008,425
Passengers	962,451	909,359	937,560	915,130	1,072,460	1,047,962	1,039,921	1,091,958	971,491	1,001,790

Source: Various City Department records and Annual Operating Budget

CITY OF EAU CLAIRE

TABLE 33
WATER UTILITY - PRODUCTION STATISTICS
Last Ten Fiscal Years

	2018	2017	2016	2015	2016	2017	2018	2019	2010	2009
Average number of water customers	27,298	27,150	26,997	26,870	26,769	26,647	26,504	26,371	26,230	26,066
Total gallons pumped (in thousands)	3,322,591	3,204,101	3,255,365	3,053,074	3,463,220	3,435,954	3,480,099	3,195,910	3,077,606	3,262,360
Total gallons billed (in thousands)	2,694,035	2,525,217	2,550,167	2,507,082	2,574,410	2,627,222	2,876,674	2,728,612	2,587,862	2,733,694
Percent of water billed	81.08%	78.81%	78.34%	82.12%	74.34%	82.28%	82.66%	85.38%	84.09%	83.79%
Miles of main	392	380	380	386	392	392	374	375	369	368
Number of fire hydrants	3,692	3,673	3,670	3,650	3,596	3,580	3,576	3,556	3,644	3,620
Residential customer 's average quarterly water bill	$56.55	$56.55	$56.55	$56.55	$56.55	$55.24	$54.51	$52.80	$51.37	$51.37



Source: Public Service Commission Reports

CITY OF EAU CLAIRE

TABLE 34
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Police										
Patrol units	31	26	25	25	25	25	23	23	23	21
Unmarked vehicles	16	19	19	19	19	19	16	16	16	18
Fire										
Number of fire stations	6	6	6	6	6	6	6	6	6	6
Firefighting vehicles	10	10	10	10	10	10	10	10	10	10
Ambulances	7	6	6	6	6	6	6	6	6	6
Public Works										
Miles of streets	342.7	340.0	340.0	346.6	345.0	344.5	344.6	343.3	343.4	341.9
Number of traffic signs installed/straightened	869	854	803	797	1304	1185	973	684	1249	601
Vehicles and equipment in fleet	318	309	293	299	298	295	295	298	299	293
Parks & Recreation										
Number of parks	36	36	36	36	35	35	35	35	35	32
Number of playgrounds	21	21	20	19	18	18	18	18	18	18
Outdoor pool	1	1	1	1	1	1	1	1	1	1
Indoor ice skating facilities	3	3	3	3	3	3	3	3	3	2
Water										
Fire hydrants	3,692	3673	3670	3650	3596	3580	3576	3556	3544	3620
Storage capacity (1)	16.5	16.1	16.1	16.1	16.1	16.1	16.1	16.1	16.1	16.1
Sewer										
Miles of sewers	348	343	341	341	341	339	327	326	322	321
Treatment capacity (1)	12	12	12	12	12	12	12	12	12	12
Parking Utility										
Parking structures	3	3	3	2	2	2	2	2	2	2
Surface lots	12	12	12	12	12	12	11	11	11	11
Transit										
Number of buses	22	22	22	22	22	22	22	22	22	22

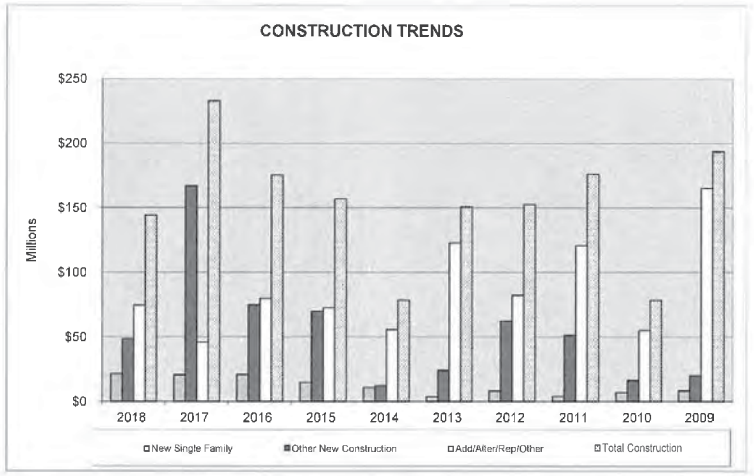
NOTES (1) - Numbers are in millions of gallons.

