

CITY OF BARRON, WISCONSIN
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2014

**CITY OF BARRON, WISCONSIN
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YEAR ENDED DECEMBER 31, 2014**

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CITY OF BARRON, WISCONSIN
LIST OF PRINCIPAL OFFICERS
2014

ELECTED

Mayor
City Council President
City Clerk-Treasurer
Municipal Judge

David Vruwink
Rod Nordby
Tony Slagstad
Eugene Rick

Aldermanic District:

First Ward
Second Ward
Third Ward
Fourth Ward
At Large #1
At Large #2

Rod Nordby
Kevin Haller
Maureen Tollman
Mike Dietrich
Tony Allen
Mark Thompson

APPOINTED

Utility Commissioner
Utility Commissioner
Utility Commissioner
Utility Commissioner
Utility Commissioner
Utility Manager
City Assessor
City Engineer
Street Superintendent
City Building Inspector
City Attorney
Health Officer
Police Chief
Fire Chief
Librarian
Water Department Supervisor
Electric Department Supervisor
Wastewater Utility Supervisor

Marvin Amundson
Gene Redlich
Gerald Johnson
Robert Missling
Randy Severson
Rick Jari
Gene Johnson
Susan Wojtkiewicz
David Hanson
James Heldstab
Liden, Dobberfuhl & Harrington, LLC
Vacant
Byron Miller
Mike Romsos
Susan Queiser
Lawrence Lyste
Jeremy Schlosser
Mike Romsos



CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT

The City Council
City of Barron
Barron, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Barron, Wisconsin (City) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Barron, Wisconsin as of December 31, 2014, and the respective changes in the financial position and cash flows, where applicable, thereof for the year then ended in conformity 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 management's discussion and analysis and budgetary comparison information as referenced in the table of contents, be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The 2014 individual and combining fund statements, debt repayment schedules, and statistical information are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. We have also previously audited, in accordance with auditing standards generally accepted in the United States of America, the City's basic financial statements for the year ended December 31, 2013 which are not presented with the accompanying financial statements. In our report dated March 14, 2014, we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The 2013 individual fund statements are presented for purposes of additional analysis and are 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 2013 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting

The City Council
City of Barron

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 2013 individual fund statements are fairly stated in all material respects in relation to the basic financial statements from which they have been derived. The statistical 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Rice Lake, Wisconsin
February 27, 2015

**CITY OF BARRON, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2014**

As management of the City of Barron, Wisconsin (City), we offer the readers of the City's financial statements this narrative overview and analysis of financial activities of the City for the fiscal year ended December 31, 2014. Please consider this information in conjunction with the City's financial statements, which begin on page 16 following this narrative.

FINANCIAL HIGHLIGHTS

Key financial highlights for the year ended December 31, 2014 include the following:

- The assets of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$19,786,776 (*net position*). Of this amount, \$14,029,055 represented the City's net investment in capital assets, \$1,382,564 was held for restricted purposes, and \$4,375,157 was unrestricted. The unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors.
- During the fiscal year, the City's total net position decreased \$844,903, or approximately 4.1 percent. The business-type activities had a \$249,573 increase, while the governmental activities had a decrease of \$1,094,476.
- At the close of the fiscal year, the City's governmental funds reported combined ending fund balances of \$1,327,928, a decrease of \$44,973 from the previous year. This decrease was primarily attributable to a loss taken on tax deed properties sold in a tax incremental district.
- At the end of 2014, the unassigned general fund balance totaled \$858,997.
- The City's total long-term obligations decreased by \$417,084 during the current fiscal year. In 2014, the City refinanced two outstanding bond issues with a bank promissory note.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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 a private-sector business.

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

**CITY OF BARRON, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2014**

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). Both of the government-wide financial statements distinguish those functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and service charges (*business-type activities*). The governmental activities of the City include general government, public safety, transportation facilities, sanitation, health and human services, culture, recreation and education, and conservation and development. The business-type activities of the City include a joint electric and water utility and a sewer utility.

The government-wide financial statements can be found beginning on page 16 of this report.

Fund Financial Statements

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

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

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

The City maintains eleven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, the debt service fund, the library operations fund, and the Tax Incremental District #4 fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the supplementary information section.

The basic governmental fund financial statements can be found beginning on page 18 of this report.

**CITY OF BARRON, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2014**

Proprietary funds. The City maintains one type of proprietary funds - enterprise funds. Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its joint electric and water utility and sewer utility.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the enterprise funds both of which are considered to be major funds of the City.

The basic proprietary fund financial statements can be found beginning on page 22 of this report.

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

The basic fiduciary fund financial statements can be found on page 27 of this report.

Notes to Basic Financial Statements

The notes to the basic 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 basic financial statements can be found beginning on page 28 of this report.

Supplementary Information

In addition to the basic financial statement and accompanying notes, this report presents certain required supplementary information on the City's operating budget. Required supplementary information can be found on the pages as indicated in the table of contents.

Following the basic government-wide and fund financial statements, accompanying notes, required supplementary information, and additional supplementary information has been provided as part of this report. The supplementary information includes combining statements for the nonmajor governmental funds, individual fund statements for selected funds, various debt repayment schedules and unaudited statistical information tables. This supplementary information section of the report can be found on the pages as listed in the table of contents.

**CITY OF BARRON, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2014**

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's assets exceeded liabilities and deferred inflows by \$19,786,776 at the close of 2014. The largest portion of these net position (71%) reflect the City's investment in capital assets, including land, land improvements, buildings, machinery and equipment, infrastructure, plant in service and construction in progress, net of related outstanding debt used to acquire the assets. 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. Below is a summary of the City's statement of net position:

**Condensed Statement of Net Position
December 31, 2014 and 2013**

	Governmental Activities		Business-Type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Current and Other Assets	\$ 2,684,769	\$ 3,771,184	\$ 5,812,840	\$ 5,258,771	\$ 8,497,609	\$ 9,029,955
Capital Assets	10,250,803	10,667,457	7,562,546	7,760,073	17,813,349	18,427,530
Internal Balances	209,267	119,316	(209,267)	(119,316)	-	-
Total Assets	<u>13,144,839</u>	<u>14,557,957</u>	<u>13,166,119</u>	<u>12,899,528</u>	<u>26,310,958</u>	<u>27,457,485</u>
Current Liabilities	182,647	126,627	1,148,626	1,076,686	1,331,273	1,203,313
Long-Term Liabilities	3,496,254	3,858,416	461,698	516,620	3,957,952	4,375,036
Total Liabilities	<u>3,678,901</u>	<u>3,985,043</u>	<u>1,610,324</u>	<u>1,593,306</u>	<u>5,289,225</u>	<u>5,578,349</u>
Total Deferred Inflows of Resources	<u>1,234,957</u>	<u>1,247,457</u>	<u>-</u>	<u>-</u>	<u>1,234,957</u>	<u>1,247,457</u>
Net Position:						
Net Investment in Capital Assets						
Assets	6,822,056	6,878,853	7,206,999	7,351,976	14,029,055	14,230,829
Restricted	449,337	1,522,024	933,227	849,904	1,382,564	2,371,928
Unrestricted	959,588	924,580	3,415,569	3,104,342	4,375,157	4,028,922
Total Net Position	<u>\$ 8,230,981</u>	<u>\$ 9,325,457</u>	<u>\$ 11,555,795</u>	<u>\$ 11,306,222</u>	<u>\$ 19,786,776</u>	<u>\$ 20,631,679</u>

An additional portion of the City's net position (7%) represents resources that are subject to other restrictions as to how they may be used. The remaining \$4,375,157 of total net position (22%) may be used to meet the City's on-going obligations to its citizens and creditors. It is important to note that \$3,415,569 of 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 2014, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as its separate governmental activities and business-type activities. The same situation held true for the prior fiscal year.

**CITY OF BARRON, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2014**

The condensed statement of changes in net position presented below shows that total net position of the City decreased \$844,903, or approximately 4.1%. The decrease was attributable to an increase of \$249,573 in business-type activities and a decrease of \$1,094,476 in governmental activities.

The following is a summary of the changes in the City's net position for the years ended December 31, 2014 and 2013:

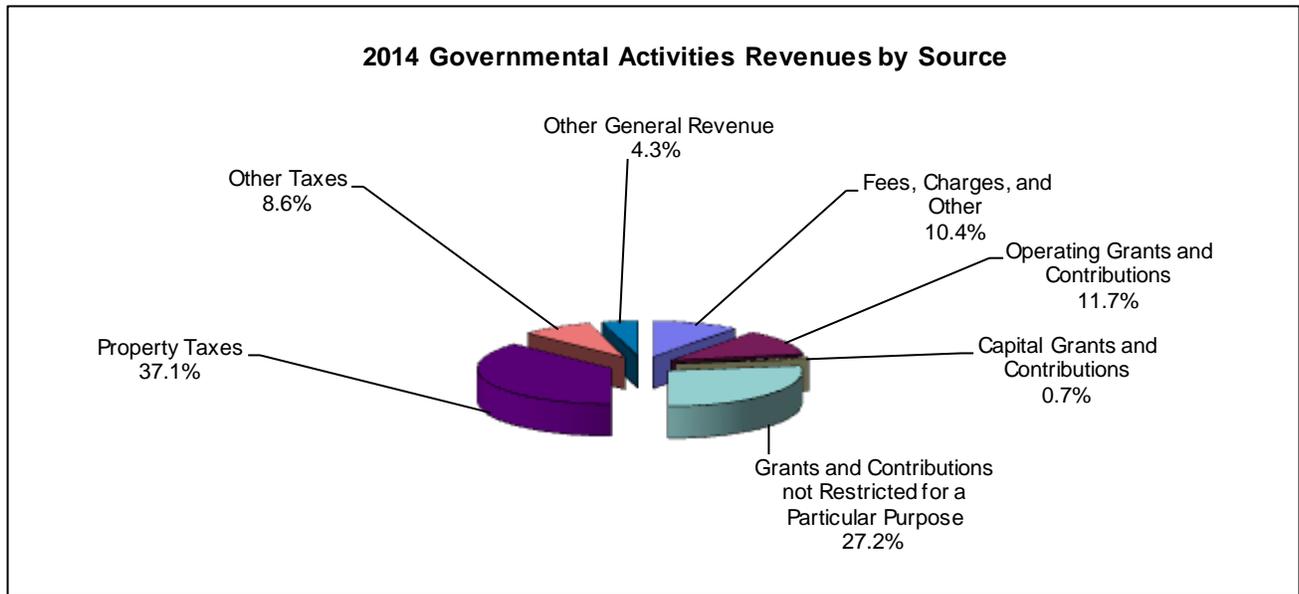
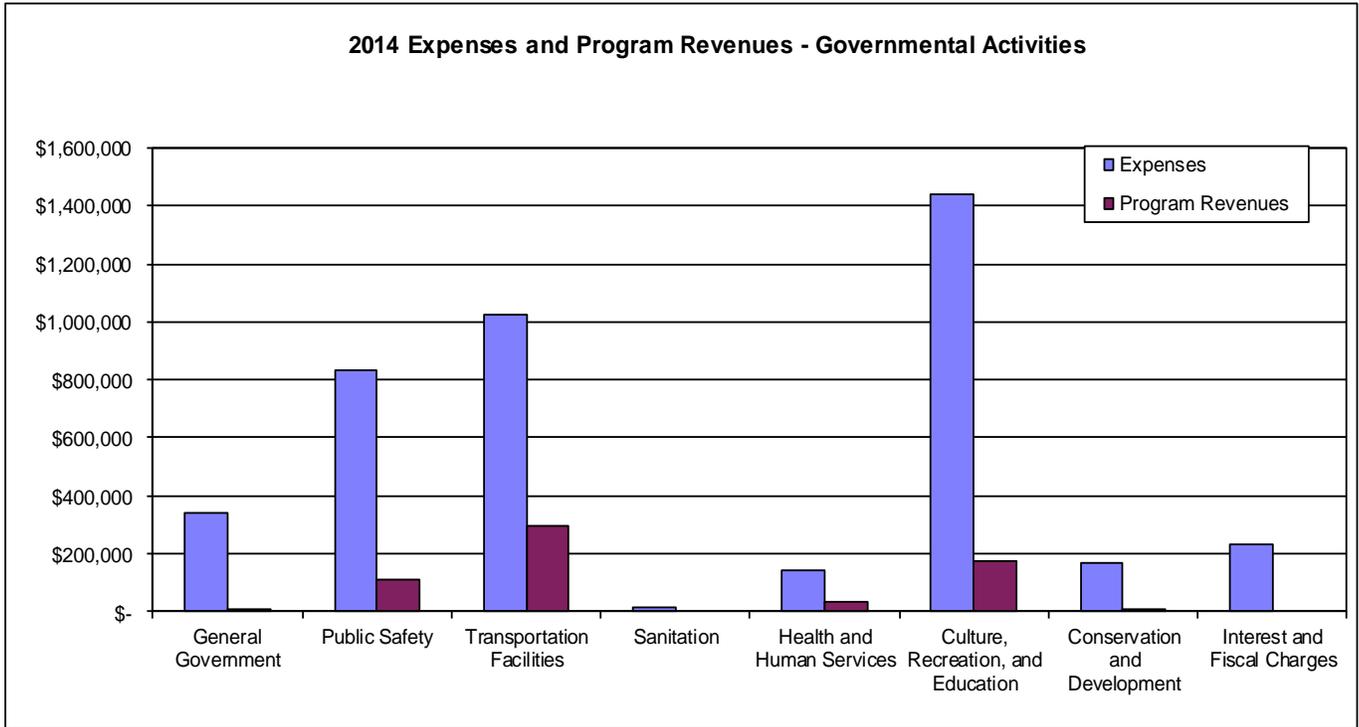
**Condensed Statement of Changes in Net Position
Years Ended December 31, 2014 and 2013**

	Governmental Activities		Business-Type Activities		Totals	
	2014	2013	2014	2013	2014	2013
REVENUES						
Program Revenues						
Charges for Services	\$ 291,406	\$ 307,480	\$ 7,557,972	\$ 7,471,520	\$ 7,849,378	\$ 7,779,000
Operating Grants and Contributions	329,198	348,174	-	-	329,198	348,174
Capital Grants and Contributions	18,768	11,121	7,400	144,568	26,168	155,689
General Revenues						
Property Taxes	1,041,668	1,050,633	-	-	1,041,668	1,050,633
Other Taxes	240,430	247,052	-	-	240,430	247,052
Grants and Contributions not Restricted for a Particular Purpose	764,215	765,085	-	-	764,215	765,085
Other	119,954	160,124	189,182	181,618	309,136	341,742
Total Revenues	<u>2,805,639</u>	<u>2,889,669</u>	<u>7,754,554</u>	<u>7,797,706</u>	<u>10,560,193</u>	<u>10,687,375</u>
EXPENSES						
General Government	341,307	376,638	-	-	341,307	376,638
Public Safety	830,310	847,877	-	-	830,310	847,877
Transportation Facilities	1,021,585	1,030,139	-	-	1,021,585	1,030,139
Sanitation	15,674	11,018	-	-	15,674	11,018
Health and Human Services	143,833	139,818	-	-	143,833	139,818
Culture, Recreation, and Education	1,436,492	564,537	-	-	1,436,492	564,537
Conservation and Development	171,787	19,746	-	-	171,787	19,746
Interest and Fiscal Charges	232,713	149,160	-	-	232,713	149,160
Electric	-	-	6,165,402	5,797,013	6,165,402	5,797,013
Water	-	-	530,163	546,474	530,163	546,474
Sewer	-	-	515,830	527,985	515,830	527,985
Total Expenses	<u>4,193,701</u>	<u>3,138,933</u>	<u>7,211,395</u>	<u>6,871,472</u>	<u>11,405,096</u>	<u>10,010,405</u>
CHANGE IN NET POSITION BEFORE TRANSFERS	(1,388,062)	(249,264)	543,159	926,234	(844,903)	676,970
TRANSFERS	293,586	292,761	(293,586)	(292,761)	-	-
CHANGE IN NET POSITION	<u>\$ (1,094,476)</u>	<u>\$ 43,497</u>	<u>\$ 249,573</u>	<u>\$ 633,473</u>	<u>\$ (844,903)</u>	<u>\$ 676,970</u>

The City had a long-term receivable due from the Barron Golf Club, Inc. for costs previously incurred for golf course expansion. In 2014, the City forgave the long-term receivable resulting in a significant increase in culture, recreation, and education expenditures in the governmental activities.