Sources: City department records
City of Eau Claire Annual Operating Budget
City of Eau Claire Comprehensive Annual Financial Report

CITY OF EAU CLAIRE

TABLE 35
PROPERTY VALUE AND CONSTRUCTION
Last Ten Fiscal Years
(Dollars in Thousands)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
New single family dwellings: # of units	82	79	75	67	59	59	55	25	41	47
Value	$21,300	$20,337	$20,754	$14,748	$10,603	$3,665	$8,181	$4,002	$6,971	$8,407
Other new construction	$48,470	$167,000	$74,875	$69,707	$12,146	$24,158	$62,332	$51,448	$16,417	$20,002
Additions/alterations/repairs & all other types of const	$74,565	$45,716	$79,716	$72,373	$55,654	$122,830	$82,268	$120,830	$55,054	$165,200
Total construction valuation	$144,335	$233,000	$175,345	$156,828	$78,403	$150,653	$152,781	$176,280	$78,442	$193,609
Number of permits	864	995	980	958	961	1,091	1,389	1,197	1,151	1,102



Source: City of Eau Claire Inspections Division , "Fee Summary Report".

CITY OF EAU CLAIRE

TABLE 36
INSURANCE COVERAGES
December 31, 2018

	Coverage Limits	Deductible or Self-Insured Retention (SIR)
Worker's Compensation	Statutory	$550,000 per occurrence
Commercial general liability:		
Bodily injury and property damage liability	$10,000,000	$200,000 (SIR) per occurrence $400,000 (SIR) annual aggregate
Boiler and machinery	$50,000,000	$5,000
Fire and extended coverage	$259,668,100	$25,000
Inland marine - all risks (contractor's equipment)	$5,121,659	$5,000
Money and securities - broad form coverage	$10,000	$1,000
Crime Policy	$1,000,000	$100,000
Cyber Liability coverage	$2,000,000	$50,000
Public official liability insurance (includes police)	$10,000,000	$200,000 (SIR) per occurrence $400,000 (SIR) annual aggregate
Automobile and truck insurance (excluding Transit):		
Bodily injury and property damage liability	$10,000,000	$200,000 (SIR) per occurrence $400,000 (SIR) annual aggregate
Uninsured motorists	$50,000	$200,000 (SIR) per occurrence $400,000 (SIR) annual aggregate
Comprehensive	$17,085,710	$10,000
Collision	$17,085,710	$10,000
Transit		
Bodily injury and property damage liability	$7,000,000	$0

Source: City of Eau Claire Risk Manager

APPENDIX B

FORM OF LEGAL OPINION

(See following pages)

PROPOSED FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF CHAPMAN AND CUTLER LLP]

[TO BE DATED CLOSING DATE]

City of Eau Claire, Eau Claire and
Chippewa Counties, Wisconsin
Eau Claire, Wisconsin

Re: City of Eau Claire, Eau Claire and Chippewa Counties, Wisconsin
$_____ General Obligation Corporate Purpose
Bonds, Series 2019A

Ladies and Gentlemen:

The General Obligation Corporate Purpose Bonds, Series 2019A (the *"Bonds"*) of the City of Eau Claire, Eau Claire and Chippewa Counties, Wisconsin (the *"City"*) are in fully registered form; are dated the date hereof; are in denominations of $5,000 each and integral multiples thereof; are appropriately lettered and numbered; mature serially on April 1 of each of the years and in the principal amounts, and bear interest, payable on April 1 and October 1 of each year, commencing on April 1, 2020, at the rates per annum, as follows:

YEAR	AMOUNT	INTEREST RATE	YEAR	AMOUNT	INTEREST RATE
2020			2031		
2021			2032		
2022			2033		
2023			2034		
2024			2035		
2025			2036		
2026			2037		
2027			2038		
2028			2039		
2029					
2030					

The Bonds maturing on and after April 1, 20___, are subject to prepayment at the option of the City, as a whole or in part in such order of maturity as the City may determine, on April 1, 20__, and on any date thereafter at a prepayment price of 100% of the principal amount thereof being prepaid, plus accrued interest to the date fixed for prepayment.

We have examined the documents which we deem pertinent to the validity of the Bonds, including the certified record evidencing the authorization of the Bonds by the City Council of the City. On the basis of such examination, we are of the opinion that the Bonds have been lawfully authorized and issued under the laws of the State of Wisconsin; that they are the lawful and enforceable obligations of the City in accordance with their terms, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting the rights of creditors and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion; that they are payable from taxes to be levied on all taxable property in the City, without limitation as to rate or amount; and that the form of Bond prescribed for said issue is proper.

Based upon our review of official certificates and proceedings submitted by the City, it is also our opinion that, subject to the compliance by the City with certain covenants, under present law, interest on the Bonds is excludible from gross income of the owners thereof for federal income tax purposes, and is not included as an item of tax preference in computing the alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended. Failure to comply with certain of such covenants of the City could cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of the issuance of the Bonds. Ownership of the Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds. The owners of the Bonds should consult their own tax advisors concerning the tax consequences of ownership of the Bonds.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement or any other information furnished to any person in connection with any offer or sale of the Bonds.

In rendering this opinion, we have relied upon certifications of the City with respect to certain material facts solely within the knowledge of the City. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion, and is not a guarantee of result. 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.

APPENDIX C

BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

(See following pages)

CONTINUING DISCLOSURE UNDERTAKING
FOR THE PURPOSE OF PROVIDING CONTINUING DISCLOSURE INFORMATION UNDER SECTION (b)(5) OF RULE 15c2-12

This CONTINUING DISCLOSURE UNDERTAKING (the *"Agreement"*) is executed and delivered by the City of Eau Claire, Eau Claire and Chippewa Counties, Wisconsin (the *"Issuer"*) in connection with the issuance of $_____ aggregate principal amount of General Obligation Corporate Purpose Bonds, Series 2019A (the *"Series 2019A Bonds"*), $_____ aggregate principal amount of General Obligation Promissory Notes, Series 2019B (the *"Series 2019B Notes"*) and $_____ aggregate principal amount of Taxable General Obligation Corporate Purpose Bonds, Series 2019C (the *"Series 2019C Bonds"* and, together with the Series 2019A Bonds and the Series 2019B Notes, the *"Obligations"*). The Obligations are being issued pursuant to respective resolutions duly adopted by the City Council of the Issuer on August 13, 2019 (the *"Resolutions"*).

In consideration of the issuance of the Obligations by the Issuer and the purchase of such Obligations by the beneficial owners thereof, the Issuer covenants and agrees, as follows:

1. PURPOSE OF THIS AGREEMENT. This Agreement is executed and delivered by the Issuer as of the date set forth below, for the benefit of the beneficial owners of the Obligations and in order to assist the Participating Underwriters (as hereinafter defined) in complying with the requirements of the Rule (as hereinafter defined). The Issuer represents that it will be the only obligated person with respect to the Obligations at the time the Obligations are delivered to the Participating Underwriters and that no other person is expected to become so committed at any time after the issuance of the Obligations.

2. DEFINITIONS. The terms set forth below shall have the following meanings in this Agreement, unless the context clearly otherwise requires.

Annual Financial Information means the financial information and operating data described in *Exhibit I* attached to and made a part of this Agreement.

Annual Financial Information Disclosure means the dissemination of disclosure concerning Annual Financial Information and the dissemination of the Audited Financial Statements as set forth in Section 4 of this Agreement.

Audited Financial Statements means the audited financial statements of the Issuer prepared pursuant to the standards and as described in *Exhibit I* attached to and made a part of this Agreement.

Commission means the Securities and Exchange Commission.

Dissemination Agent means any agent designated as such in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation, and the successors and assigns of any such agent.

EMMA means the MSRB through its Electronic Municipal Market Access system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of the Rule.

Exchange Act means the Securities Exchange Act of 1934, as amended.

Financial Obligation of the City means a (i) debt obligation, (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (iii) guarantee of (i) or (ii), *provided,* that such term does not include municipal securities as to which an Official Statement has been provided to the MSRB consistent with the Rule.

MSRB means the Municipal Securities Rulemaking Board.

Official Statement means the final Official Statement, dated _____, 2019, and relating to the Obligations.

Participating Underwriter means each broker, dealer or municipal securities dealer acting as an underwriter in the primary offering of the Obligations.

Reportable Event means the occurrence of any of the events set forth in *Exhibit II* attached and made a part of this Agreement.

Reportable Events Disclosure means dissemination of a notice of a Reportable Event as set forth in Section 5 of this Agreement.

Rule means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

State means the State of Wisconsin.

Undertaking means the obligations of the Issuer pursuant to Sections 4 and 5 of this Agreement.