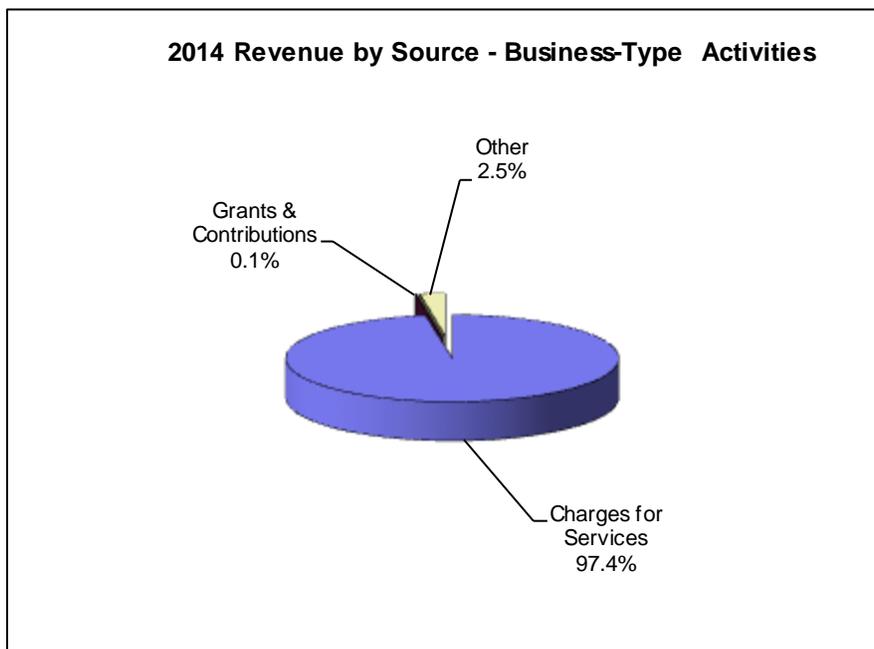
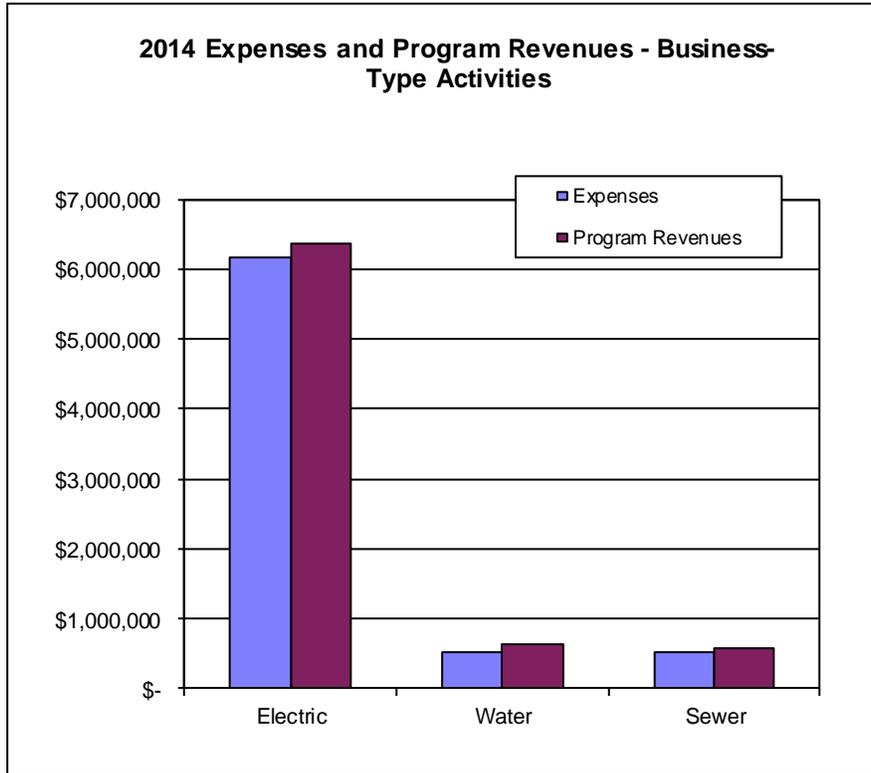
A review of statement of activities can provide a concise picture of how the various functions/programs of the City are funded. The following charts draw data from the statement of activities. For governmental services, the City is primarily dependent on property taxes (37.1%) and unspecified state and federal aids (27.2%) for funding operations and derives 22.8% from program revenues.

**CITY OF BARRON, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2014**



**CITY OF BARRON, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2014**

In the case of business-type activities, the data shows a considerably different picture. Charges for services (97.4%) replace property taxes as the primary revenue.



**CITY OF BARRON, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2014**

FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS

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

Governmental Funds

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

As of December 31, 2014, the City's governmental funds reported combined ending fund balances of \$1,327,928, a decrease of \$44,973 from the previous year. The governmental funds comprising this balance are shown below:

	Fund Balance at December 31, 2014					Total	Change During Year
	Nonspendable	Restricted	Committed	Assigned	Unassigned		
Major Funds							
General Fund	\$ 61,580	\$ -	\$ -	\$ 51,829	\$ 858,997	\$ 972,406	\$ 85,683
Debt Service Fund	-	114,655	-	-	-	114,655	(12,431)
Library Operations Fund	-	-	-	195,137	-	195,137	9,901
Tax Incremental District #4 Fund	-	-	-	-	(221,012)	(221,012)	(8,381)
Nonmajor Funds	-	268,902	18,293	-	(20,453)	266,742	(119,745)
Total Fund Balances	<u>\$ 61,580</u>	<u>\$ 383,557</u>	<u>\$ 18,293</u>	<u>\$ 246,966</u>	<u>\$ 617,532</u>	<u>\$ 1,327,928</u>	<u>\$ (44,973)</u>

Restricted fund balance represents amounts available for appropriation but intended for a specific use and is legally restricted by outside parties. Committed fund balance represents constraints on spending that the governmental imposes upon itself by high-level action prior to the close of the fiscal period. Assigned fund balance represents resources intended for spending for a purpose set by the government body itself or by some person or body delegated to exercise such authority in accordance with policy established by the Council. Unassigned fund balance is the residual classification for the City's general fund and included all spendable amounts not contained in the other classifications.

The general fund is the primary operating fund used to account for the governmental operations of the City. As a measure of the general fund's liquidity, it may be useful to compare both total fund balance and unassigned fund balance to measures of operating volume such as fund expenditures or fund revenues. The total year-end general fund balance of \$972,406 represented 44.8% of total general fund expenditures reported in the statement of revenues, expenditures, and changes in fund balances while the unassigned portion of the fund increased \$191,708 from the prior year.

The debt service fund had a fund balance of \$114,655. This amount is restricted for future debt service requirements.

The library operations fund, a special revenue fund, is used to account for the accumulation of resources and the expenditure thereof for operations of the public library. The library fund balance increased \$9,901 during 2014, ending the year with a balance of \$195,137.

The Tax Incremental District #4 fund, a capital projects fund, is used to account for the accumulation of resources and the expenditure thereof for capital projects and other eligible costs included in the scope of the district's plan. The fund had a deficit balance of \$221,012 at December 31, 2014, which was funded by an advance from the general fund.

**CITY OF BARRON, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2014**

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in greater detail. As shown below, the net position of the enterprise-type proprietary funds at the end of 2014 totaled \$11,555,795, up \$249,573 from the previous year.

**Condensed Statement of Changes in Net Position for Enterprise Funds
Years Ended December 31, 2014 and 2013**

	Joint Electric and Water Utility				Sewer Utility		Totals	
	Electric Utility		Water Utility		2014	2013	2014	2013
	2014	2013	2014	2013				
Operating Revenues	\$ 6,406,261	\$ 6,342,601	\$ 675,243	\$ 649,265	\$ 618,642	\$ 611,949	\$ 7,700,146	\$ 7,603,815
Operating Expenses:								
Depreciation	319,925	313,716	130,811	129,920	110,179	124,473	560,915	568,109
Other	5,816,782	5,448,432	392,478	403,422	405,651	403,492	6,614,911	6,255,346
Operating Income (Loss)	269,554	580,453	151,954	115,923	102,812	83,984	524,320	780,360
Net Income (Loss) before								
Contributions and Transfers	262,975	566,090	154,284	110,697	118,500	104,879	535,759	781,666
Capital Contributions	-	-	-	139,766	7,400	4,802	7,400	144,568
Transfers	(183,912)	(182,839)	(109,674)	(109,922)	-	-	(293,586)	(292,761)
Change in Net Position	79,063	383,251	44,610	140,541	125,900	109,681	249,573	633,473
Net Position - Beginning	3,345,530	2,962,279	5,075,186	4,934,645	2,885,506	2,775,825	11,306,222	10,672,749
Net Position - End of Year	<u>\$ 3,424,593</u>	<u>\$ 3,345,530</u>	<u>\$ 5,119,796</u>	<u>\$ 5,075,186</u>	<u>\$ 3,011,406</u>	<u>\$ 2,885,506</u>	<u>\$ 11,555,795</u>	<u>\$ 11,306,222</u>

GENERAL FUND BUDGETARY HIGHLIGHTS

As shown in the *Budgetary Comparison Schedule* for the general fund (in required supplementary information), the City did not modify its original budget. The fund balance in the general fund increased \$85,683 during 2014. The City ended the year with a positive variance of \$104,094 between actual amounts and budgeted amounts for revenues and other financing sources and a negative variance of \$18,411 between actual amounts and budgeted amounts for expenditures. The reason for revenues being over budget is primarily due to donations, the sale of property, and intergovernmental charges for fire protection services. The amount of expenditures over budget was primarily due to certain capital expenditures being over budget.

**CITY OF BARRON, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2014**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets (net of accumulated depreciation) for its governmental activities and business-type activities as of December 31, 2014 and 2013 were as shown below:

**Capital Assets, Net of Accumulated Depreciation
December 31, 2014 and 2013**

	Governmental		Business-Type		Totals	
	Governmental Activities		Business-Type Activities			
	2014	2013	2014	2013	2014	2013
Not Subject to Depreciation						
Land and Land Rights	\$ 253,102	\$ 253,102	\$ 352,400	\$ 352,400	\$ 605,502	\$ 605,502
Land Improvements	1,225,368	1,225,368	-	-	1,225,368	1,225,368
Construction Work in Progress	3,000	2,571	14,303	14,303	17,303	16,874
Subject to Depreciation						
Land Improvements	296,436	296,436	-	-	296,436	296,436
Buildings and Improvements	6,061,311	6,061,311	-	-	6,061,311	6,061,311
Equipment and Vehicles	3,892,736	3,755,691	-	-	3,892,736	3,755,691
Infrastructure	6,208,085	6,208,085	-	-	6,208,085	6,208,085
Electric System	-	-	9,473,326	9,168,626	9,473,326	9,168,626
Water System	-	-	5,322,684	5,301,588	5,322,684	5,301,588
Wastewater System	-	-	4,485,298	4,468,162	4,485,298	4,468,162
Less: Accumulated Depreciation	(7,689,235)	(7,135,107)	(12,085,465)	(11,545,006)	(19,774,700)	(18,680,113)
Total	<u>\$ 10,250,803</u>	<u>\$ 10,667,457</u>	<u>\$ 7,562,546</u>	<u>\$ 7,760,073</u>	<u>\$ 17,813,349</u>	<u>\$ 18,427,530</u>

Additional information related to the City's capital assets is reported in Note 3.B following the basic financial statements.

**CITY OF BARRON, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2014**

Long-Term Obligations

At December 31, 2014, the City had outstanding \$3,957,952 of long-term debt and other long-term obligations. A summary detail of this amount, together with the net change from the previous year, is shown below:

**Outstanding Long-Term Obligations
December 31, 2014 and 2013**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Totals</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
LONG-TERM OBLIGATIONS						
Long-Term Debt						
General Obligation Debt	\$ 3,242,500	\$ 3,545,000	\$ -	\$ -	\$ 3,242,500	\$ 3,545,000
Tax Increment Revenue Bonds	186,247	243,604	-	-	186,247	243,604
Revenue Bonds	-	-	355,547	408,097	355,547	408,097
Other Long-Term Obligations						
Estimated Employee Leave	67,507	69,812	106,151	108,523	173,658	178,335
Total	<u>\$ 3,496,254</u>	<u>\$ 3,858,416</u>	<u>\$ 461,698</u>	<u>\$ 516,620</u>	<u>\$ 3,957,952</u>	<u>\$ 4,375,036</u>

Under Wisconsin State Statutes, 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 applicable debt of the City outstanding at December 31, 2014 totaled \$3,242,500, approximately 51% of the maximum legal limit of \$6,330,510.

The City issued new debt in 2014 to refinance two outstanding issues.

Additional information related to the City's long-term obligations is reported in Note 3.D following the basic financial statements.

CURRENTLY KNOWN FACTS

The City Council passed a balanced budget for the 2015 year.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Barron's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Tony Slagstad, City Clerk-Treasurer, at 715-537-5631, tslagstad@barronwi.us or 1456 East LaSalle Avenue, PO Box 156, Barron, WI 54812.

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

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	\$ 1,418,500	\$ 3,527,050	\$ 4,945,550
Taxes Receivable	1,066,673	-	1,066,673
Special Assessments Receivable	118,139	10,001	128,140
Accounts Receivable	25,351	995,487	1,020,838
Due from Other Governments	32,610	-	32,610
Prepaid Items	2,796	-	2,796
Property Held for Resale	20,700	-	20,700
Inventory	-	154,163	154,163
Internal Balances	209,267	(209,267)	-
Restricted Assets:			
Cash and Investments	-	1,126,139	1,126,139
Capital Assets:			
Capital Assets Not Being Depreciated	1,481,470	366,703	1,848,173
Capital Assets Being Depreciated	16,458,568	19,281,308	35,739,876
Accumulated Depreciation	(7,689,235)	(12,085,465)	(19,774,700)
Total Assets	13,144,839	13,166,119	26,310,958
LIABILITIES			
Vouchers and Accounts Payable	138,047	674,687	812,734
Accrued Interest Payable	9,548	1,209	10,757
Payroll Taxes and Withholdings	19,352	-	19,352
Due to Other Governments	13,700	-	13,700
Special Deposits	2,000	1,959	3,959
Barron/Cameron Equipment Replacement Liability	-	192,912	192,912
Other Liabilities	-	277,859	277,859
Long-Term Liabilities:			
Amounts Due Within One Year	275,939	65,488	341,427
Amounts Due in More than One Year	3,220,315	396,210	3,616,525
Total Liabilities	3,678,901	1,610,324	5,289,225
DEFERRED INFLOWS OF RESOURCES			
Succeeding Years' Property Taxes	1,234,957	-	1,234,957
NET POSITION			
Net Investment in Capital Assets	6,822,056	7,206,999	14,029,055
Restricted For:			
Debt Service	105,107	64,483	169,590
Capital Projects and Plant Replacement	-	868,744	868,744
Tax Incremental Districts	148,644	-	148,644
Other Purposes	195,586	-	195,586
Unrestricted	959,588	3,415,569	4,375,157
Total Net Position	\$ 8,230,981	\$ 11,555,795	\$ 19,786,776

See accompanying Notes to Basic Financial Statements.

**CITY OF BARRON, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2014**

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES							
General Government	\$ 341,307	\$ 10,502	\$ -	\$ -	\$ (330,805)	\$ -	\$ (330,805)
Public Safety	830,310	102,927	7,029	-	(720,354)	-	(720,354)
Transportation Facilities	1,021,585	114,633	171,630	7,772	(727,550)	-	(727,550)
Sanitation	15,674	-	-	-	(15,674)	-	(15,674)
Health and Human Services	143,833	28,180	7,900	-	(107,753)	-	(107,753)
Culture, Recreation, and Education	1,436,492	34,664	142,639	-	(1,259,189)	-	(1,259,189)
Conservation and Development	171,787	500	-	10,996	(160,291)	-	(160,291)
Interest and Fiscal Charges	232,713	-	-	-	(232,713)	-	(232,713)
Total Governmental Activities	4,193,701	291,406	329,198	18,768	(3,554,329)	-	(3,554,329)
BUSINESS-TYPE ACTIVITIES							
Electric	6,165,402	6,354,817	-	-	-	189,415	189,415
Water	530,163	633,024	-	-	-	102,861	102,861
Sewer	515,830	570,131	-	7,400	-	61,701	61,701
Total Business-Type Activities	7,211,395	7,557,972	-	7,400	-	353,977	353,977
Total Primary Government	<u>\$ 11,405,096</u>	<u>\$ 7,849,378</u>	<u>\$ 329,198</u>	<u>\$ 26,168</u>	(3,554,329)	353,977	(3,200,352)
GENERAL REVENUES							
Taxes:							
Property Taxes, Levied for General Purposes					671,758	-	671,758
Property Taxes, Levied for Debt Purposes					282,564	-	282,564
Property Taxes, Levied for TIF Districts					87,346	-	87,346
Other Taxes					240,430	-	240,430
Grants and Contributions not Restricted for a Specific Function					764,215	-	764,215
Investment Earnings					7,940	32,208	40,148
Miscellaneous					112,014	156,974	268,988
TRANSFERS					293,586	(293,586)	-
Total General Revenues and Transfers					<u>2,459,853</u>	<u>(104,404)</u>	<u>2,355,449</u>
CHANGE IN NET POSITION					(1,094,476)	249,573	(844,903)
Net Position, Beginning of Year					<u>9,325,457</u>	<u>11,306,222</u>	<u>20,631,679</u>
NET POSITION - END OF YEAR					<u>\$ 8,230,981</u>	<u>\$ 11,555,795</u>	<u>\$ 19,786,776</u>

See accompanying Notes to Basic Financial Statements.

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

	General Fund	Debt Service Fund	Library Operations Fund	Tax Incremental District #4 Fund	Other Governmental Funds	Totals
ASSETS						
Treasurer's Cash and Investments	\$ 808,446	\$ 114,655	\$ 210,745	\$ -	\$ 284,654	\$ 1,418,500
Taxes Receivable	520,074	263,051	205,789	39,531	38,228	1,066,673
Special Assessments Receivable	42,811	-	-	-	75,328	118,139
Accounts Receivable	16,194	-	-	-	9,157	25,351
Due from Other Governments	32,610	-	-	-	-	32,610
Due from Other Funds	554,768	-	-	-	-	554,768
Prepaid Items	2,796	-	-	-	-	2,796
Property Held for Resale	20,700	-	-	-	-	20,700
Advance to Other Funds	20,453	-	-	-	-	20,453
	<u>2,018,852</u>	<u>377,706</u>	<u>416,534</u>	<u>39,531</u>	<u>407,367</u>	<u>3,259,990</u>
Total Assets	<u>\$ 2,018,852</u>	<u>\$ 377,706</u>	<u>\$ 416,534</u>	<u>\$ 39,531</u>	<u>\$ 407,367</u>	<u>\$ 3,259,990</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Vouchers Payable	\$ 115,823	\$ -	\$ 15,608	\$ -	\$ 6,616	\$ 138,047
Payroll Withholdings	19,352	-	-	-	-	19,352
Due to Other Governments	13,700	-	-	-	-	13,700
Due to Other Funds	37,837	-	-	221,012	-	258,849
Special Deposits	2,000	-	-	-	-	2,000
Advances from Other Funds	86,652	-	-	-	20,453	107,105
Total Liabilities	<u>275,364</u>	<u>-</u>	<u>15,608</u>	<u>221,012</u>	<u>27,069</u>	<u>539,053</u>
Deferred Inflows of Resources:						
Succeeding Year's Property Taxes	688,358	263,051	205,789	39,531	38,228	1,234,957
Unavailable Revenue - Special Assessments	82,724	-	-	-	75,328	158,052
Total Deferred Inflows of Resources	<u>771,082</u>	<u>263,051</u>	<u>205,789</u>	<u>39,531</u>	<u>113,556</u>	<u>1,393,009</u>
Fund Balance:						
Nonspendable:						
Prepaid Items	2,796	-	-	-	-	2,796
Land Held for Resale	20,700	-	-	-	-	20,700
Advances to Other Funds	20,453	-	-	-	-	20,453
Delinquent Taxes	404	-	-	-	-	404
Delinquents and Specials Held by County	17,227	-	-	-	-	17,227
Restricted	-	114,655	-	-	268,902	383,557
Committed	-	-	-	-	18,293	18,293
Assigned	51,829	-	195,137	-	-	246,966
Unassigned	858,997	-	-	(221,012)	(20,453)	617,532
Total Fund Balance	<u>972,406</u>	<u>114,655</u>	<u>195,137</u>	<u>(221,012)</u>	<u>266,742</u>	<u>1,327,928</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,018,852</u>	<u>\$ 377,706</u>	<u>\$ 416,534</u>	<u>\$ 39,531</u>	<u>\$ 407,367</u>	<u>\$ 3,259,990</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF BARRON, WISCONSIN
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2014**

TOTAL FUND BALANCES FOR GOVERNMENTAL FUNDS **\$ 1,327,928**

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These capital assets consist of:

Land	\$ 253,102	
Land Improvements	1,521,804	
Buildings	6,061,311	
Equipment and Vehicles	3,892,736	
Infrastructure	6,208,085	
Construction Work in Progress	3,000	
Accumulated Depreciation	<u>(7,689,235)</u>	10,250,803

Some receivables, including special assessments, are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements. 158,052

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

General Obligation Bonds Payable	(1,195,000)	
General Obligation Notes Payable	(2,047,500)	
Tax Increment Revenue Bonds Payable	(186,247)	
Accrued Interest Payable on Long-Term Debt	(9,548)	
Vacation and Sick Leave Payable	<u>(67,507)</u>	<u>(3,505,802)</u>

TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES **\$ 8,230,981**

See accompanying Notes to Basic Financial Statements.