3. CUSIP NUMBER/FINAL OFFICIAL STATEMENT. The CUSIP Numbers of the Obligations are set forth in Exhibit III. All filings required under this Agreement will be filed on EMMA under these CUSIP Numbers. If the Obligations are refunded after the date hereof, the Issuer will also make all filings required under this Agreement under any new CUSIP Numbers assigned to the Obligations as a result of such refunding, to the extent the Issuer remains legally liable for the payment of such Obligations; provided, however, that the Issuer will not be required to make such filings under new CUSIP Numbers unless the Issuer has been notified in writing by the Participating Underwriter or the Issuer's financial advisor that new CUSIP Numbers have been assigned to the Obligations. The Issuer will not make any filings pursuant to this Agreement under new CUSIP Numbers assigned to any of the Obligations after the date hereof for any reason other than a refunding, as described in the previous sentence, including, but not limited to, new CUSIP Numbers assigned to the Obligations as a result of a holder of the

Obligations obtaining a bond insurance policy or other credit enhancement with respect to some or all of the outstanding Obligations in the secondary market.

4. ANNUAL FINANCIAL INFORMATION DISCLOSURE. Subject to Section 8 of this Agreement, the Issuer hereby covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements (in the form and by the dates set forth in *Exhibit I* attached hereto and made a part hereof) to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information in such manner and by such time so that such entities receive the information by the dates specified. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports.

If any part of the Annual Financial Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the Issuer will disseminate a statement to such effect as part of its Annual Financial Information for the year in which such event first occurs.

If any amendment or waiver is made to this Agreement, the Annual Financial Information for the year in which such amendment or waiver is made (or in any notice or supplement provided to EMMA) shall contain a narrative description of the reasons for such amendment and its impact on the type of information being provided.

5. REPORTABLE EVENTS DISCLOSURE. Subject to Section 8 of this Agreement, the Issuer hereby covenants that it will disseminate in a timely manner (not in excess of ten business days after the occurrence of the Reportable Event) Reportable Events Disclosure to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. References to "material" in *Exhibit II* refer to materiality as it is interpreted under the Exchange Act. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Obligations or defeasance of any Obligations need not be given under this Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the Bondholders pursuant to the Resolutions.

6. CONSEQUENCES OF FAILURE OF THE ISSUER TO PROVIDE INFORMATION. The Issuer shall give notice in a timely manner to EMMA of any failure to provide Annual Financial Information Disclosure when the same is due under this Agreement.

In the event of a failure of the Issuer to comply with any provision of this Agreement, the beneficial owner of any Bond may seek mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed to be a default under the Resolutions, and the sole remedy under this Agreement in the event of any failure of the Issuer to comply with this Agreement shall be an action to compel performance.

7. AMENDMENTS; WAIVER. Notwithstanding any other provision of this Agreement to the contrary, the Issuer, by resolution authorizing such amendment or waiver, may amend this Agreement, and any provision of this Agreement may be waived, if:

(a) (i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, including without limitation, pursuant to a "no-action" letter issued by the Commission, change in law, or change in the identity, nature or status of the Issuer or type of business conducted; or

(ii) This Agreement, as amended, or the provision, as 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 the beneficial owners of the Obligations, as determined by parties unaffiliated with the Issuer (such as Bond Counsel).

In the event that the Commission or the MSRB or other regulatory authority shall approve or require Annual Financial Information Disclosure or Reportable Events Disclosure to be made to a central post office, governmental agency or similar entity other than EMMA or in lieu of EMMA, the Issuer shall, if required, make such dissemination to such central post office, governmental agency or similar entity without the necessity of amending this Agreement.

8. TERMINATION OF UNDERTAKING. The Undertaking of the Issuer shall be terminated hereunder if the Issuer shall no longer have any legal liability for any obligation on or relating to repayment of the Obligations under the Resolutions.

9. FUTURE CHANGES TO THE RULE. As set forth in Section 1 of this Agreement, the Issuer has executed and delivered this Agreement solely and only to assist the Participating Underwriters in complying with the requirements of the Rule. Therefore, notwithstanding anything in this Agreement to the contrary, in the event the Commission, the MSRB or other regulatory authority shall approve or require changes to the requirements of the Rule, the Issuer shall be permitted, but shall not be required, to unilaterally modify the covenants in this Agreement, without complying with the requirements of Section 7 of this Agreement, in order to comply with, or conform to, such changes. In the event of any such modification of this Agreement, the Issuer shall file a copy of this Agreement, as revised, on EMMA in a timely manner.

10. DISSEMINATION AGENT. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

11. ADDITIONAL INFORMATION. Nothing in this Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth

in this Agreement or any other means of communication, or including any other information in any Annual Financial Information Disclosure or notice of the occurrence of a Reportable Event, in addition to that which is required by this Agreement. If the Issuer chooses to include any information from any document or notice of the occurrence of a Reportable Event in addition to that which is specifically required by this Agreement, the Issuer shall have no obligation under this Agreement to update such information or include it in any future disclosure or notice of the occurrence of a Reportable Event. If the Issuer is changed, the Issuer shall disseminate such information to EMMA.

12. BENEFICIARIES. This Agreement has been executed in order to assist the Participating Underwriters in complying with the Rule; however, this Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, if any, and the beneficial owners of the Obligations, and shall create no rights in any other person or entity.

13. RECORDKEEPING. The Issuer shall maintain records of all Annual Financial Information Disclosure and Reportable Events Disclosure, including without limitation the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

14. ASSIGNMENT. The Issuer shall not transfer its obligations under the Resolutions, unless the transferee agrees to assume all obligations of the Issuer under this Agreement or to execute an Undertaking under the Rule.

15. GOVERNING LAW. This Agreement shall be governed by the laws of the State.

CITY OF EAU CLAIRE, EAU CLAIRE AND
CHIPPEWA COUNTIES, WISCONSIN

By _____
City Manager

Date: _____, 2019

EXHIBIT I
ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED FINANCIAL STATEMENTS

"Annual Financial Information" means financial information and operating data of the type contained in the Final Official Statement under the following captions: "VALUATIONS"; "DEBT" (but excluding "FUTURE FINANCING"); "TAX LEVIES AND COLLECTIONS"; "THE ISSUER — FUNDS ON HAND" ; and "THE ISSUER — SUMMARY GENERAL FUND INFORMATION."

All or a portion of the Annual Financial Information and the Audited Financial Statements as set forth below may be included by reference to other documents which have been submitted to EMMA or filed with the Commission. If the information included by reference is contained in a Final Official Statement, the Final Official Statement must be available on EMMA, the Final Official Statement need not be available from the Commission. The Issuer shall clearly identify each such item of information included by reference.

Annual Financial Information exclusive of Audited Financial Statements will be provided to EMMA by September 30 of each year, commencing on September 30, 2020. Audited Financial Statements as described below should be filed with EMMA by September 30 of each year, commencing on September 30, 2020. If Audited Financial Statements are not available by September 30 of each year, audited Financial Statements will be submitted to EMMA within thirty (30) days after availability to Issuer.

Audited Financial Statements will be prepared in accordance with generally accepted accounting principles pursuant to which such financial statements will be prepared.

If any change is made to the Annual Financial Information as permitted by Section 4 of the Agreement, the Issuer will disseminate a notice of such change as required by Section 4.

EXHIBIT II
EVENTS WITH RESPECT TO THE OBLIGATIONS FOR WHICH REPORTABLE EVENTS DISCLOSURE IS REQUIRED

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-exempt status of the securities
7. Modifications to the rights of security holders, if material
8. Bond calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the Issuer*
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material
15. Incurrence of a Financial Obligation, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation, any of which reflect financial difficulties

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* This 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.

EXHIBIT III
GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2019A

MATURITY DATE	CUSIP NUMBERS (_____)
2020	
2021	
2022	
2023	
2024	
2025	
2026	
2027	
2028	
2029	
2030	
2031	
2032	
2033	
2034	
2035	
2036	
2037	
2038	
2039	

GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2019B

MATURITY DATE	CUSIP NUMBERS (_____)
2020	
2021	
2022	
2023	
2024	
2025	
2026	
2027	
2028	
2029	

TAXABLE GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2019C

MATURITY DATE	CUSIP NUMBERS (_____)
2020	
2021	
2022	
2023	
2024	
2025	
2026	
2027	
2028	
2029	
2030	
2031	
2032	
2033	
2034	
2035	
2036	
2037	
2038	
2039	

APPENDIX E

NOTICE OF SALE

$10,375,000* GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2019A
CITY OF EAU CLAIRE, WISCONSIN

Bids for the purchase of $10,375,000* General Obligation Corporate Purpose Bonds, Series 2019A (the "Bonds") of the City of Eau Claire, Wisconsin (the "City") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, Municipal Advisors to the City, until 10:00 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 10:00 A.M. Central Time, on August 13, 2019, at which time they will be opened, read and tabulated. The bids will be presented to the Common Council for consideration for award by resolution at a meeting to be held at 4:00 P.M., Central Time, on the same date. The bid offering to purchase the Bonds upon the terms specified herein and most favorable to the City will be accepted unless all bids are rejected.