**CITY OF BARRON, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2014**

	General Fund	Debt Service Fund	Library Operations Fund	Tax Incremental District #4 Fund	Other Governmental Funds	Totals
REVENUES						
Taxes	\$ 706,224	\$ 282,564	\$ 205,789	\$ 48,814	\$ 38,532	\$ 1,281,923
Special Assessments	35,799	-	-	-	72,764	108,563
Intergovernmental	947,785	-	134,149	4,078	3,164	1,089,176
Licenses and Permits	26,810	-	-	-	-	26,810
Fines and Forfeits	33,574	-	-	-	-	33,574
Public Charges for Services	69,892	-	5,561	-	97,239	172,692
Intergovernmental Charges for Services	25,058	-	-	-	33,259	58,317
Miscellaneous:						
Interest	8,672	-	-	-	8,941	17,613
Rent of City Property	16,295	-	-	-	-	16,295
Donations	84,101	-	-	-	777	84,878
Other	1,000	12,000	-	6,918	13	19,931
Total Revenues	<u>1,955,210</u>	<u>294,564</u>	<u>345,499</u>	<u>59,810</u>	<u>254,689</u>	<u>2,909,772</u>
EXPENDITURES						
General Government	323,805	-	-	-	-	323,805
Public Safety	682,389	-	-	-	36,347	718,736
Transportation Facilities	544,569	-	-	-	35,930	580,499
Sanitation	15,674	-	-	-	-	15,674
Health and Human Services	125,218	-	-	-	-	125,218
Culture, Recreation and Education	135,453	-	335,598	-	-	471,051
Conservation and Development	10,174	-	-	150	161,353	171,677
Capital Outlay	331,423	-	-	-	-	331,423
Debt Service:						
Principal Retirement	-	302,500	-	57,357	-	359,857
Interest and Fiscal Charges	96	145,942	-	10,684	-	156,722
Total Expenditures	<u>2,168,801</u>	<u>448,442</u>	<u>335,598</u>	<u>68,191</u>	<u>233,630</u>	<u>3,254,662</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES						
	<u>(213,591)</u>	<u>(153,878)</u>	<u>9,901</u>	<u>(8,381)</u>	<u>21,059</u>	<u>(344,890)</u>
OTHER FINANCING SOURCES (USES)						
Sale of Property	5,681	-	-	-	650	6,331
Long-Term Debt Issued	-	1,950,000	-	-	-	1,950,000
Debt Refinancing Payment	-	(1,950,000)	-	-	-	(1,950,000)
Transfers In	293,593	141,447	-	-	-	435,040
Transfers Out	-	-	-	-	(141,454)	(141,454)
Total Other Financing Sources (Uses)	<u>299,274</u>	<u>141,447</u>	<u>-</u>	<u>-</u>	<u>(140,804)</u>	<u>299,917</u>
NET CHANGE IN FUND BALANCE						
	85,683	(12,431)	9,901	(8,381)	(119,745)	(44,973)
Fund Balance (Deficit), January 1	<u>886,723</u>	<u>127,086</u>	<u>185,236</u>	<u>(212,631)</u>	<u>386,487</u>	<u>1,372,901</u>
FUND BALANCE (DEFICIT), DECEMBER 31						
	<u>\$ 972,406</u>	<u>\$ 114,655</u>	<u>\$ 195,137</u>	<u>\$ (221,012)</u>	<u>\$ 266,742</u>	<u>\$ 1,327,928</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF BARRON, WISCONSIN
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENT FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2014**

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ (44,973)

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

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital Outlays Reported in Governmental Fund Statements	\$ 250,615	
Contributed Capital	3,556	
Depreciation Expense Reported in the Statement of Activities	(665,244)	(411,073)

In the statement of activities, only the gain or loss on the disposal of capital assets is reported whereas in the governmental funds, the proceeds from sales increase financial resources and trade-ins are not reflected in capital outlays. (5,581)

Receivables not currently available are reported as deferred inflows of resources in the fund financial statements, but are recognized as revenue when earned in the government-wide statements. The change in deferred inflows of resources considered earned but not unavailable is: (1,002,275)

Long-term debt incurred in the governmental funds is reported as an other financing source, but is reported as an increase in outstanding long-term debt in the statement of net position and does not affect the statement of activities. Long-term debt incurred in the current year is:

General Obligation Notes (1,950,000)

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In the current year these amounts consist of:

General Obligation Bond Principal Retirement	2,220,000	
General Obligation Note Principal Retirement	32,500	
Tax Incremental Revenue Bond	57,357	2,309,857

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:

Change in Accrued Interest Payable	7,264	
Change in Vacation and Sick Leave Payable	2,305	9,569

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ (1,094,476)

See accompanying Notes to Basic Financial Statements.

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

	Business-Type Activities - Enterprise Funds			Totals
	Joint Electric and Water Utility		Sewer Utility	
	Electric Department	Water Department		
ASSETS				
Current Assets:				
Cash and Investments	\$ 1,695,228	\$ 1,616,744	\$ 215,078	\$ 3,527,050
Customer Accounts Receivable	815,337	58,686	115,677	989,700
Other Accounts Receivable	5,687	-	100	5,787
Due from Other Funds	31,486	27,313	3,693	62,492
Inventories	138,644	15,519	-	154,163
Total Current Assets	<u>2,686,382</u>	<u>1,718,262</u>	<u>334,548</u>	<u>4,739,192</u>
Restricted Assets:				
Cash and Investments:				
Bond Reserve Fund	64,483	-	-	64,483
Barron Collection Plant Replacement	-	-	506,712	506,712
Barron/Cameron Replacement Fund	-	-	554,944	554,944
Total Restricted Assets	<u>64,483</u>	<u>-</u>	<u>1,061,656</u>	<u>1,126,139</u>
Capital Assets:				
Capital Assets Not Being Depreciated:				
Land and Land Rights	4,622	27,145	320,633	352,400
Construction Work In Progress	-	-	14,303	14,303
Capital Assets Being Depreciated:				
Utility Plant in Service	9,126,297	5,052,224	4,474,157	18,652,678
Less: Accumulated Depreciation	<u>(7,035,192)</u>	<u>(1,565,313)</u>	<u>(2,922,915)</u>	<u>(11,523,420)</u>
Net Utility Plant in Service	<u>2,091,105</u>	<u>3,486,911</u>	<u>1,551,242</u>	<u>7,129,258</u>
Non-Utility Property	347,029	270,460	11,141	628,630
Less: Accumulated Depreciation	<u>(333,142)</u>	<u>(217,762)</u>	<u>(11,141)</u>	<u>(562,045)</u>
Net Non-Utility Property	<u>13,887</u>	<u>52,698</u>	<u>-</u>	<u>66,585</u>
Total Capital Assets	<u>2,109,614</u>	<u>3,566,754</u>	<u>1,886,178</u>	<u>7,562,546</u>
Other Assets:				
Special Assessments Receivable	-	5,394	4,607	10,001
Advance to Other Funds	-	86,652	-	86,652
Total Other Assets	<u>-</u>	<u>92,046</u>	<u>4,607</u>	<u>96,653</u>
Total Assets	<u>\$ 4,860,479</u>	<u>\$ 5,377,062</u>	<u>\$ 3,286,989</u>	<u>\$ 13,524,530</u>

See accompanying Notes to Basic Financial Statements.

CITY OF BARRON, WISCONSIN
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
DECEMBER 31, 2014

	Business-Type Activities - Enterprise Funds			
	Joint Electric and Water Utility		Sewer Utility	Totals
	Electric Department	Water Department		
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 621,549	\$ 38,094	\$ 15,044	\$ 674,687
Due to Other Funds	200,048	125,564	32,799	358,411
Accrued Interest Payable	1,049	160	-	1,209
Current Portion of Bonds Payable	52,000	3,597	-	55,597
Current Portion of Vacation and Sick Leave Liability	6,330	1,471	2,090	9,891
Customer Deposits	-	1,959	-	1,959
Other - Unrefunded Capacity Credit	264,805	-	-	264,805
Other - Public Benefits Charge	13,054	-	-	13,054
Barron/Cameron Equipment Replacement Liability	-	-	192,912	192,912
Total Current Liabilities	<u>1,158,835</u>	<u>170,845</u>	<u>242,845</u>	<u>1,572,525</u>
Long-Term Liabilities (Less Current Portion):				
Bonds Payable	231,000	68,950	-	299,950
Vacation and Sick Leave Liability	46,051	17,471	32,738	96,260
Total Long-Term Liabilities	<u>277,051</u>	<u>86,421</u>	<u>32,738</u>	<u>396,210</u>
Total Liabilities	<u>1,435,886</u>	<u>257,266</u>	<u>275,583</u>	<u>1,968,735</u>
NET POSITION				
Net Investment in Capital Assets	1,826,614	3,494,207	1,886,178	7,206,999
Restricted for Debt Service	64,483	-	-	64,483
Restricted for Asset Replacement	-	-	506,712	506,712
Restricted for Barron/Cameron Equipment Replacement	-	-	362,032	362,032
Unrestricted	1,533,496	1,625,589	256,484	3,415,569
Total Net Position	<u>3,424,593</u>	<u>5,119,796</u>	<u>3,011,406</u>	<u>11,555,795</u>
Total Liabilities and Net Position	<u>\$ 4,860,479</u>	<u>\$ 5,377,062</u>	<u>\$ 3,286,989</u>	<u>\$ 13,524,530</u>

See accompanying Notes to Basic Financial Statements.

CITY OF BARRON, WISCONSIN
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2014

	Business-Type Activities - Enterprise Funds			
	Joint Electric and Water Utility		Sewer Utility	Totals
	Electric Department	Water Department		
OPERATING REVENUES				
Charges for Services:				
Residential	\$ 1,436,747	\$ 104,516	\$ 317,014	\$ 1,858,277
Commercial	930,304	56,253	216,955	1,203,512
Industrial	3,813,067	297,735	-	4,110,802
Public Authority	28,885	22,325	36,162	87,372
Interdepartmental	85,994	-	-	85,994
Street and Highway Lighting	59,820	-	-	59,820
Public Fire Protection	-	146,007	-	146,007
Private Fire Protection	-	6,188	-	6,188
Total Charges for Services	<u>6,354,817</u>	<u>633,024</u>	<u>570,131</u>	<u>7,557,972</u>
Forfeited Discounts	12,726	1,662	-	14,388
Other	38,718	40,557	48,511	127,786
Total Operating Revenues	<u>6,406,261</u>	<u>675,243</u>	<u>618,642</u>	<u>7,700,146</u>
OPERATING EXPENSES				
Operation and Maintenance	5,816,782	392,478	405,651	6,614,911
Depreciation	319,925	130,811	110,179	560,915
Total Operating Expenses	<u>6,136,707</u>	<u>523,289</u>	<u>515,830</u>	<u>7,175,826</u>
OPERATING INCOME (LOSS)	<u>269,554</u>	<u>151,954</u>	<u>102,812</u>	<u>524,320</u>
NONOPERATING REVENUES (EXPENSES)				
Interest Revenue	22,116	9,150	888	32,154
Interest on Advances to Other Funds	-	54	-	54
Interest on Mortgage Revenue Bonds	(14,592)	-	-	(14,592)
Amortization of Debt Discount and Expenses	-	(973)	-	(973)
Other Interest Expense	(291)	-	-	(291)
Depreciation on Non-Utility Property	(13,812)	(5,901)	-	(19,713)
Other Nonoperating Revenues	-	-	14,800	14,800
Total Nonoperating Revenues (Expenses)	<u>(6,579)</u>	<u>2,330</u>	<u>15,688</u>	<u>11,439</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>262,975</u>	<u>154,284</u>	<u>118,500</u>	<u>535,759</u>
CONTRIBUTIONS AND TRANSFERS				
Contributions	-	-	7,400	7,400
Transfers - Utility Tax Equivalents	(183,912)	(109,674)	-	(293,586)
Total Contributions and Transfers	<u>(183,912)</u>	<u>(109,674)</u>	<u>7,400</u>	<u>(286,186)</u>
CHANGE IN NET POSITION	79,063	44,610	125,900	249,573
Net Position, January 1	<u>3,345,530</u>	<u>5,075,186</u>	<u>2,885,506</u>	<u>11,306,222</u>
NET POSITION, DECEMBER 31	<u>\$ 3,424,593</u>	<u>\$ 5,119,796</u>	<u>\$ 3,011,406</u>	<u>\$ 11,555,795</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF BARRON, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2014**

	Business-Type Activities - Enterprise Funds			
	Joint Electric and Water Utility			Totals
	Electric Department	Water Department	Sewer Utility	
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	\$ 6,210,104	\$ 667,511	\$ 599,873	\$ 7,477,488
Cash Received (Paid) for Meter Related Charges	-	24,263	(24,263)	-
Cash Payments to Suppliers for Goods and Services	(5,270,680)	(242,934)	(142,117)	(5,655,731)
Cash Payments for Employee Services	(383,563)	(155,341)	(238,983)	(777,887)
Net Cash Provided by Operating Activities	<u>555,861</u>	<u>293,499</u>	<u>194,510</u>	<u>1,043,870</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash Received (Paid) for Customer Deposits	-	50	-	50
Cash Payment for Tax Equivalents	(166,703)	(109,674)	-	(276,377)
Cash Received for Rent/Nonoperating Revenue	-	-	14,800	14,800
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>(166,703)</u>	<u>(109,624)</u>	<u>14,800</u>	<u>(261,527)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Cash Payments for Capital Assets	(321,570)	(27,596)	(37,573)	(386,739)
Cash Received from Salvage on Plant Retired	2,895	193	550	3,638
Cash Paid for Principal on Revenue Bonds	(49,000)	(3,550)	-	(52,550)
Cash Paid for Interest on Revenue Bonds	(14,775)	(980)	-	(15,755)
Cash Paid for Interest on Capital Credit and Refunds	(291)	-	-	(291)
Cash Received from Interest on Advance	-	108	-	108
Cash Received from Advance to the General Fund	-	40,000	-	40,000
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(382,741)</u>	<u>8,175</u>	<u>(37,023)</u>	<u>(411,589)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash Received from Interest on Investments	22,116	9,150	888	32,154
Cash Received from Barron/Cameron Funds	-	-	464	464
Contributions from Barron/Cameron Replacement Fund	-	-	19,144	19,144
Net Cash Provided by Investing Activities	<u>22,116</u>	<u>9,150</u>	<u>20,496</u>	<u>51,762</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	28,533	201,200	192,783	422,516
Cash and Cash Equivalents, January 1	<u>1,731,178</u>	<u>1,415,544</u>	<u>1,083,951</u>	<u>4,230,673</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 1,759,711</u>	<u>\$ 1,616,744</u>	<u>\$ 1,276,734</u>	<u>\$ 4,653,189</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF BARRON, WISCONSIN
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2014**

	Business-Type Activities - Enterprise Funds			
	Joint Electric and Water Utility		Sewer Utility	Totals
	Electric Department	Water Department		
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ 269,554	\$ 151,954	\$ 102,812	\$ 524,320
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation	319,925	130,811	110,179	560,915
(Increase) Decrease in Assets				
Accounts Receivable	(105,246)	(7,661)	(17,551)	(130,458)
Other Accounts Receivable	(306)	159	200	53
Due from Other Funds	11,595	(230)	(1,418)	9,947
Inventories	(1,870)	722	-	(1,148)
Increase (Decrease) in Liabilities				
Accounts Payable	162,224	9,831	(9,285)	162,770
Due to Other Funds	-	15,642	7,099	22,741
Due to Other Governments	-	(98)	-	(98)
Other Credits	(102,800)	-	-	(102,800)
Unused Employee Benefits	2,785	(7,631)	2,474	(2,372)
Net Cash Provided by Operating Activities	<u>\$ 555,861</u>	<u>\$ 293,499</u>	<u>\$ 194,510</u>	<u>\$ 1,043,870</u>
RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS				
Cash and Investments Per Statement of Net Position:				
Cash and Investments	\$ 1,695,228	\$ 1,616,744	\$ 215,078	\$ 3,527,050
Cash and Investments - Restricted	64,483	-	1,061,656	1,126,139
Total Cash and Cash Equivalents	<u>\$ 1,759,711</u>	<u>\$ 1,616,744</u>	<u>\$ 1,276,734</u>	<u>\$ 4,653,189</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF BARRON, WISCONSIN
STATEMENT OF NET POSITION
FIDUCIARY FUND
DECEMBER 31, 2014**

	<u>Agency Fund</u>
ASSETS	
Cash and Investments	\$ 752,304
Taxes Receivable	<u>1,492,448</u>
Total Assets	<u>\$ 2,244,752</u>
LIABILITIES	
Due Other Governmental Units	<u>\$ 2,244,752</u>

See accompanying Notes to Basic Financial Statements.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City of Barron is governed by a mayor/council form of government. The council consists of six members with four members elected from four wards within the City and two members elected at large.

The financial reporting of the City is defined by the GASB to consist of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The basic financial statements of the City consist solely of the primary government. No other organizations were identified for inclusion in the financial reporting entity of the City.

B. Government-Wide and Fund Financial Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds) as described below:

Government-Wide Statements

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Financial Statements

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

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.

The City reports the following major governmental funds:

General Fund – The General Fund is the operating fund of the City. It is used to account for all financial resources of the City, except those required to be accounted for in another fund.

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

Library Operations Fund – The library operations fund, a special revenue fund, is used to account for the accumulation of resources and the expenditure thereof for operations of the public library.

Tax Incremental District #4 Fund – The Tax Incremental District #4 Fund, a capital projects fund, is used to account for the accumulation of resources and the expenditure thereof for capital projects and other eligible costs included in the scope of the district's plan.

All remaining governmental funds are aggregated and reported as nonmajor funds.

The City reports the following major enterprise funds:

Joint Electric and Water Utility – These funds account for the operations of the water system and electric system. Utility operations are subject to regulation by the Wisconsin Public Service Commission.

Sewer Utility – This fund accounts for the operations of the wastewater collection system and treatment facilities.

The City had no other enterprise funds to report as nonmajor funds.

Additionally, the City reports the following fiduciary fund:

Agency Fund – This fund is 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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting

The government-wide financial statements and the proprietary funds and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Nonexchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. 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, if any, are recorded as revenues when services are provided.

Governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized as soon as they are both measurable and available. Revenues are deemed to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues reported in the governmental funds to be available if they are collected within sixty days after the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, miscellaneous taxes, public charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are generally considered to be measurable and available only when cash is received by the government.

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from date of acquisition. Cash and investment balances for individual funds are pooled unless maintained in segregated accounts.

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

Additional restrictions may arise from local charters, ordinances, resolutions and grant resolutions.

Investment of most trust 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.

Investments of the City are stated at fair value.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

2. Receivables and Payables

Property Taxes. Property taxes are levied prior to the end of the calendar year and are due and collectible in the following year. Property taxes attach an enforceable lien as of January 1. The resulting tax roll is recorded as receivable in the City's agency fund with amounts due other governmental units and other funds of the City recorded as liabilities therein. Since City property taxes are not considered revenue until January 1 of the year following the levy, they are recorded as deferred inflows of resources in the funds budgeted therefore.

Real property taxes are payable in full on or before January 31 or, alternatively, if over \$100, can be paid in two equal installments with the first installment payable on or before January 31 and the second installment payable on or before July 31. Personal property taxes and special assessments, special charges (including delinquent utility billings) and special taxes placed on the tax roll are payable in full on or before January 31. All uncollected items on the current tax roll, except delinquent personal property taxes, are turned over to the Barron County Treasurer for collection in February. Barron County subsequently settles in full with the City in August of the same year, except for uncollected delinquent special assessments and special charges. Delinquent personal property taxes are retained by the City for collection. A portion of the general fund balance is nonspendable for the City's investment in delinquent taxes.

Special Assessments. Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Unavailable special assessments are placed on tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made or as current installments are placed on tax rolls. (Installments placed on the 2014 tax roll are recognized as revenue in 2015.) Special assessments recorded in proprietary funds are recorded as revenue at the time the assessments are subject to collection procedures.

Accounts Receivable. All accounts receivable are shown at gross amounts. No allowance for uncollectible accounts has been provided since such allowance would not be material.

Loans Receivable. The City has loaned various organizations money for capital items and improvements. The City records a loan receivable when the loan has been made and funds have been disbursed. In the fund financial statements, it is the City's policy to record deferred inflows of resources for the net amount of the receivable balance. As loans are repaid, revenue is recognized. Interest received from loan repayments is recognized as revenue when received.

CITY OF BARRON, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

2. Receivables and Payables (Continued)

Interfund Balances. Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statement as "internal balances". Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

3. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds, if material, are recorded as expenditures when consumed rather than when purchased.

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

4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified.

5. Capital Assets

Government-Wide Statements. Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with initial, individual costs as shown below and an estimated useful life of two years or greater. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

5. Capital Assets (Continued)

Government-Wide Statements (Continued). Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, if material, is included as part of the capitalized value of the assets constructed.

The City's policy is to prospectively report infrastructure acquired after adoption of GASB Statement No. 34.

Capitalization thresholds (the dollar valued above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Land	\$500	N/A	N/A
Buildings	500	Straight-line	20-50 Years
Land Improvements	500	Straight-line	20-30 Years
Machinery and Equipment	500	Straight-line	5-20 Years
Vehicles	500	Straight-line	5-15 Years
Infrastructure	500	Straight-line	20-50 Years

The Joint Electric and Water Utility follow the capitalization threshold and estimated useful lives outlined above but utilize a depreciation method required by the Wisconsin Public Service Commission. This method dictates that 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. The results of applying this method approximate that of the straight-line depreciation method.

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 in the same manner as in the government-wide statements.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

6. Deferred Outflows of Resources

The City would report decreases in net position or fund equity that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position or governmental fund balance sheet. No deferred outflows of resources are reported in these financial statements in the current year.

7. Deferred Inflows of Resources

The City's governmental activities and governmental fund financial statements report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position or fund equity that applies to a future period. The City will not recognize the related revenue until a future event occurs. The City has two types of items which occur related to revenue recognition. The first occurs because property tax receivables are recorded in the current year, but the revenue will be recorded in the subsequent year. The second type of deferred inflow of resources occurs because governmental fund revenues are not recognized until available (collected not later than 60 days after the end of the City's year) under the modified accrual basis of accounting. The City does not have deferred inflows of resources to report in its proprietary fund financial statements in the current year.

8. Compensated Absences

It is the City's policy to permit employees to accumulate vacation and sick leave benefits. Liabilities for accumulated vacation and sick leave are not accrued in the City's governmental fund financial statements but are recorded as expenditures when paid. Such liabilities are accrued in the government-wide and proprietary fund financial statements when earned. The City's policies and estimated liabilities at year end are further discussed in Note 4.B.

9. Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

10. Defining Operating Revenues and Expenses

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 joint electric and water utility and sewer utility are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

11. Use of Restricted Resources

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.

12. Equity Classifications

Fund equity, representing the difference between assets, liabilities, and deferred outflows/inflows of resources is classified as follows in the City's financial statements:

Government-Wide and Proprietary Fund Statements. Fund equity is classified as net position in the government-wide and proprietary fund financial statements and is displayed in three components. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement for those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. No amounts were restricted at year-end due to enabling legislation. All other net position is displayed as unrestricted.

Fund Financial Statements. In the fund financial statements, governmental funds report components of fund balance to provide information about fund balance availability for appropriation. Nonspendable fund balance represents amounts that are inherently nonspendable or assets that are legally or contractually required to be maintained intact. Restricted fund balance represents amounts available for appropriation but intended for a specific use and is legally restricted by outside parties. Committed fund balance represents constraints on spending that the government imposes upon itself by high-level formal action prior to the close of the fiscal period.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

12. Equity Classifications (Continued)

Fund Financial Statements (Continued). Assigned fund balance represents resources intended for spending for a purpose set by the government body itself or by some person or body delegated to exercise such authority in accordance with policy established by the council. Unassigned fund balance is the residual classification for the City's general fund and includes all spendable amounts not contained in the other classifications. It is the City's policy that at the end of each fiscal year, the City will maintain unassigned portion of fund balance for cash flow in a range equal to 25 – 33% of the annual general fund expenditures.

Committed fund balance is required to be established, modified, or rescinded by resolution of the City Council prior to each year end. Based on resolution of the City Council, the City Clerk-Treasurer has the authority to establish or modify assigned fund balance. When restricted and unrestricted fund balance is available for expenditure, it is the City's policy to first use restricted fund balance. When committed, assigned, and unassigned fund balance is available of expenditure, it is the City's policy to use committed, assigned and finally unassigned fund balance.

NOTE 2 STEWARDSHIP AND ACCOUNTABILITY

The Tax Incremental District #4 Fund and the Tax Incremental District #3 Fund had deficit balances at December 31, 2014 in the amount of \$221,012 and \$20,453, respectively. These deficits will be eliminated with future tax increment collections within each district.

The General Fund expenditures exceeded the final budget in the amount of \$18,411. This overage was determined necessary and it was authorized by the City Council.

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

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The City's cash and investments balances at December 31, 2014 are shown in the financial statements as follows:

Governmental Funds	\$ 1,418,500
Proprietary Funds	4,653,189
Fiduciary Funds	752,304
Total	<u>\$ 6,823,993</u>

The above cash and investments balances consisted of the following:

Bank Accounts Subject to Federal and State Depository Coverage	\$ 5,305,671
Deposits in Local Government Investment Pool	1,518,047
Petty Cash	275
Total	<u>\$ 6,823,993</u>

Deposits at Financial Institutions

Deposits in financial institutions are subject to coverage under federal depository insurance and amounts appropriated by Sections 20.144(1)(a) and 34.08 of the Wisconsin Statutes (State Guarantee Fund). Federal depository insurance provides for coverage of up to \$250,000 for time and savings deposits and up to an additional \$250,000 for demand accounts. Coverage under the State Guarantee Fund may not exceed \$400,000 above the amount of coverage under federal depository insurance at any institution and is limited by the availability of the appropriations authorized therein. (Due to the relatively small size of the State Guarantee Fund in relation to total coverage, total recovery of losses may not be available.) Also, Section 34.07 of the Wisconsin Statutes authorizes the City to collateralize its deposits that exceed the amount of coverage provided by federal depository insurance and the State Guarantee Fund.

Custodial credit risk is the risk that, in the event of bank failure, the City's deposits may not be returned. At December 31, 2014, the City had deposits in the amount of \$646,015 that were uninsured and uncollateralized, therefore the City was subject to custodial credit risk.

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Investments

The City's investments at December 31, 2014 consisted of deposits in the following external investment pool:

Deposits in State Local Government Pooled-Investment Fund. The State of Wisconsin offers a Local Government Investment Pool (LGIP) to local government units to enable them to voluntarily invest idle funds in State Investment Fund. Local funds are pooled with state funds and invested by the State Investment Board. There is no minimum or maximum amount that can be invested by a local government unit. Interest is earned on a daily basis and withdrawals are generally available on the day of request. Deposits in the LGIP are not covered by federal depository insurance but are subject to coverage under the State Guarantee Fund. Also, the State of Wisconsin Investment Board has obtained a surety bond to protect deposits in the LGIP against defaults in principal payments on the LGIP's investments (subject to certain limitations). The average monthly weighted average maturity of the State Investment Fund's investments for 2014 was 92 days.

Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the holder of the investment. The City's policy is to invest its funds in accordance with provisions of the Wisconsin Statutes previously discussed in Note 1.D.1.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the fair values of investments with maturity dates farther into the future are more sensitive to changes in market interest rates. The short weighted average maturities of the investments in the above external investment pool mitigates this risk to the City.

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Capital Assets

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

Governmental Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$ 253,102	\$ -	\$ -	\$ 253,102
Land Improvements	1,225,368	-	-	1,225,368
Construction Work in Progress	2,571	102,828	102,399	3,000
Total Capital Assets Not Being Depreciated	<u>1,481,041</u>	<u>102,828</u>	<u>102,399</u>	<u>1,481,470</u>
Capital Assets Being Depreciated:				
Land Improvements	296,436	-	-	296,436
Buildings	6,061,311	-	-	6,061,311
Equipment	3,145,844	224,982	105,908	3,264,918
Vehicles	609,847	28,760	10,789	627,818
Infrastructure	6,208,085	-	-	6,208,085
Total Capital Assets Being Depreciated	<u>16,321,523</u>	<u>253,742</u>	<u>116,697</u>	<u>16,458,568</u>
Total Capital Assets	<u>17,802,564</u>	<u>356,570</u>	<u>219,096</u>	<u>17,940,038</u>
Accumulated Depreciation:				
Land Improvements	200,961	4,465	-	205,426
Buildings	2,448,016	176,901	-	2,624,917
Equipment	1,930,896	207,528	100,327	2,038,097
Vehicles	350,027	51,208	10,789	390,446
Infrastructure	2,205,207	225,142	-	2,430,349
Total Accumulated Depreciation	<u>7,135,107</u>	<u>665,244</u>	<u>111,116</u>	<u>7,689,235</u>
Net Capital Assets - Capital Activities	<u>\$ 10,667,457</u>	<u>\$ (308,674)</u>	<u>\$ 107,980</u>	<u>\$ 10,250,803</u>

Depreciation was charged to governmental functions as follows:

General Government	\$ 10,893
Public Safety	97,774
Transportation Facilities	289,949
Health and Human Services	19,377
Culture, Recreation and Education	247,141
Conservation and Development	110
Total Depreciation - Governmental Activities	<u>\$ 665,244</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Capital Assets (Continued)

Business-Type Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Joint Electric and Water Utility:				
Electric Department:				
Capital Assets Not Being Depreciated:				
Land and Land Rights	\$ 4,622	\$ -	\$ -	\$ 4,622
Capital Assets Being Depreciated:				
Hydraulic and Other Production	2,936,638	-	-	2,936,638
Transmission and Distribution	4,956,213	277,457	16,728	5,216,942
Street Lights	355,051	902	141	355,812
General Structure and Improvements	61,128	-	-	61,128
Non-Utility Plant	347,029	-	-	347,029
Other General Assets	512,567	43,210	-	555,777
Total Capital Assets Being Depreciated	<u>9,168,626</u>	<u>321,569</u>	<u>16,869</u>	<u>9,473,326</u>
Total Capital Assets	9,173,248	321,569	16,869	9,477,948
Less: Accumulated Depreciation	<u>7,048,572</u>	<u>333,737</u>	<u>13,975</u>	<u>7,368,334</u>
Net Capital Assets - Electric Department	<u>\$ 2,124,676</u>	<u>\$ (12,168)</u>	<u>\$ 2,894</u>	<u>\$ 2,109,614</u>
Water Department:				
Capital Assets Not Being Depreciated:				
Land and Land Rights	\$ 27,145	\$ -	\$ -	\$ 27,145
Capital Assets Being Depreciated:				
Source of Supply	469,605	-	-	469,605
Pumping Plant	1,187,538	-	-	1,187,538
Water Treatment	29,182	-	-	29,182
Transmission and Distribution	3,256,031	25,016	6,500	3,274,547
Non-Utility Property	270,460	-	-	270,460
Administration and General Assets	88,772	2,580	-	91,352
Total Capital Assets Being Depreciated	<u>5,301,588</u>	<u>27,596</u>	<u>6,500</u>	<u>5,322,684</u>
Total Capital Assets	5,328,733	27,596	6,500	5,349,829
Less Accumulated Depreciation	<u>1,652,670</u>	<u>136,712</u>	<u>6,307</u>	<u>1,783,075</u>
Net Capital Assets - Water Department	<u>\$ 3,676,063</u>	<u>\$ (109,116)</u>	<u>\$ 193</u>	<u>\$ 3,566,754</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Capital Assets (Continued)

Business-Type Activities (Continued)

	Ending Balance	Increases	Decreases	Ending Balance
Sewer Utility:				
Capital Assets Not Being Depreciated:				
Land and Land Rights	\$ 320,633	\$ -	\$ -	\$ 320,633
Construction Work in Progress	14,303	-	-	14,303
Total Capital Assets Not Being Depreciated	<u>334,936</u>	<u>-</u>	<u>-</u>	<u>334,936</u>
Capital Assets Being Depreciated:				
Irrigation System	149,616	-	-	149,616
Collection System	2,814,516	-	-	2,814,516
Treatment and Disposal Plant	1,051,522	8,065	-	1,059,587
Non-Utility Property	11,141	-	-	11,141
Administration and General Assets	441,367	29,508	20,437	450,438
Total Capital Assets Being Depreciated	<u>4,468,162</u>	<u>37,573</u>	<u>20,437</u>	<u>4,485,298</u>
Total Capital Assets	4,803,098	37,573	20,437	4,820,234
Less: Accumulated Depreciation	2,843,764	110,179	19,887	2,934,056
Net Capital Assets - Sewer Utility	<u>\$ 1,959,334</u>	<u>\$ (72,606)</u>	<u>\$ 550</u>	<u>\$ 1,886,178</u>
Net Capital Assets - Business-Type Activities	<u>\$ 7,760,073</u>	<u>\$ (193,890)</u>	<u>\$ 3,637</u>	<u>\$ 7,562,546</u>

Depreciation was charged to business-type activities as follows:

Electric	\$ 333,737
Water	136,712
Sewer	110,179
Total	<u>\$ 580,628</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of December 31, 2014 was as follows:

Due to/from Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Electric Department	\$ 200,048	Tax Equivalent
General Fund	Water Department	125,564	Tax Equivalent
General Fund	Sewer Utility	8,144	Year End Transactions
General Fund	Tax Incremental District #4	221,012	Cashflow
Electric Department	General Fund	31,094	Taxroll Items and Year End Transactions
Electric Department	Sewer Utility	392	Rent Charge
Water Department	General Fund	3,050	Taxroll Items and Year End Transactions
Water Department	Sewer Utility	24,263	Meter Charge
Sewer Utility	General Fund	3,693	Year End Transactions
		<u>\$ 617,260</u>	

Advances from/to Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Tax Incremental District #3	\$ 20,453
Water Department	General Fund	86,652
		<u>\$ 107,105</u>

On March 9, 2006, the Common Council of the City of Barron approved a \$400,000 advance from the water department to the City's general fund. The general fund used the proceeds to finance the purchase and improvements of a new city hall building. The interest rate will be adjusted annually based on the average twelve month state investment pool rate. During 2014, the City accrued interest on the advance in the amount of \$96 and made payments totaling \$40,150. The balance on this advance totaled \$86,652 at December 31, 2014.