PURPOSE

The Bonds of the City are being issued pursuant to Section 67.04, Wisconsin Statutes, for the public purposes of financing the cost of library campus improvements, trail improvements, storm water improvements, street and sidewalk improvements, and water utility improvements in the City. The Bonds are general obligations of the City, and all the taxable property in the City is subject to the levy of a tax sufficient to pay the principal of and interest on the Bonds as they become due which tax may, under current law, be levied without limitation as to rate or amount.

DATES AND MATURITIES

The Bonds will be dated August 28, 2019, will be issued as fully registered Bonds in the denomination of $5,000 each, or any integral multiple thereof, and will mature on April 1 as follows:

Year	Amount*	Year	Amount*	Year	Amount*
2020	$380,000	2027	$480,000	2034	$575,000
2021	415,000	2028	485,000	2035	600,000
2022	425,000	2029	500,000	2036	615,000
2023	430,000	2030	510,000	2037	640,000
2024	440,000	2031	525,000	2038	665,000
2025	455,000	2032	540,000	2039	680,000
2026	460,000	2033	555,000		

ADJUSTMENT OPTION

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

TERM BOND OPTION

Bids for the Bonds may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above. All dates are inclusive.

INTEREST PAYMENT DATES AND RATES

Interest will be payable on April 1 and October 1 of each year, commencing April 1, 2020, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board. **The rate for any maturity may not be more than 2.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2020 maturity, then the lowest rate that may be proposed for any later maturity is 2.50%.)** All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

BOOK-ENTRY-ONLY FORMAT

Unless otherwise specified by the purchaser, the Bonds will be designated in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds, and will be responsible for maintaining a book-entry system for recording the interests of its participants and the transfers of interests between its participants. The participants will be responsible for maintaining records regarding the beneficial interests of the individual purchasers of the Bonds. So long as Cede & Co. is the registered owner of the Bonds, all payments of principal and interest will be made to the depository which, in turn, will be obligated to remit such payments to its participants for subsequent disbursement to the beneficial owners of the Bonds.

PAYING AGENT

The City will select a bank or trust company to act as bond registrar and paying agent (the "Paying Agent"). The City will pay the charges for Paying Agent services. The City reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the City, Bonds maturing on or after April 1, 2028 shall be subject to prior redemption on April 1, 2027 or on any date thereafter, at a price of par plus accrued interest.

Redemption may be in whole or in part of the Bonds subject to redemption. If redemption is in part, the selection of the amounts and maturities of the Bonds to be redeemed shall be at the discretion of the City. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed will be selected by the Paying Agent from the Bonds of such maturity then outstanding by such method as the Paying Agent shall deem fair and appropriate, and which may provide for the selection for redemption of Bonds or portions of Bonds in principal amounts of $5,000 and integral multiples thereof.

Notice of such call shall be given by mailing a notice not more than 60 days and not less than 30 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books.

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed are received by the Paying Agent prior to the giving of a notice of redemption, such notice may, at the option of the City, state that said redemption will be conditional upon the receipt of such moneys by the Paying Agent on or prior to the date fixed for redemption. If such moneys are not received, such notice will be of no force and effect, the City will not redeem such Bonds, and the Paying Agent will give notice, in the same manner in which the notice of redemption has been given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the City will deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on the date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given and described above and in the Award Resolution, the Bonds or portions of Bonds so to be redeemed will, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City defaults in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds will be paid by the Paying Agent at the redemption price.

DELIVERY

On or about August 28, 2019, the Bonds will be delivered without cost to the winning bidder at DTC. On the day of closing, the City will furnish to the winning bidder the opinion of Bond Counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Bonds is then pending or, to the best knowledge of officers of the City, threatened. Payment for the Bonds must be received by the City at its designated depository on the date of closing in immediately available funds.

By submitting a bid, any bidder makes the representation that it understands Bond Counsel (as hereinafter defined) represents the City in the Bond transaction and, if such bidder has retained Bond Counsel in an unrelated matter, such bidder represents that the signatory to the bid is duly authorized to, and does consent to and waive for and on behalf of such bidder any conflict of interest of Bond Counsel arising from any adverse position to the City in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel.

LEGAL OPINION

An opinion as to the validity of the Bonds and the exemption from federal taxation of the interest thereon will be furnished by Chapman and Cutler LLP, Bond Counsel to the City ("Bond Counsel"), and will be available at the time of delivery of the Bonds. The legal opinion will be issued on the basis of existing law and will state that the Bonds are lawful and enforceable general obligations of the City in according with their terms; except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles whether considered at law or in equity, including the exercise of judicial discretion.