The advance from the general fund to the Tax Incremental District #3 fund is to cover the fund deficit in the TID #3 fund at December 31, 2014. This deficit will be eliminated as future tax increments within the district become available.

Interfund balances that are owed within the governmental activities and business-type activities are eliminated in the statement of net position.

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Interfund Receivables, Payables and Transfers (Continued)

Interfund Transfers

The following is a schedule of interfund transfers:

Funds Transferred To	Fund Transferred From	Amount	Purpose
General Fund	Cemetery Perpetual Care	\$ 7	Reimbursement of Expenditures
Debt Service Fund	Storm Water Utility	14,420	Debt Service
Debt Service Fund	Tax Incremental District #3	127,027	Debt Service
General Fund	Water Department	109,674	Tax Equivalent
General Fund	Electric Department	183,912	Tax Equivalent
		<u>\$ 435,040</u>	

D. Long-Term Obligations

Changes in Long-Term Obligations

The following is a summary of changes in long-term obligations of the City for the year ended December 31, 2014:

	Balances 1/1/14	Additions	Reductions	Balances 12/31/14	Amounts Due Within One Year
Long-Term Debt:					
Governmental Activities:					
General Obligation Bonds	\$ 3,415,000	\$ -	\$ 2,220,000	\$ 1,195,000	\$ 70,000
General Obligation Notes	130,000	1,950,000	32,500	2,047,500	184,937
Subtotal	<u>3,545,000</u>	<u>1,950,000</u>	<u>2,252,500</u>	<u>3,242,500</u>	<u>254,937</u>
Tax Increment Revenue Bond	243,604	-	57,357	186,247	14,289
Total Governmental Activities	<u>3,788,604</u>	<u>1,950,000</u>	<u>2,309,857</u>	<u>3,428,747</u>	<u>269,226</u>
Business-Type Activities:					
Electric System Revenue Bonds	332,000	-	49,000	283,000	52,000
Water System Revenue Bonds	76,097	-	3,550	72,547	3,597
Total Business Type Activities	<u>408,097</u>	<u>-</u>	<u>52,550</u>	<u>355,547</u>	<u>55,597</u>
Total Long-Term Debt	<u>\$ 4,196,701</u>	<u>\$ 1,950,000</u>	<u>\$ 2,362,407</u>	<u>\$ 3,784,294</u>	<u>\$ 324,823</u>
Other Long-Term Obligations:					
Governmental Activities:					
Employee Vacation and Sick Leave Liability	\$ 69,812	\$ 17,873	\$ 20,178	\$ 67,507	\$ 6,713
Business-Type Activities:					
Employee Vacation and Sick Leave Liability	108,523	11,342	13,714	106,151	9,891
Total Other Long-Term Obligations	<u>\$ 178,335</u>	<u>\$ 29,215</u>	<u>\$ 33,892</u>	<u>\$ 173,658</u>	<u>\$ 16,604</u>

The City's estimated liabilities for employee vacation and sick leave are discussed in Note 4.B.

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations (Continued)

Current Year Borrowing

During 2014, the City issued a bank promissory note for \$1,950,000 to refinance the G.O. Corporate Purpose Bonds, Series 2005A and the G.O. Corporate Purpose Bonds, Series 2003A. The promissory note bears interest of 2.75 percent and is payable in semi-annual installments of \$104,254 with the final balloon installment due September 1, 2024. The refinancing resulted in savings in future debt payments of \$166,516.

General Obligation Long-Term Debt

Annual Requirements for Retirement. Individual general obligation long-term debt issued outstanding at December 31, 2014 and annual requirements for their retirement are shown on the following pages:

General Obligation Debt

	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Promissory Note, \$1,950,000, dated 9/2/14, due 9/1/24, interest at 2.75% (various - see supplementary Schedule E-3)	2015	\$ 152,437	\$ 56,072	\$ 208,509
	2016	159,358	49,151	208,509
	2017	163,971	44,537	208,508
	2018	168,575	39,934	208,509
	2019	173,308	35,201	208,509
	2020-2024	<u>1,132,351</u>	<u>98,335</u>	<u>1,230,686</u>
		<u>1,950,000</u>	<u>323,230</u>	<u>2,273,230</u>
Promissory Note, \$325,000, dated 9/14/07, due 10/1/17, interest at 4.98% (Schedule E-1)	2015	32,500	4,856	37,356
	2016	32,500	3,246	35,746
	2017	<u>32,500</u>	<u>1,618</u>	<u>34,118</u>
		<u>97,500</u>	<u>9,720</u>	<u>107,220</u>
General Obligation Bonds, \$1,605,000, dated 1/23/08, due 6/1/27, interest at 3.50%-4.30% (BACC and golf course - see supplementary Schedule E-2)	2015	70,000	48,005	118,005
	2016	75,000	45,105	120,105
	2017	75,000	42,105	117,105
	2018	80,000	39,005	119,005
	2019	80,000	35,805	115,805
	2020-2024	470,000	124,115	594,115
	2025-2027	<u>345,000</u>	<u>22,683</u>	<u>367,683</u>
		<u>1,195,000</u>	<u>356,823</u>	<u>1,551,823</u>
Total General Obligation Debt		<u>\$ 3,242,500</u>	<u>\$ 689,773</u>	<u>\$ 3,932,273</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations (Continued)

General Obligation Debt (Continued)

It is anticipated that the above annual debt repayments will be funded as follows:

Year	Total Requirements	General City	Tax Incremental District #3	Storm Water Utility
2015	\$ 363,870	\$ 222,901	\$ 127,147	\$ 13,822
2016	364,360	223,987	127,147	13,226
2017	359,732	219,962	127,147	12,624
2018	327,514	200,367	127,147	-
2019	324,314	197,167	127,147	-
2020-2024	1,824,801	1,074,341	750,460	-
2025-2027	367,684	367,684	-	-
	<u>\$ 3,932,273</u>	<u>\$ 2,506,408</u>	<u>\$ 1,386,193</u>	<u>\$ 39,672</u>

Section 67.03 of the Wisconsin Statutes restricts general obligation debt to 5 percent of the equalized value of all property in the City. At December 31, 2014, the City's debt limit amounted to \$6,330,510 and long-term indebtedness subject to the limitation totaled \$3,242,500.

Tax Increment Project Revenue Bond

During 2007 the City issued a tax increment project revenue bond to PF Developers in the amount of \$210,000 for financing its share of project costs in TID #4 paid originally by the developer. The bond bears an interest rate of 7.50% and is subject to repayment over the life of TID #4 solely from specified revenues of the TID. The bond is a special limited revenue obligation and is not a general obligation debt of the City. The outstanding balance at December 31, 2014 was \$153,766.

During 2010, the City issued a tax increment project revenue bond to The Manor, LLC in the amount of \$171,504 for financing its share of project costs in TID #4 paid originally by the developer. The bond bears no interest and is subject to repayment over the life of TID #4 solely from specified revenues of the TID. The bond is a special limited revenue obligation and is not a general obligation debt of the City. The outstanding balance at December 31, 2014 was \$32,481.

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations (Continued)

Electric System Mortgage Revenue Bonds

Outstanding Electric System Mortgage Revenue Bonds totaled \$283,000 on December 31, 2014. The City's full faith and credit do not back the mortgage revenue bonds which instead are backed only by the assets and revenues of the electric utility. The individual debt issue outstanding at December 31, 2014 and the annual requirements for principal and interest retirement were as follows:

	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Electric System Revenue Bonds, \$500,000, dated 6/9/09, due 12/1/19, interest at 4.45%	2015	\$ 52,000	\$ 12,594	\$ 64,594
	2016	54,000	10,280	64,280
	2017	56,000	7,876	63,876
	2018	59,000	5,384	64,384
	2019	62,000	2,759	64,759
			<u>\$ 283,000</u>	<u>\$ 38,893</u>

Water System Mortgage Revenue Bonds

During 2012, the City issued \$79,600 of Water System Revenue Bonds for financing of the Well #6 project. Outstanding Water System Mortgage Revenue Bonds totaled \$72,547 on December 31, 2014. The City's full faith and credit do not back the mortgage revenue bonds which instead are backed only by the assets and revenues of the water utility. The individual debt issue outstanding at December 31, 2014 and the annual requirements for principal and interest retirement were as follows:

	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Water System Revenue Bonds \$79,600.35, dated 6/13/12, due 5/1/32, interest at 1.320%	2015	\$ 3,597	\$ 934	\$ 4,531
	2016	3,644	886	4,530
	2017	3,696	837	4,533
	2018	3,740	788	4,528
	2019	3,791	739	4,530
	2020-2024	19,715	2,927	22,642
	2025-2029	21,054	1,583	22,637
	2030-2032	13,310	262	13,572
			<u>\$ 72,547</u>	<u>\$ 8,956</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Governmental Fund Balances

The governmental fund balances reported on the fund financial statements at December 31, 2014 consisted of the following:

	Total	Nonspendable	Restricted	Committed	Assigned	Unassigned
Major Funds:						
General Fund:						
Nonspendable:						
Prepaid Items	\$ 2,796	\$ 2,796	\$ -	\$ -	\$ -	\$ -
Property Held for Resale	20,700	20,700	-	-	-	-
Delinquent Taxes	404	404	-	-	-	-
Advances to Other Funds	20,453	20,453	-	-	-	-
Delinquents and Specials Held by County	17,227	17,227	-	-	-	-
Assigned:						
Century Fund	4,190	-	-	-	4,190	-
BANTA	2,055	-	-	-	2,055	-
Police Capital Outlay	9,181	-	-	-	9,181	-
K-9 Project	12,469	-	-	-	12,469	-
Streets - Blacktopping	23,934	-	-	-	23,934	-
Unassigned	858,997	-	-	-	-	858,997
Debt Service Fund	114,655	-	114,655	-	-	-
Capital Projects Funds:						
Nonmajor Funds:						
Special Revenue Funds:						
Library Project Donations Fund	133,620	-	133,620	-	-	-
Library Operations Fund	195,137	-	-	-	195,137	-
Storm Water Utility Fund	60,879	-	60,879	-	-	-
Cemetery Perpetual Care Fund	18,293	-	-	18,293	-	-
Volunteer Fire Department Fund	1,087	-	1,087	-	-	-
Capital Projects Funds:						
Tax Incremental District #2 Fund	68,673	-	68,673	-	-	-
Tax Incremental District #3 Fund	(20,453)	-	-	-	-	(20,453)
Tax Incremental District #4 Fund	(221,012)	-	-	-	-	(221,012)
Tax Incremental District #5 Fund	4,643	-	4,643	-	-	-
Total Governmental Fund Balances	\$ 1,327,928	\$ 61,580	\$ 383,557	\$ 18,293	\$ 246,966	\$ 617,532
December 31, 2014						

F. Tax Incremental Districts

The City has created five tax incremental financing districts (TIF districts or TIDs) 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 from the property taxes generated on the increased value of the property after creation of the district. The tax on the increased value is called a tax increment.

The City had four tax incremental districts in existence during 2014. The resolution creating TID #2 was dated September 29, 2000. The resolution creating TID #3 was dated May 11, 2005 with an effective date of creation being January 1, 2005. The resolution creating TID #4 was dated June 12, 2007 with an effective date of creation being June 12, 2007. The resolution creating TID #5 was dated June 8, 2010 with an effective date of creation being January 1, 2010. At the creation of TID #2, the statutes provided that no project costs could be expended later than seven years after the creation date of the district. The statutes further allowed the municipality to collect tax increments for sixteen years after the last project expenditure was made or until the net project cost of the district had been recovered, whichever occurred first.

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Tax Incremental Districts (Continued)

The state enacted several changes relating to tax incremental districts in 2004 (with amending legislation in 2005). One of these changes extends the expenditure period for all current and future districts to five years prior to the termination of the district's unextended maximum life. For those districts that have reached the end of its expenditure period prior to October 1, 2004, it allows a municipality to expend additional project costs included in the project plan (subject to certain conditions).

The project plans, on file in the City administrative offices, detail the proposed projects, the estimated years of construction or site acquisition and the estimated costs of the individual project components. Project costs uncollected at the dissolution date are absorbed by the municipality.

A summary of project costs and revenues of the individual districts from inception through December 31, 2014 is shown below:

	<u>TID #2</u>	<u>TID #3</u>	<u>TID #4</u>	<u>TID #5</u>
Accumulated Project Costs:				
Construction	\$ 43,517	\$ 1,890,946	\$ 1,196,967	\$ -
Administration	5,780	9,198	112,661	9,840
Developer Incentives	25,000	-	-	-
Interest and Fiscal Charges	-	608,458	95,883	-
Transfer of Increment	242,681	-	-	-
Total Project Costs	<u>316,978</u>	<u>2,508,602</u>	<u>1,405,511</u>	<u>9,840</u>
Accumulated Project Revenues:				
Tax Increments	379,423	104,922	211,156	9,465
Special Assessments	-	981,979	-	-
Intergovernmental Revenues	6,228	1,811	317,928	5,018
Interest on Special Assessments	-	210,346	-	-
Capital Contributions	-	-	226,487	-
Transfer of Increment	-	-	242,681	-
Total Project Revenues	<u>385,651</u>	<u>1,299,058</u>	<u>998,252</u>	<u>14,483</u>
Unrecovered Project Costs to Date	<u>\$ (68,673)</u>	<u>\$ 1,209,544</u>	<u>\$ 407,259</u>	<u>\$ (4,643)</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Tax Incremental Districts (Continued)

The above summary of transactions is reconcilable to the fund balances (deficits) in the TID capital projects funds at December 31, 2014 as follows:

	<u>TID #2</u>	<u>TID #3</u>	<u>TID #4</u>	<u>TID #5</u>
Districts' Share of Outstanding Long-Term Debt:				
Promissory Note Dated 9/2/14	\$ -	\$ 1,189,091	\$ -	\$ -
TID Revenue Bond	-	-	186,247	-
Less Unrecovered Costs	<u>68,673</u>	<u>(1,209,544)</u>	<u>(407,259)</u>	<u>4,643</u>
Fund Balance (Deficit) at December 31, 2014	<u>\$ 68,673</u>	<u>\$ (20,453)</u>	<u>\$ (221,012)</u>	<u>\$ 4,643</u>

The fund balances of \$68,673 in TID #2 and \$4,643 in TID #5 were restricted for financing future eligible project costs.

NOTE 4 OTHER INFORMATION

A. Employee Retirement Plan

All eligible City of Barron employees participate in the Wisconsin Retirement System (WRS), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS). All permanent employees, initially employed by a participating WRS employer prior to July 1, 2011, expected to work at least 600 hours a year (440 for teachers) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

Effective the first day of the pay period on or after June 29, 2011 the employee required contribution was changed to one-half of the actuarially determined contribution rate for General category employees, including Teachers and Executives and Elected Officials. The employer may not pay the employee required contribution unless provided for in an existing collective bargaining agreement.

Contribution rates for 2014 were as follows:

	<u>Employee</u>	<u>Employer</u>
General	7.00%	7.00%
Executives & Elected Officials	7.75%	7.75%
Protective with Social Security	7.00%	10.31%
Protective without Social Security	7.00%	13.91%

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

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Employee Retirement Plan (Continued)

The payroll for City employees covered by the WRS for the year ended December 31, 2014 was \$1,560,613; the employer's total payroll was \$1,594,485. The total required contribution for the year ended December 31, 2014 was \$230,126, which consisted of \$120,396, or 7.7 percent of payroll from the employer and \$109,730, or 7.0 percent of payroll from employees. Total contributions for the years ended December 31, 2013 and 2012 were \$212,390 and \$198,018, respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 (62 for elected officials and 55 for protective occupation employees) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor. Final average earnings is the average of the employees' three highest years' earnings. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefit. For employees beginning participation 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 are immediately vested.

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

B. Vacation and Sick Leave Liabilities

It is the City's policy to permit employees to accumulate vacation and sick leave benefits. Liabilities for accumulated vacation and sick leave are not accrued in the City's governmental fund financial statements but are recorded as expenditures when paid. Such liabilities are accrued in the government-wide and proprietary fund financial statements when earned.

Vacation is granted to employees in varying amounts based on length of service and terms of employment. Employees earn one day of sick leave per month with a maximum accumulation of one hundred twenty days. Sick leave vests after fifteen years for police union employees and ten years for general city employees. Upon retirement, an employee is entitled to a payment for one-half of all days accumulated if the employee is vested. The estimated liabilities for unused vacation and sick leave payable from governmental funds at December 31, 2014 were \$6,713 and \$60,794, respectively. The estimated liabilities in the proprietary funds at that date were \$9,891 and \$96,260, respectively.

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

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Barron/Cameron Joint Treatment Plant

Under terms of an agreement dated February 12, 1980 (and as amended October 13, 1981, October 27, 1981, December 11, 1984 and April 23, 2001) the City of Barron and the Village of Cameron jointly agreed to construct, own and operate a wastewater treatment facility with said facility being owned by the City and Village as tenants in common. Construction costs of the joint treatment facility were allocated between the City and the Village on the basis of projected hydraulic flow and organic loadings. The City and the Village were each responsible for obtaining financing for their respective share of net construction costs (total construction costs less construction grants). Therefore, no joint assets or indebtedness are recorded in the City's financial records, except for a jointly funded "Replacement Fund" as called for in the agreement.

The replacement fund was established for the purpose of financing replacement of equipment at the joint facility as determined by the governing commission (discussed below). It is to be funded by annual deposits of \$43,875. The replacement fund is recorded in the City's sewer utility enterprise fund as a restricted asset and is offset by a liability.

The joint facility is governed by the Barron-Cameron Joint Sewage Treatment Commission. The Commission is comprised of officials and representatives of the City and Village. The duties of the Commission are to set policies in all matters concerning the operation, maintenance and future expansion of the system and to allocate costs, review all records, oversee all testing and oversee the City of Barron's control of the day-to-day operation of the joint treatment facility.

Operation and maintenance costs of the joint treatment facility are apportioned to the City and Village on the basis of hydraulic flow and organic loadings. Such flow and loading data is reviewed annually by the Commission and costs apportioned accordingly based on prior year flow and loadings. Operation and maintenance costs for 2014 were apportioned 55.78 percent to the City and 44.22 percent to the Village. A detail of these costs is presented in Schedule D-13 included in the "Supplementary Information" section of this report.

D. Fire Protection Agreements

The City entered into a contract with the Town of Maple Grove and the Town of Barron in 1974 to provide fire protection to the Towns by the Barron Volunteer Fire Department, a department of the City. This agreement established a joint fire committee composed of the mayor of the City and the chairmen of the Towns (or such other resident as they shall appoint in their place) and the chief of the department for the administration of the Department. The agreement further provides that title of vehicles and equipment held by the Department shall be held one-third by the City and one-third by each of the Towns. The duties of the committee are generally to oversee operations of the department and to make recommendations to the City and Towns regarding acquisitions and major expenditures.

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

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Fire Protection Agreements (Continued)

The committee has authority to approve expenditures up to one thousand dollars. The Department maintains a checking account for this purpose. The main source of receipts for this account is the fire insurance dues remitted by the City and Towns. Transactions of this account are reported as a separate special revenue fund in the City's financial statements (see supplementary Schedule C-1). The Department is also extending fire protection services to the Town of Stanfold under a 1984 agreement.

The City pays all department-related payroll through its general fund and bills the Towns for their respective portions. The City also bills the Towns for their allocated share of property and liability insurance, fire hall expenditures, and, if applicable, capital outlay costs paid by the City. These billings are recorded as revenue in the City's general fund. Also, as previously noted in Notes 3.B and 3.E, the City has financed some capital costs with long-term borrowing. The Towns are annually remitting their share of debt repayment requirements to the City. Transactions relating to debt repayment and related reimbursements are recorded in the City's debt service fund.

E. Risk Management

The City is exposed to various risks of loss related to torts; theft of, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the City. Settled claims have not exceeded this commercial coverage in any of the past three years.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF BARRON, WISCONSIN
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED DECEMBER 31, 2014**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 708,258	\$ 708,258	\$ 706,224	\$ (2,034)
Special Assessments	35,488	35,488	35,799	311
Intergovernmental	931,438	931,438	947,785	16,347
Licenses and Permits	18,340	18,340	26,810	8,470
Fines and Forfeits	36,200	36,200	33,574	(2,626)
Public Charges for Services	67,400	67,400	69,892	2,492
Intergovernmental Charges for Services	-	-	25,058	25,058
Miscellaneous:				
Interest	7,816	7,816	8,672	856
Rent of City Property	17,750	17,750	16,295	(1,455)
Donations	26,500	26,500	84,101	57,601
Other	1,200	1,200	1,000	(200)
Total Revenues	<u>1,850,390</u>	<u>1,850,390</u>	<u>1,955,210</u>	<u>104,820</u>
EXPENDITURES				
General Government	353,670	353,670	323,805	29,865
Public Safety	703,425	703,425	682,389	21,036
Transportation Facilities	523,915	523,915	544,569	(20,654)
Sanitation	17,480	17,480	15,674	1,806
Health and Human Services	129,500	129,500	125,218	4,282
Culture, Recreation and Education	164,400	164,400	135,453	28,947
Conservation and Development	15,000	15,000	10,174	4,826
Capital Outlay	243,000	243,000	331,423	(88,423)
Debt Service	-	-	96	(96)
Total Expenditures	<u>2,150,390</u>	<u>2,150,390</u>	<u>2,168,801</u>	<u>(18,411)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	<u>(300,000)</u>	<u>(300,000)</u>	<u>(213,591)</u>	<u>86,409</u>
OTHER FINANCING SOURCES				
Sale of Property	-	-	5,681	5,681
Transfers In	300,000	300,000	293,593	(6,407)
Total Other Financing Sources	<u>300,000</u>	<u>300,000</u>	<u>299,274</u>	<u>(726)</u>
NET CHANGE IN FUND BALANCE				
	-	-	85,683	85,683
Fund Balance, January 1	<u>886,723</u>	<u>886,723</u>	<u>886,723</u>	<u>-</u>
FUND BALANCE, DECEMBER 31	<u><u>\$ 886,723</u></u>	<u><u>\$ 886,723</u></u>	<u><u>\$ 972,406</u></u>	<u><u>\$ 85,683</u></u>

See Notes to Required Supplementary Information

**CITY OF BARRON, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2014**

BUDGETARY INFORMATION

GASB 34 requires the presentation of budgetary comparison schedules for the general fund and for each major special revenue fund. Budgetary information is derived from the City's annual operating budget.

The City's budget is adopted in accordance with Chapter 65 of the Wisconsin Statutes and on a basis consistent with generally accepted accounting principles. Changes to appropriations authorized in the adopted budget generally require a vote of two-thirds of the entire membership of the governing body. The City's legal budget is adopted at the major function level in the general fund (i.e. general government) and at the fund level in all other funds. The City exercises budgetary expenditure control at the department level.

Budget amounts in the financial statements include both original adopted budget and the final budget. Changes to the budget during the year, if any, generally include amendments authorized by the governing body, additions of approved carryover amounts and appropriations of revenues and other sources for specified expenditures/uses. Appropriated budget amounts in the general fund lapse at the end of the year unless specifically carried over for financing subsequent year expenditures.

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS

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

	Special Revenue Funds				Capital Projects Funds			Total Nonmajor Governmental Funds
	Volunteer Fire Department Fund	Cemetery Perpetual Care Fund	Library Project Donations Fund	Storm Water Utility Fund	Tax Incremental District #2 Fund	Tax Incremental District #3 Fund	Tax Incremental District #5 Fund	
ASSETS								
Cash and Investments	\$ 7,359	\$ 18,293	\$ 133,620	\$ 52,066	\$ 68,673	\$ -	\$ 4,643	\$ 284,654
Taxes Receivable	-	-	-	-	32,825	1,295	4,108	38,228
Special Assessments Receivable	-	-	-	-	-	75,328	-	75,328
Accounts Receivable	333	-	-	8,824	-	-	-	9,157
Total Assets	<u>\$ 7,692</u>	<u>\$ 18,293</u>	<u>\$ 133,620</u>	<u>\$ 60,890</u>	<u>\$ 101,498</u>	<u>\$ 76,623</u>	<u>\$ 8,751</u>	<u>\$ 407,367</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
Liabilities:								
Vouchers Payable	\$ 6,605	\$ -	\$ -	\$ 11	\$ -	\$ -	\$ -	\$ 6,616
Advances From Other Funds	-	-	-	-	-	20,453	-	20,453
Total Liabilities	<u>6,605</u>	<u>-</u>	<u>-</u>	<u>11</u>	<u>-</u>	<u>20,453</u>	<u>-</u>	<u>27,069</u>
Deferred Inflows of Resources								
Succeeding Years' Property Taxes	-	-	-	-	32,825	1,295	4,108	38,228
Unavailable Special Assessments	-	-	-	-	-	75,328	-	75,328
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,825</u>	<u>76,623</u>	<u>4,108</u>	<u>113,556</u>
Fund Balance (Deficit):								
Restricted	1,087	-	133,620	60,879	68,673	-	4,643	268,902
Committed	-	18,293	-	-	-	-	-	18,293
Unassigned	-	-	-	-	-	(20,453)	-	(20,453)
Total Fund Balance (Deficit)	<u>1,087</u>	<u>18,293</u>	<u>133,620</u>	<u>60,879</u>	<u>68,673</u>	<u>(20,453)</u>	<u>4,643</u>	<u>266,742</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 7,692</u>	<u>\$ 18,293</u>	<u>\$ 133,620</u>	<u>\$ 60,890</u>	<u>\$ 101,498</u>	<u>\$ 76,623</u>	<u>\$ 8,751</u>	<u>\$ 407,367</u>

**CITY OF BARRON, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2014**

	Special Revenue Funds			Capital Projects Funds			Total Nonmajor Governmental Funds	
	Volunteer Fire Department Fund	Cemetery Perpetual Care Fund	Library Project Donations Fund	Storm Water Utility Fund	Tax Incremental District #2 Fund	Tax Incremental District #3 Fund		Tax Incremental District #5 Fund
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 32,952	\$ -	\$ 5,580	\$ 38,532
Special Assessments	-	-	-	-	-	72,764	-	72,764
Intergovernmental	-	-	-	-	577	387	2,200	3,164
Public Charges for Services	-	-	-	97,239	-	-	-	97,239
Intergovernmental Charges for Services	33,259	-	-	-	-	-	-	33,259
Miscellaneous:								
Interest on Investments	4	7	1,112	-	-	7,818	-	8,941
Donations	-	-	777	-	-	-	-	777
Other	13	-	-	-	-	-	-	13
Total Revenues	33,276	7	1,889	97,239	33,529	80,969	7,780	254,689
EXPENDITURES								
Public Safety	36,347	-	-	-	-	-	-	36,347
Public Works	-	-	-	35,930	-	-	-	35,930
Conservation and Development	-	-	-	-	150	161,053	150	161,353
Total Expenditures	36,347	-	-	35,930	150	161,053	150	233,630
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,071)	7	1,889	61,309	33,379	(80,084)	7,630	21,059
OTHER FINANCING SOURCES (USES)								
Sale of Property	-	650	-	-	-	-	-	650
Transfers Out	-	(7)	-	(14,420)	-	(127,027)	-	(141,454)
Total Other Financing Sources (Uses)	-	643	-	(14,420)	-	(127,027)	-	(140,804)
NET CHANGE IN FUND BALANCE	(3,071)	650	1,889	46,889	33,379	(207,111)	7,630	(119,745)
Fund Balance (Deficit), January 1	4,158	17,643	131,731	13,990	35,294	186,658	(2,987)	386,487
FUND BALANCE (DEFICIT), DECEMBER 31	\$ 1,087	\$ 18,293	\$ 133,620	\$ 60,879	\$ 68,673	\$ (20,453)	\$ 4,643	\$ 266,742

**CITY OF BARRON, WISCONSIN
GENERAL FUND
DETAILED BALANCE SHEET
DECEMBER 31, 2014
(WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2013)**

	2014	2013
ASSETS		
Treasurer's Cash and Investments	\$ 808,446	\$ 600,002
Taxes Receivable	519,670	521,857
Delinquent Personal Property Taxes	404	565
Special Assessments Receivable	42,811	78,792
Accounts Receivable	16,194	29,242
Due from Other Governmental Units	32,610	181,775
Due from Other Funds	554,768	508,379
Prepaid Items	2,796	2,715
Property Held for Resale	20,700	20,700
Advances to Other Funds	20,453	-
	\$ 2,018,852	\$ 1,944,027
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
Liabilities:		
Vouchers and Accounts Payable	\$ 115,823	\$ 58,157
Payroll Withholdings	19,352	19,852
Due to Other Governmental Units	13,700	11,684
Due to Other Funds	37,837	46,739
Special Deposits	2,000	2,000
Advance from Other Funds	86,652	126,706
Total Liabilities	275,364	265,138
Deferred Inflows of Resources:		
Succeeding Year's Property Taxes	688,358	671,758
Unavailable Revenue - Special Assessments	82,724	120,408
Total Deferred Inflows of Resources	771,082	792,166
Fund Balance:		
Nonspendable:		
Prepaid Items	2,796	2,715
Land Held for Resale	20,700	20,700
Delinquent Taxes	404	565
Advances to Other Funds	20,453	-
Delinquents and Specials Held by County	17,227	164,548
Assigned:		
Century Fund	4,190	4,105
Skate Park	-	313
BANTA	2,055	620
Police Capital Outlay	9,181	-
K-9 Project	12,469	1,867
Streets - Blacktopping	23,934	24,001
Unassigned	858,997	667,289
Total Fund Balance	972,406	886,723
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 2,018,852	\$ 1,944,027

**CITY OF BARRON, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)**

	2014		Variance - Positive (Negative)	2013 Actual
	Final Budget	Actual		
REVENUES				
Taxes:				
General Property Taxes	\$ 671,758	\$ 671,758	\$ -	\$ 674,030
In Lieu of Taxes - Housing Authority	12,500	13,040	540	13,432
Retained Sales Tax	-	40	40	40
Mobile Home Parking Fees	24,000	21,386	(2,614)	22,072
Other Taxes	-	-	-	5,543
Total Taxes	<u>708,258</u>	<u>706,224</u>	<u>(2,034)</u>	<u>715,117</u>
Special Assessments:				
Streets	<u>35,488</u>	<u>35,799</u>	<u>311</u>	<u>35,799</u>
Intergovernmental:				
Shared Taxes from State	757,236	757,586	350	760,245
Fire Insurance Taxes from State	4,850	5,589	739	4,849
State Transportation Aids	155,942	155,942	-	173,269
Police Department Grants	1,760	1,440	(320)	5,760
Local Road Improvement Program	-	15,688	15,688	-
Payment for Municipal Services	275	253	(22)	283
Natural Resources - In Lieu of Taxes	175	175	-	176
Tax Exempt Computer Aid	3,200	3,212	12	2,172
Nutrition Program Grant from Barron County	8,000	7,900	(100)	7,900
Total Intergovernmental	<u>931,438</u>	<u>947,785</u>	<u>16,347</u>	<u>954,654</u>
Licenses and Permits:				
Liquor and Malt Beverage Licenses	5,840	7,405	1,565	6,390
Operators' Licenses	2,000	2,640	640	2,695
Cigarette Licenses	60	65	5	65
Cable Television Franchise	8,400	8,422	22	8,277
Pet Licenses	40	25	(15)	28
Building Permits	2,000	8,253	6,253	6,437
Total Licenses and Permits	<u>18,340</u>	<u>26,810</u>	<u>8,470</u>	<u>23,892</u>

**CITY OF BARRON, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)**

	2014		Variance - Positive (Negative)	2013 Actual
	Final Budget	Actual		
REVENUES (CONTINUED)				
Fines and Forfeits:				
Court Fines and Costs	\$ 34,000	\$ 30,894	\$ (3,106)	\$ 28,836
Parking Violations	2,200	2,680	480	2,570
Total Fines and Forfeits	<u>36,200</u>	<u>33,574</u>	<u>(2,626)</u>	<u>31,406</u>
Public Charges for Services:				
Street Department Earnings	14,100	17,394	3,294	14,396
Clerk's Office	800	392	(408)	181
Police Department	1,000	2,770	1,770	1,403
Swimming Pool	19,800	20,681	881	19,294
Zoning Applications	200	500	300	250
Cemetery	31,500	28,155	(3,345)	43,825
Total Public Charges for Services	<u>67,400</u>	<u>69,892</u>	<u>2,492</u>	<u>79,349</u>
Intergovernmental Charges for Services:				
Fire Department	-	25,058	25,058	34,277
Interest:				
Investments	2,000	1,352	(648)	1,702
Special Assessments	5,816	5,816	-	8,725
Delinquent Taxes	-	1,504	1,504	1,589
Total Interest	<u>7,816</u>	<u>8,672</u>	<u>856</u>	<u>12,016</u>
Rent:				
City Owned Buildings	12,000	9,110	(2,890)	10,400
Miscellaneous	5,750	7,185	1,435	5,488
Total Rent	<u>17,750</u>	<u>16,295</u>	<u>(1,455)</u>	<u>15,888</u>
Other Revenues:				
Donations	26,500	76,388	49,888	36,432
Park and Community Events Donations	-	7,713	7,713	5,181
Insurance Recoveries	-	-	-	714
Miscellaneous Revenue	-	-	-	23,269
Utility Reimbursements:				
Legal Fees	1,200	1,000	(200)	1,200
Total Other Revenues	<u>27,700</u>	<u>85,101</u>	<u>57,401</u>	<u>66,796</u>
Total Revenues	<u>1,850,390</u>	<u>1,955,210</u>	<u>104,820</u>	<u>1,969,194</u>

**CITY OF BARRON, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)**

	2014		Variance - Positive (Negative)	2013 Actual
	Final Budget	Actual		
EXPENDITURES				
General Government:				
Council	\$ 29,015	\$ 27,910	\$ 1,105	\$ 44,418
Municipal Court	23,075	21,946	1,129	22,717
Mayor	11,330	11,279	51	11,292
Clerk/Treasurer	127,305	125,255	2,050	114,723
Elections	4,375	5,732	(1,357)	3,486
Assessment of Property	13,300	12,867	433	11,989
Special Accounting and Auditing	12,000	12,264	(264)	12,050
Legal Counsel	25,000	30,000	(5,000)	31,385
Engineering	2,400	2,400	-	2,800
City Hall	16,355	16,515	(160)	15,299
Municipal Complex	54,215	48,117	6,098	74,332
Municipal Insurance	5,300	6,436	(1,136)	3,631
Uncollectible Taxes	-	167	(167)	850
Human Resource Consulting	5,000	2,917	2,083	5,000
Contingency	25,000	-	25,000	-
Total General Government	<u>353,670</u>	<u>323,805</u>	<u>29,865</u>	<u>353,972</u>
Public Safety:				
Police Department	633,950	597,236	36,714	625,917
Fire Department	62,275	72,889	(10,614)	64,010
Building Inspection	7,200	12,164	(4,964)	12,547
Animal Pound	-	100	(100)	-
Total Public Safety	<u>703,425</u>	<u>682,389</u>	<u>21,036</u>	<u>702,474</u>
Transportation Facilities:				
Street Commissioner	75,050	75,405	(355)	72,221
Repair of Streets and Alleys	32,650	34,014	(1,364)	31,160
Removal of Snow and Ice	43,650	55,308	(11,658)	58,955
Tree and Brush Control	6,750	3,640	3,110	3,135
Street Signs and Markings	6,550	1,274	5,276	1,292
Sidewalks and Crosswalks	20,000	14,375	5,625	15,800
Bridges and Culverts	500	862	(362)	448
Street Lighting	63,000	61,601	1,399	60,999
Street Machinery Maintenance	50,150	73,947	(23,797)	77,358
Street Department Gas and Oil	26,000	29,633	(3,633)	33,072
Street Department Work for Other Departments	-	491	(491)	802
Garage	45,690	52,190	(6,500)	49,868