SUBMISSION OF BIDS

Bids must not be for less than $10,271,250 plus accrued interest on the principal sum of $10,375,000 from date of original issue of the Bonds to date of delivery. **The Maximum Proposal allowed will be $10,997,500.** Prior to the time established above for the opening of bids, interested parties may submit a bid as follows:

1) Electronically to bondsale@ehlers-inc.com; or

2) Electronically via **PARITY** in accordance with this Notice of Sale until 10:00 A.M. Central Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact Ehlers or i-Deal LLC at 1359 Broadway, 2nd Floor, New York, New York 10018, Telephone (212) 849-5021.

Bids must be submitted to Ehlers via one of the methods described above and must be received prior to the time established above for the opening of bids. Each bid must be unconditional except as to legality. Neither the City nor Ehlers shall be responsible for any failure to receive a facsimile submission.

A good faith deposit ("Deposit") in the amount of $207,500 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The City reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Bonds to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

The City and the winning bidder who chooses to so wire the Deposit hereby agree irrevocably that Ehlers shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: 1) All income earned thereon shall be retained by the escrow holder as payment for its expenses; 2) If the bid is not accepted, Ehlers shall, at its expense, promptly return the Deposit amount to the winning bidder; 3) If the bid is accepted, the Deposit shall be returned to the winning bidder at the closing; 4) Ehlers shall bear all costs of maintaining the escrow account and returning the funds to the winning bidder; 5) Ehlers shall not be an insurer of the Deposit amount and shall have no liability hereunder except if it willfully fails to perform or recklessly disregards, its duties specified herein; and 6) FDIC insurance on deposits within the escrow account shall be limited to $250,000 per bidder.

No bid can be withdrawn after the time set for receiving bids unless the meeting of the City scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made.

AWARD

The Bonds will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The City's computation of the interest rate of each bid, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Bonds will be awarded by lot. The City reserves the right to reject any and all bids and to waive any informality in any bid.

BOND INSURANCE

If the Bonds are qualified for any bond insurance policy, the purchase of such policy shall be at the sole option and expense of the winning bidder. Any cost for such insurance policy is to be paid by the winning bidder, except that, if the City requested and received a rating on the Bonds from a rating agency, the City will pay that rating fee. Any rating agency fees not requested by the City are the responsibility of the winning bidder.

Failure of the municipal bond insurer to issue the policy after the Bonds are awarded to the winning bidder shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Bonds.

CUSIP NUMBERS

The City will assume no obligation for the assignment or printing of CUSIP numbers on the Bonds or for the correctness of any numbers printed thereon, but will permit such numbers to be printed at the expense of the winning bidder, if the winning bidder waives any delay in delivery occasioned thereby.

NON-QUALIFIED TAX-EXEMPT OBLIGATIONS

The City will NOT designate the Bonds as "qualified tax-exempt obligations" pursuant to Section 265 of the Internal Revenue Code of 1986, as amended.

CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 the City will enter into an undertaking for the benefit of the holders of the Bonds. A description of the details and terms of the undertaking is set forth in Appendix D of the Preliminary Official Statement.

NEW ISSUE PRICING

The winning bidder will be required to provide, in a timely manner, certain information necessary to compute the yield on the Bonds pursuant to the provisions of the Internal Revenue Code of 1986, as amended, and to provide a certificate which will be provided by Bond Counsel upon request.

(a) The winning bidder shall assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at closing an “issue price” or similar certificate satisfactory to Bond Counsel setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications. All actions to be taken by the City under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the City by the City’s municipal advisor identified herein and any notice or report to be provided to the City may be provided to the City’s municipal advisor.

(b) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “competitive sale requirements”) because:

(1) The City shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential investors;

(2) all bidders shall have an equal opportunity to bid;

(3) the City may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

(4) the City anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in this bid.

(c) If all of the requirements of a "competitive sale" are not satisfied, the City shall advise the winning bidder of such fact prior to the time of award of the sale of the Bonds to the winning bidder. In such event, any bid submitted will not be subject to cancellation or withdrawal and the City agrees to use the rule selected by the winning bidder on its bid form to determine the issue price for the Bonds. On its bid form, each bidder must select one of the following two rules for determining the issue price of the Bonds: (1) the first price at which 10% of a maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity or (2) the initial offering price to the public as of the sale date as the issue price of each maturity of the Bonds (the "hold-the-offering-price rule").

(d) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the hold-the-offering-price rule, the winning bidder shall (i) confirm that the underwriters (as hereinafter defined) have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date (as hereinafter defined) and ending on the earlier of the following:

(1) the close of the fifth (5th) business day after the sale date; or

(2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the City promptly after the close of the fifth (5th) business day after the sale whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The City acknowledges that in making the representation set forth above, the winning bidder will rely on:

(i) the agreement of each underwriter to comply with requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-price rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires,

(ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and

(iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price rule of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule as applicable to the Bonds.

(e) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the 10% test, the winning bidder agrees to promptly report to the City, Bond Counsel and Ehlers the prices at which the Bonds have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all Bonds of that maturity have been sold or (ii) the 10% test has been satisfied as to each maturity of the Bonds, provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the City or Bond Counsel.

(f) By submitting a bid, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is party to such third-party distribution agreement, as applicable, to:

(A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred until either all securities of that maturity allocated to it have been sold or it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the City or Bond Counsel.

(B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires which shall be until the 10% test has been satisfied as to the Bonds of that maturity or until the close of business on the fifth (5th) business day following the date of award, and

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group and each broker dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to:

(A) to promptly notify the winning bidder of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(B) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(g) Sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the

Bonds to the public (each term being used as defined below) shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

(i) "public" means any person other than an underwriter or a related party,

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "sale date" means the date that the Bonds are awarded by the City to the winning bidder.

PRELIMINARY OFFICIAL STATEMENT

Bidders may obtain a copy of the Preliminary Official Statement relating to the Bonds prior to the bid opening by request from Ehlers at www.ehlers-inc.com by connecting to the Bond Sales link. The Syndicate Manager will be provided with an electronic copy of the Final Official Statement within seven business days of the bid acceptance. Up to 10 printed copies of the Final Official Statement will be provided upon request. Additional copies of the Final Official Statement will be available at a cost of $10.00 per copy.

Information for bidders and bid forms may be obtained from Ehlers at 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, Telephone (651) 697-8500.

By Order of the Common Council

City of Eau Claire, Wisconsin

BID FORM

The Common Council **August 13, 2019**
City of Eau Claire, Wisconsin

RE: $10,375,000* General Obligation Corporate Purpose Bonds, Series 2019A (the "Bonds")
DATED: August 28, 2019

For all or none of the above Bonds, in accordance with the Notice of Sale and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you $_____ (not less than $10,271,250, ***and not more than $10,997,500***) plus accrued interest to date of delivery for fully registered Bonds bearing interest rates and maturing in the stated years as follows:

_____	% due	2020	_____	% due	2027	_____	% due	2034
_____	% due	2021	_____	% due	2028	_____	% due	2035
_____	% due	2022	_____	% due	2029	_____	% due	2036
_____	% due	2023	_____	% due	2030	_____	% due	2037
_____	% due	2024	_____	% due	2031	_____	% due	2038
_____	% due	2025	_____	% due	2032	_____	% due	2039
_____	% due	2026	_____	% due	2033			

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

The rate for any maturity may not be more than 2.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2020 maturity, then the lowest rate that may be proposed for any later maturity is 2.50%.) All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

A good faith deposit ("Deposit") in the amount of $207,500 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The City reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Bonds to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Notice of Sale. This bid is for prompt acceptance and is conditional upon delivery of said Bonds to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about August 28, 2019.

This bid is subject to the City's agreement to enter into a written undertaking to provide continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 as described in the Preliminary Official Statement for the Bonds.

We have received and reviewed the Official Statement, and any addenda thereto, and have submitted our requests for additional information or corrections to the Final Official Statement. As Syndicate Manager, we agree to provide the City with the reoffering price of the Bonds within 24 hours of the bid acceptance.

This bid is a firm offer for the purchase of the Bonds identified in the Notice of Sale, on the terms set forth in this bid form and the Notice of Sale, and is not subject to any conditions, except as permitted by the Notice of Sale. We acknowledge that the award of the Bonds is subject to the approval of a resolution by the Common Council of the City on the date hereof.

By submitting this bid, we confirm that we are an underwriter and have an established industry reputation for underwriting new issuances of municipal bonds. YES: ____ NO: ____.

If the competitive sale requirements are not met, we elect to use the (circle one): 10% test / hold-the-offering-price rule to determine the issue price of the Bonds.

Account Manager: _____ By: _____

Account Members:

Award will be on a true interest cost basis. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from August 28, 2019 of the above bid is $_____and the true interest cost (TIC) is _____%.

The foregoing offer is hereby accepted by and on behalf of the Common Council of the City of Eau Claire, Wisconsin, on August 13, 2019.

By: _____ By: _____

Title: _____ Title: _____