**CITY OF BARRON, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)**

	2014		Variance - Positive (Negative)	2013 Actual
	Final Budget	Actual		
EXPENDITURES (CONTINUED)				
Transportation Facilities:				
Street Department Fringe Benefits:				
Vacation and Sick Leave	\$ 18,925	\$ 15,139	\$ 3,786	\$ 11,873
Holiday and Weekend Duty	27,550	26,681	869	27,342
Emergency and Funeral Leave	500	825	(325)	214
Life Insurance	250	207	43	196
Health Insurance	84,000	71,221	12,779	78,365
Property and Liability Insurance	9,000	11,584	(2,584)	9,596
Workers Compensation Insurance	9,700	9,453	247	10,759
Airport	4,000	6,719	(2,719)	4,454
Total Transportation Facilities	<u>523,915</u>	<u>544,569</u>	<u>(20,654)</u>	<u>547,909</u>
Sanitation:				
Sanitation Landfill	15,445	13,658	1,787	10,214
Weed Control	2,035	2,016	19	804
Total Sanitation	<u>17,480</u>	<u>15,674</u>	<u>1,806</u>	<u>11,018</u>
Health and Human Services:				
CPR	1,140	1,558	(418)	650
Senior Citizens	66,860	63,526	3,334	64,679
Food Pantry	3,200	3,640	(440)	3,485
Cemetery	58,300	56,494	1,806	53,191
Total Health and Human Services	<u>129,500</u>	<u>125,218</u>	<u>4,282</u>	<u>122,005</u>
Culture, Recreation and Education:				
Parks and Playgrounds	38,650	24,779	13,871	25,248
Golf Course	750	18,007	(17,257)	(381)
Hockey	2,800	2,800	-	2,800
Swimming Pool	103,425	69,587	33,838	65,073
Recreation Programs	12,175	10,128	2,047	20,892
Celebrations and Entertainment	-	100	(100)	736
Sesquicentennial Celebration	-	1,452	(1,452)	976
Drinking Fountains	600	600	-	600
Community Center	6,000	8,000	(2,000)	6,390
Total Culture, Recreation and Education	<u>164,400</u>	<u>135,453</u>	<u>28,947</u>	<u>122,334</u>
Conservation and Development:				
Advertising and Promotion	15,000	10,174	4,826	19,036

**CITY OF BARRON, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)**

	2014		Variance - Positive - (Negative)	2013 Actual
	Final Budget	Actual		
EXPENDITURES (CONTINUED)				
Capital Outlay:				
Public Safety:				
Police Department	\$ 25,000	\$ 16,569	\$ 8,431	\$ 60,777
Fire Department	-	2,125	(2,125)	46,511
Total Public Safety	<u>25,000</u>	<u>18,694</u>	<u>6,306</u>	<u>107,288</u>
Transportation Facilities:				
Airport	-	-	-	15,062
Streets and Alleys	35,000	23,566	11,434	34,030
Blacktopping	105,000	105,216	(216)	122,141
Sidewalks	15,000	17,121	(2,121)	16,162
Street Machinery	45,000	42,331	2,669	24,914
Total Transportation Facilities	<u>200,000</u>	<u>188,234</u>	<u>11,766</u>	<u>212,309</u>
Health and Human Services:				
Cemetery	-	3,000	(3,000)	4,645
Culture, Recreation and Education:				
Park Outlay	-	-	-	19,044
Parks and Playgrounds	16,000	109,875	(93,875)	15,071
Total Culture, Recreation and Education	<u>16,000</u>	<u>109,875</u>	<u>(93,875)</u>	<u>34,115</u>
Total Capital Outlay	<u>243,000</u>	<u>331,423</u>	<u>(88,423)</u>	<u>358,357</u>
Debt Service:				
Interest on Interfund Advance	-	96	(96)	215
Total Expenditures	<u>2,150,390</u>	<u>2,168,801</u>	<u>(18,411)</u>	<u>2,237,320</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	<u>(300,000)</u>	<u>(213,591)</u>	<u>86,409</u>	<u>(268,126)</u>
OTHER FINANCING SOURCES (USES)				
Sale of Property	-	5,681	5,681	20,134
Transfer In - Utility Tax Equivalents	300,000	293,586	(6,414)	292,761
Transfer In - Other	-	7	7	9
Total Other Financing Sources (Uses)	<u>300,000</u>	<u>299,274</u>	<u>(726)</u>	<u>312,904</u>
NET CHANGE IN FUND BALANCE	-	85,683	85,683	44,778
Fund Balance, January 1	<u>886,723</u>	<u>886,723</u>	-	<u>841,945</u>
FUND BALANCE, DECEMBER 31	<u>\$ 886,723</u>	<u>\$ 972,406</u>	<u>\$ 85,683</u>	<u>\$ 886,723</u>

**CITY OF BARRON, WISCONSIN
VOLUNTEER FIRE DEPARTMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)**

	2014	2013
REVENUES		
Intergovernmental Charges for Services:		
City of Barron	\$ 14,160	\$ 11,503
Town of Barron	7,840	6,416
Town of Maple Grove	9,709	10,220
Town of Stanfold	1,550	1,950
Miscellaneous:		
Interest	4	4
Other	13	3,114
Total Revenues	33,276	33,207
EXPENDITURES		
Office Supplies and Postage	884	1,715
Gas, Oil, Tires, Batteries, Etc.	3,885	3,004
Repair and Maintenance - Vehicles	1,455	9,946
Repair and Maintenance - Other Equipment	10,385	5,535
Association Dues	1,175	1,015
Training	1,788	2,950
Social	4,756	3,453
Miscellaneous	1,857	2,632
Equipment	10,162	3,305
Total Expenditures	36,347	33,555
NET CHANGE IN FUND BALANCE	(3,071)	(348)
Fund Balance, Beginning	4,158	4,506
FUND BALANCE, Ending	\$ 1,087	\$ 4,158

CITY OF BARRON, WISCONSIN
JOINT ELECTRIC AND WATER UTILITY ENTERPRISE FUND
STATEMENT OF NET POSITION – ELECTRIC DEPARTMENT
DECEMBER 31, 2014
(WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2013)

	2014	2013
ASSETS		
Current Assets:		
Cash and Investments	\$ 1,695,228	\$ 1,666,695
Customer Accounts Receivable	815,337	710,091
Other Accounts Receivable	5,687	5,381
Due from Other Funds	31,486	43,081
Inventories	138,644	136,774
Total Current Assets	2,686,382	2,562,022
Restricted Assets:		
Cash and Investments:		
Bond Reserve Fund	64,483	64,483
Capital Assets:		
Capital Assets Not Being Depreciated:		
Land and Land Rights	4,622	4,622
Capital Assets Being Depreciated:		
Utility Plant in Service	9,126,297	8,821,597
Less: Accumulated Depreciation	(7,035,192)	(6,729,242)
Net Utility Plant in Service	2,091,105	2,092,355
Non-Utility Property	347,029	347,029
Less: Accumulated Depreciation	(333,142)	(319,330)
Net Non-Utility Property	13,887	27,699
Total Capital Assets	2,109,614	2,124,676
Total Assets	\$ 4,860,479	\$ 4,751,181
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 621,549	\$ 459,325
Payable to Other Funds	200,048	182,839
Accrued Interest Payable	1,049	1,232
Current Portion of Bonds Payable	52,000	49,000
Current Portion of Vacation and Sick Leave Liability	6,330	4,379
Other - Unrefunded Capacity Credit	264,805	367,005
Other - Public Benefits Charge	13,054	13,654
Total Current Liabilities	1,158,835	1,077,434
Long-Term Liabilities (Net of Current Portion):		
Bonds Payable	231,000	283,000
Vacation and Sick Leave Liability	46,051	45,217
Total Long-Term Liabilities	277,051	328,217
Total Liabilities	1,435,886	1,405,651
NET POSITION		
Net Investment in Capital Assets	1,826,614	1,792,676
Restricted for Debt Service	64,483	64,483
Unrestricted	1,533,496	1,488,371
Total Net Position	3,424,593	3,345,530
Total Liabilities and Net Position	\$ 4,860,479	\$ 4,751,181

CITY OF BARRON, WISCONSIN
JOINT ELECTRIC AND WATER UTILITY ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ELECTRIC DEPARTMENT
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)

	2014	2013
OPERATING REVENUES		
Charges for Services:		
Residential	\$ 1,436,747	\$ 1,387,466
Commercial	930,304	900,611
Industrial/Large Power	3,813,067	3,821,896
Public Authorities	28,885	31,973
Interdepartmental	85,994	88,177
Street and Highway Lighting	59,820	58,467
Total Charges for Services	6,354,817	6,288,590
Forfeited Discounts	12,726	12,071
Other	38,718	41,940
Total Operating Revenues	6,406,261	6,342,601
OPERATING EXPENSES		
Operation and Maintenance	5,816,782	5,448,432
Depreciation	319,925	313,716
Total Operating Expenses	6,136,707	5,762,148
OPERATING INCOME (LOSS)	269,554	580,453
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	22,116	20,502
Interest on Mortgage Revenue Bonds	(14,592)	(16,692)
Amortization of Debt Discount and Expenses	-	(3,901)
Other Interest Expense	(291)	(460)
Depreciation on Non-Utility Property	(13,812)	(13,812)
Total Nonoperating Revenues (Expenses)	(6,579)	(14,363)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFER	262,975	566,090
CONTRIBUTIONS AND TRANSFER		
Transfer to General Fund - Property Tax Equivalent	(183,912)	(182,839)
CHANGE IN NET POSITION	79,063	383,251
Net Position, January 1	3,345,530	2,962,279
NET POSITION, DECEMBER 31	\$ 3,424,593	\$ 3,345,530

**CITY OF BARRON, WISCONSIN
JOINT ELECTRIC AND WATER UTILITY ENTERPRISE FUND
STATEMENT OF CASH FLOWS
ELECTRIC DEPARTMENT
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)**

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Utility Customers	\$ 6,210,104	\$ 6,186,138
Cash Payments to Suppliers for Goods and Services	(5,270,680)	(5,497,607)
Cash Payments for Employee Services	(383,563)	(363,137)
Net Cash Provided by (Used for) Operating Activities	<u>555,861</u>	<u>325,394</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash Paid for Customer Deposits	-	(105)
Cash Received on Advance to Other Funds	-	287,240
Cash Payments of Tax Equivalents	(166,703)	(194,994)
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>(166,703)</u>	<u>92,141</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Cash Payments for Capital Assets	(321,570)	(139,268)
Cash Received for Salvage of Plant Retired	2,895	5,723
Principal Paid on Mortgage Revenue Bonds	(49,000)	(47,000)
Interest Paid on Mortgage Revenue Bonds	(14,775)	(16,865)
Interest Paid on Capital Credit and Refunds	(291)	(460)
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(382,741)</u>	<u>(197,870)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on Investments	<u>22,116</u>	<u>20,502</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	28,533	240,167
Cash and Cash Equivalents, January 1	<u>1,731,178</u>	<u>1,491,011</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 1,759,711</u>	<u>\$ 1,731,178</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET PROVIDED BY (USED FOR) OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 269,554	\$ 580,453
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:		
Depreciation	319,925	313,716
(Increase) Decrease in Assets:		
Customer Accounts Receivable	(105,246)	(80,043)
Other Accounts Receivable	(306)	3,295
Due from Other Funds	11,595	(4,539)
Inventories	(1,870)	(10,409)
Increase (Decrease) in Liabilities:		
Accounts Payable	162,224	(404,314)
Other Credits	(102,800)	(74,781)
Vacation and Sick Leave Liability	2,785	2,016
Net Cash Provided by (Used for) Operating Activities	<u>\$ 555,861</u>	<u>\$ 325,394</u>

CITY OF BARRON, WISCONSIN
JOINT ELECTRIC AND WATER UTILITY ENTERPRISE FUND
SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES
ELECTRIC DEPARTMENT
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)

	<u>2014</u>	<u>2013</u>
HYDRAULIC POWER GENERATION		
Maintenance of Plant	\$ 23,203	\$ 19,867
OTHER POWER GENERATION		
Supervision and Labor	779	629
Fuel for Generating	260	-
Maintenance of Plant	2,675	708
Total Other Power Generation	<u>3,714</u>	<u>1,337</u>
OTHER POWER SUPPLY		
Purchased Power	<u>5,219,867</u>	<u>4,858,726</u>
DISTRIBUTION		
Line and Station Labor	63,791	55,593
Line and Station Supplies	14,752	4,187
Meter Expense	4,102	4,751
Miscellaneous	13,527	15,605
Maintenance:		
Lines	28,260	37,238
Transformers	2,344	1,489
Street Lighting and Signal System	18,585	15,887
Miscellaneous Distribution Plant	5,946	8,330
Total Distribution	<u>151,307</u>	<u>143,080</u>
CUSTOMER ACCOUNTS		
Meter Reading Labor	6,962	7,231
Accounting and Collecting Labor	49,089	45,521
Uncollectible Accounts Expense	5,160	666
Total Customer Accounts	<u>61,211</u>	<u>53,418</u>
ADMINISTRATIVE AND GENERAL		
Salaries and Wages	84,857	85,624
Office Supplies and Expenses	10,622	9,879
Outside Services Employed	10,992	37,627
Property Insurance	11,355	12,370
Injury and Damages	7,178	7,249
Employee Pensions and Benefits	180,870	170,555
Transportation	7,753	7,984
Maintenance of General Plant	11,136	10,572
Miscellaneous	32,717	30,144
Total Administrative and General	<u>357,480</u>	<u>372,004</u>
Total Operation and Maintenance Expenses	<u>\$ 5,816,782</u>	<u>\$ 5,448,432</u>

CITY OF BARRON, WISCONSIN
JOINT ELECTRIC AND WATER UTILITY ENTERPRISE FUND
STATEMENT OF NET POSITION – WATER DEPARTMENT
DECEMBER 31, 2014
(WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2013)

	2014	2013
ASSETS		
Current Assets:		
Cash and Investments	\$ 1,616,744	\$ 1,415,544
Customer Accounts Receivable	58,686	51,025
Other Accounts Receivable	-	159
Due from Other Funds	27,313	27,083
Inventories	15,519	16,241
Total Current Assets	1,718,262	1,510,052
Capital Assets:		
Capital Assets Not Being Depreciated:		
Land and Land Rights	27,145	27,145
Capital Assets Being Depreciated:		
Utility Plant in Service	5,052,224	5,031,128
Less: Accumulated Depreciation	(1,565,313)	(1,440,809)
Net Utility Plant in Service	3,486,911	3,590,319
Non-Utility Property	270,460	270,460
Less: Accumulated Depreciation	(217,762)	(211,861)
Net Non-Utility Plant in Service	52,698	58,599
Total Capital Assets	3,566,754	3,676,063
Other Assets:		
Special Assessments Receivable	5,394	5,394
Advance to Other Funds	86,652	126,706
Total Other Assets	92,046	132,100
Total Assets	\$ 5,377,062	\$ 5,318,215
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 38,094	\$ 28,263
Payable to Other Funds	125,564	109,922
Accrued Interest Payable	160	167
Current Portion of Bonds Payable	3,597	3,550
Current Portion of Vacation and Sick Leave Liability	1,471	3,265
Due to Other Governments	-	98
Customer Deposits	1,959	1,909
Total Current Liabilities	170,845	147,174
Long-Term Liabilities (Net of Current Portion):		
Bonds Payable	68,950	72,547
Vacation and Sick Leave Liability	17,471	23,308
Total Long-Term Liabilities	86,421	95,855
Total Liabilities	257,266	243,029
NET POSITION		
Net Investment in Capital Assets	3,494,207	3,599,966
Unrestricted	1,625,589	1,475,220
Total Net Position	5,119,796	5,075,186
Total Liabilities and Net Position	\$ 5,377,062	\$ 5,318,215

CITY OF BARRON, WISCONSIN
JOINT ELECTRIC AND WATER UTILITY ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION
WATER DEPARTMENT
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)

	<u>2014</u>	<u>2013</u>
OPERATING REVENUES		
Charges for Services:		
Residential	\$ 104,516	\$ 105,036
Commercial	56,253	56,585
Industrial/Large Power	297,735	272,564
Public Authorities	22,325	23,455
Public Fire Protection	146,007	144,331
Private Fire Protection	6,188	6,203
Total Charges for Services	<u>633,024</u>	<u>608,174</u>
Forfeited Discounts	1,662	1,539
Meter Charge to Sewer Utility	24,263	25,308
Other	16,294	14,244
Total Operating Revenues	<u>675,243</u>	<u>649,265</u>
OPERATING EXPENSES		
Operation and Maintenance	392,478	403,422
Depreciation	130,811	129,920
Total Operating Expenses	<u>523,289</u>	<u>533,342</u>
OPERATING INCOME	<u>151,954</u>	<u>115,923</u>
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	9,150	7,691
Amortization of Debt Expense	(973)	(6,499)
Interest on Advances to Other Funds	54	215
Depreciation on Non-Utility Property	(5,901)	(6,633)
Total Nonoperating Revenues (Expenses)	<u>2,330</u>	<u>(5,226)</u>
INCOME BEFORE CONTRIBUTIONS AND TRANSFER	<u>154,284</u>	<u>110,697</u>
CONTRIBUTIONS AND TRANSFER		
Assets Financed by Grants and Contributions	-	139,766
Transfer to General Fund	(109,674)	(109,922)
Total Contributions and Transfers	<u>(109,674)</u>	<u>29,844</u>
CHANGE IN NET POSITION	44,610	140,541
Net Position, January 1	<u>5,075,186</u>	<u>4,934,645</u>
NET POSITION, DECEMBER 31	<u>\$ 5,119,796</u>	<u>\$ 5,075,186</u>

**CITY OF BARRON, WISCONSIN
JOINT ELECTRIC AND WATER UTILITY ENTERPRISE FUND
STATEMENT OF CASH FLOWS
WATER DEPARTMENT
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)**

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Utility Customers	\$ 667,511	\$ 655,049
Cash Received for Sewer Share of Meter Related Expense	24,263	25,308
Cash Payments to Suppliers for Goods and Services	(242,934)	(309,643)
Cash Payments for Employee Services	(155,341)	(139,364)
Net Cash Provided by (Used for) Operating Activities	293,499	231,350
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash Received (Paid) on Customer Deposits	50	(100)
Cash Payments for Tax Equivalent	(109,674)	(109,922)
Net Cash Provided by (Used for) Noncapital Financing Activities	(109,624)	(110,022)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Cash Payments for Capital Assets	(27,596)	(24,454)
Cash Received for Salvage of Plant Retired	193	387
Capital Contributed by Grants and Contributions	-	139,766
Interest Received from Advance to the General Fund	108	225
Cash Received from Repayment of Advance to the General Fund	40,000	40,000
Principal Paid on Long-Term Debt	(3,550)	(3,504)
Interest Paid on Long-Term Debt	(980)	(1,042)
Net Cash Provided by (Used for) Capital and Related Financing Activities	8,175	151,378
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on Investments	9,150	7,691
NET CHANGE IN CASH AND CASH EQUIVALENTS	201,200	280,397
Cash and Cash Equivalents, January 1	1,415,544	1,135,147
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 1,616,744	\$ 1,415,544
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET PROVIDED BY (USED FOR) OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 151,954	\$ 115,923
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:		
Depreciation	130,811	129,920
(Increase) Decrease in Assets:		
Customer Accounts Receivable	(7,661)	3,342
Other Accounts Receivable	159	366
Due from Other Funds	(230)	2,076
Inventories	722	741
Increase (Decrease) in Liabilities:		
Accounts Payable	9,831	(26,035)
Due to Other Funds	15,642	3,536
Due to Other Governments	(98)	9
Vacation and Sick Leave Liability	(7,631)	1,472
Net Cash Provided by (Used for) Operating Activities	\$ 293,499	\$ 231,350

CITY OF BARRON, WISCONSIN
JOINT ELECTRIC AND WATER UTILITY ENTERPRISE FUND
SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES
WATER DEPARTMENT
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)

	<u>2014</u>	<u>2013</u>
PUMPING		
Power Purchased	\$ 76,970	\$ 73,511
Maintenance of Plant	32,227	35,174
Total Pumping	<u>109,197</u>	<u>108,685</u>
WATER TREATMENT EXPENSE		
Chemicals	<u>52,492</u>	<u>57,420</u>
TRANSMISSION AND DISTRIBUTION		
Labor	12,263	20,445
Supplies and Expenses	3,640	2,229
Maintenance:		
Mains	6,298	25,252
Services	23,976	23,348
Meters	3,633	8,962
Hydrants	7,239	6,478
Total Transmission and Distribution	<u>57,049</u>	<u>86,714</u>
CUSTOMER ACCOUNTS		
Meter Reading Labor	7,224	7,085
Accounting and Collecting Labor	21,855	20,804
Total Customer Accounts	<u>29,079</u>	<u>27,889</u>
ADMINISTRATIVE AND GENERAL		
Salaries and Wages	30,776	31,187
Office Supplies and Expenses	4,818	4,912
Outside Service Employed	4,244	3,774
Property Insurance	3,335	3,506
Injuries and Damages	11,149	6,578
Employee Pensions and Benefits	75,592	61,315
Transportation	3,344	3,193
Maintenance of General Plant	3,510	3,601
Regulatory Commission Expense	234	-
Miscellaneous	7,659	4,648
Total Administrative and General	<u>144,661</u>	<u>122,714</u>
 Total Operation and Maintenance Expenses	 <u>\$ 392,478</u>	 <u>\$ 403,422</u>

**CITY OF BARRON, WISCONSIN
SEWER UTILITY ENTERPRISE FUND
STATEMENT OF NET POSITION
DECEMBER 31, 2014
(WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2013)**

	2014	2013
ASSETS		
Current Assets:		
Cash and Investments	\$ 215,078	\$ 117,826
Customer Accounts Receivable	115,677	98,126
Other Accounts Receivable	100	300
Due from Other Funds	3,693	2,275
Total Current Assets	334,548	218,527
Restricted Assets:		
Cash and Investments:		
Barron Collection Plant Replacement	506,712	438,786
Barron/Cameron Replacement Fund	554,944	527,339
Total Restricted Assets	1,061,656	966,125
Capital Assets:		
Capital Assets Not Being Depreciated:		
Land and Land Rights	320,633	320,633
Construction In Process	14,303	14,303
Capital Assets Being Depreciated:		
Utility Plant in Service	4,474,157	4,457,021
Less: Accumulated Depreciation	(2,922,915)	(2,832,623)
Net Utility Plant in Service	1,551,242	1,624,398
Non-Utility Property	11,141	11,141
Less: Accumulated Depreciation	(11,141)	(11,141)
Net Non-Utility Property	-	-
Total Capital Assets	1,886,178	1,959,334
Other Assets:		
Special Assessments Receivable	4,607	4,607
Total Assets	\$ 3,286,989	\$ 3,148,593
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 15,044	\$ 24,329
Payable to Other Funds	32,799	25,700
Current Portion of Vacation and Sick Leave Liability	2,090	1,914
Barron/Cameron Equipment Replacement	192,912	180,704
Total Current Liabilities	242,845	232,647
Long-Term Liabilities (Net of Current Portion):		
Vacation and Sick Leave Liability	32,738	30,440
Total Liabilities	275,583	263,087
NET POSITION		
Investment in Capital Assets	1,886,178	1,959,334
Restricted for Asset Replacement	506,712	438,786
Restricted for Barron/Cameron Equipment Replacement	362,032	346,635
Unrestricted	256,484	140,751
Total Net Position	3,011,406	2,885,506
Total Liabilities and Net Position	\$ 3,286,989	\$ 3,148,593

CITY OF BARRON, WISCONSIN
SEWER UTILITY ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)

	2014	2013
OPERATING REVENUES		
Charges for Services:		
Residential	\$ 317,014	\$ 321,156
Commercial	216,955	217,186
Public Authorities	36,162	36,414
Total Charges for Services	570,131	574,756
Other	48,511	37,193
Total Operating Revenues	618,642	611,949
OPERATING EXPENSES		
Operation and Maintenance	405,651	403,492
Depreciation	110,179	124,473
Total Operating Expenses	515,830	527,965
OPERATING INCOME (LOSS)	102,812	83,984
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	888	670
Contribution to Joint Replacement Fund	-	(20)
Other Nonoperating Revenue	14,800	20,245
Total Nonoperating Revenues (Expenses)	15,688	20,895
INCOME (LOSS) BEFORE CONTRIBUTIONS	118,500	104,879
CONTRIBUTIONS		
Assets Financed from Joint Replacement Fund	7,400	4,802
CHANGE IN NET POSITION	125,900	109,681
Net Position, January 1	2,885,506	2,775,825
NET POSITION, DECEMBER 31	\$ 3,011,406	\$ 2,885,506

**CITY OF BARRON, WISCONSIN
SEWER UTILITY ENTERPRISE FUND
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)**

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Utility Customers	\$ 599,873	\$ 605,510
Cash Paid for Meter Related Charges	(24,263)	(25,308)
Cash Payments to Suppliers for Goods and Services	(142,117)	(125,466)
Cash Payments for Employee Services	(238,983)	(243,076)
Net Cash Provided by (Used for) Operating Activities	194,510	211,660
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash Flows from Nonoperating Activities	14,800	20,245
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Cash Paid for Acquisition of Capital Assets	(37,573)	(42,074)
Cash Received from Salvage of Capital Assets	550	-
Cash Paid on Advance from Other Funds	-	(287,240)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(37,023)	(329,314)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on Invested Funds	888	670
Interest on Barron/Cameron Funds	464	473
Contributions from Barron/Cameron Replacement Fund	19,144	17,395
Net Cash Provided by (Used for) Investing Activities	20,496	18,538
NET CHANGE IN CASH AND CASH EQUIVALENTS	192,783	(78,871)
Cash and Cash Equivalents, January 1	1,083,951	1,162,822
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 1,276,734	\$ 1,083,951
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 102,812	\$ 83,984
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:		
Depreciation	110,179	124,473
(Increase) Decrease in Assets:		
Accounts Receivable	(17,551)	(5,303)
Other Accounts Receivable	200	375
Due from Other Funds	(1,418)	(1,511)
Increase (Decrease) in Liabilities:		
Accounts Payable	(9,285)	6,728
Due to Other Funds	7,099	867
Vacation and Sick Leave Liability	2,474	2,047
Net Cash Provided by (Used for) Operating Activities	\$ 194,510	\$ 211,660
RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS		
Cash and Investments per Statement of Net Position:		
Unrestricted	\$ 215,078	\$ 117,826
Restricted	1,061,656	966,125
Cash and Cash Equivalents	\$ 1,276,734	\$ 1,083,951

CITY OF BARRON, WISCONSIN
SEWER UTILITY ENTERPRISE FUND
SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)

	<u>2014</u>	<u>2013</u>
COLLECTION SYSTEM PLANT		
Supervision and Labor	\$ 72,492	\$ 67,098
Employee Benefits	50,565	47,988
Supplies and Expenses	2,937	2,065
Electricity	11,999	10,720
Flushing and Repairs	4,436	2,718
Insurance	8,989	9,637
Lift Station Maintenance	1,227	6,079
Transportation	11,232	11,783
Total Collection Plant	<u>163,877</u>	<u>158,088</u>
BARRON/CAMERON LAGOON		
Supervision and Labor	43,166	45,268
Employee Benefits	30,036	32,264
Standby Wages	8,223	8,663
Supplies and Expenses	3,157	2,953
Electricity	33,303	31,425
Heating	1,812	1,119
Testing	19,735	14,724
Laboratory	3,713	3,487
Irrigation	6,177	8,743
Office	4,450	5,164
Insurance	3,876	4,978
Buildings and Grounds	449	458
Maintenance of Equipment	386	851
Transportation	3,019	1,757
Meetings	-	56
Total Barron/Cameron Lagoon	<u>161,502</u>	<u>161,910</u>
GENERAL		
Contracted Meter Reading and Expenses	28,498	29,922
Administrative Salary	4,660	4,585
Office Salaries	23,401	20,662
Employee Benefits	13,215	19,123
Accounting and Auditing	6,150	6,050
Supplies and Expenses	1,846	539
Rent of Buildings	2,160	2,592
Uncollectible Accounts	342	21
Total General	<u>80,272</u>	<u>83,494</u>
 Total Operation and Maintenance Expenses	 <u>\$ 405,651</u>	 <u>\$ 403,492</u>

**CITY OF BARRON, WISCONSIN
SEWER UTILITY ENTERPRISE FUND
ALLOCATION OF BARRON/CAMERON LAGOON EXPENSES
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)**

	2014			2013		
	Barron	Cameron	Total	Barron	Cameron	Total
Supervision and Labor	\$ 43,166	34,222	\$ 77,388	\$ 45,268	30,604	\$ 75,872
Employee Benefits	30,036	23,813	53,849	32,264	21,812	54,076
Standby Wages	8,223	6,519	14,742	8,663	5,857	14,520
Supplies and Expenses	3,157	2,503	5,660	2,953	1,996	4,949
Electricity	33,303	26,402	59,705	31,425	21,245	52,670
Heating	1,812	1,436	3,248	1,119	756	1,875
Testing	19,735	15,645	35,380	14,724	9,954	24,678
Laboratory	3,713	2,943	6,656	3,487	2,357	5,844
Irrigation	6,177	4,897	11,074	8,743	5,911	14,654
Office	4,450	3,528	7,978	5,164	3,491	8,655
Insurance	3,876	3,073	6,949	4,978	3,365	8,343
Buildings and Grounds	449	356	805	458	310	768
Maintenance of Equipment	386	306	692	851	575	1,426
Transportation	3,019	2,393	5,412	1,757	1,188	2,945
Meetings	-	-	-	56	38	94
Total Expenses	\$ 161,502	\$ 128,036	\$ 289,538	\$ 161,910	\$ 109,459	\$ 271,369
Allocation Percentage	55.78%	44.22%	100.00%	59.66%	40.34%	100.00%

Annual operating and maintenance expenses are apportioned between the City and Village based on measurement of hydraulic flow and organic loadings of the current year. The Village is billed accordingly for its share of the actual costs as determined by the City Clerk-Treasurer.

DEBT REPAYMENT SCHEDULES

CITY OF BARRON, WISCONSIN
 GENERAL OBLIGATION PROMISSORY NOTES DATED SEPTEMBER 14, 2007
 OUTSTANDING DECEMBER 31, 2014

<u>Date</u>	<u>Total Issue</u>			<u>Street Construction</u>		<u>Storm Sewer Construction</u>	
	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
10/1/15	\$ 37,355.51	\$ 32,500.00	\$ 4,855.51	\$ 20,475.00	\$ 3,058.97	\$ 12,025.00	\$ 1,796.54
10/1/16	35,745.87	32,500.00	3,245.87	20,475.00	2,044.90	12,025.00	1,200.97
10/1/17	34,118.51	32,500.00	1,618.51	20,475.00	1,019.66	12,025.00	598.85
	<u>\$ 107,219.89</u>	<u>\$ 97,500.00</u>	<u>\$ 9,719.89</u>	<u>\$ 61,425.00</u>	<u>\$ 6,123.53</u>	<u>\$ 36,075.00</u>	<u>\$ 3,596.36</u>

**CITY OF BARRON, WISCONSIN
GENERAL OBLIGATION REFUNDING BONDS, DATED JANUARY 23, 2008
OUTSTANDING DECEMBER 31, 2014**

Date	Total Issue			Golf Course		BACC	
	Total	Principal	Interest	Principal	Interest	Principal	Interest
6/1/15	\$ 94,702.50	\$ 70,000.00	\$ 24,702.50	\$ 40,000.00	\$ 13,642.50	\$ 30,000.00	\$ 11,060.00
12/1/15	23,302.50	-	23,302.50	-	12,842.50	-	10,460.00
6/1/16	98,302.50	75,000.00	23,302.50	40,000.00	12,842.50	35,000.00	10,460.00
12/1/16	21,802.50	-	21,802.50	-	12,042.50	-	9,760.00
6/1/17	96,802.50	75,000.00	21,802.50	40,000.00	12,042.50	35,000.00	9,760.00
12/1/17	20,302.50	-	20,302.50	-	11,242.50	-	9,060.00
6/1/18	100,302.50	80,000.00	20,302.50	45,000.00	11,242.50	35,000.00	9,060.00
12/1/18	18,702.50	-	18,702.50	-	10,342.50	-	8,360.00
6/1/19	98,702.50	80,000.00	18,702.50	45,000.00	10,342.50	35,000.00	8,360.00
12/1/19	17,102.50	-	17,102.50	-	9,442.50	-	7,660.00
6/1/20	107,102.50	90,000.00	17,102.50	50,000.00	9,442.50	40,000.00	7,660.00
12/1/20	15,302.50	-	15,302.50	-	8,442.50	-	6,860.00
6/1/21	105,302.50	90,000.00	15,302.50	50,000.00	8,442.50	40,000.00	6,860.00
12/1/21	13,435.00	-	13,435.00	-	7,405.00	-	6,030.00
6/1/22	103,435.00	90,000.00	13,435.00	50,000.00	7,405.00	40,000.00	6,030.00
12/1/22	11,567.50	-	11,567.50	-	6,367.50	-	5,200.00
6/1/23	111,567.50	100,000.00	11,567.50	55,000.00	6,367.50	45,000.00	5,200.00
12/1/23	9,492.50	-	9,492.50	-	5,226.25	-	4,266.25
6/1/24	109,492.50	100,000.00	9,492.50	55,000.00	5,226.25	45,000.00	4,266.25
12/1/24	7,417.50	-	7,417.50	-	4,085.00	-	3,332.50
6/1/25	117,417.50	110,000.00	7,417.50	60,000.00	4,085.00	50,000.00	3,332.50
12/1/25	5,052.50	-	5,052.50	-	2,795.00	-	2,257.50
6/1/26	120,052.50	115,000.00	5,052.50	65,000.00	2,795.00	50,000.00	2,257.50
12/1/26	2,580.00	-	2,580.00	-	1,397.50	-	1,182.50
6/1/27	122,580.00	120,000.00	2,580.00	65,000.00	1,397.50	55,000.00	1,182.50
	<u>\$ 1,551,822.50</u>	<u>\$ 1,195,000.00</u>	<u>\$ 356,822.50</u>	<u>\$ 660,000.00</u>	<u>\$ 196,905.00</u>	<u>\$ 535,000.00</u>	<u>\$ 159,917.50</u>

SCHEDULE E-3

CITY OF BARRON, WISCONSIN
 GENERAL OBLIGATION PROMISSORY NOTES DATED SEPTEMBER 2, 2014
 OUTSTANDING DECEMBER 31, 2014

Date	Total Issue			Library Construction		Storm Sewer and Streets		Municipal Building		Tax Incremental District #3 Projects	
	Total	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
6/1/15	\$ 104,254.32	\$ 74,401.92	\$ 29,852.40	\$ 9,180.05	\$ 3,683.33	\$ 2,838.72	\$ 1,138.98	\$ 17,013.59	\$ 6,826.39	\$ 45,369.56	\$ 18,203.70
12/1/15	104,254.32	78,035.02	26,219.30	9,628.32	3,235.06	2,977.34	1,000.37	17,844.37	5,995.60	47,584.99	15,988.27
6/1/16	104,254.32	79,125.89	25,128.43	9,762.92	3,100.46	3,018.96	958.75	18,093.82	5,746.15	48,250.19	15,323.07
12/1/16	104,254.31	80,231.99	24,022.32	9,899.39	2,963.98	3,061.16	916.54	18,346.76	5,493.22	48,924.68	14,648.58
6/1/17	104,254.32	81,478.71	22,775.61	10,053.22	2,810.16	3,108.73	868.98	18,631.84	5,208.13	49,684.92	13,888.34
12/1/17	104,254.31	82,492.57	21,761.74	10,178.31	2,685.06	3,147.41	830.29	18,863.69	4,976.29	50,303.16	13,270.10
6/1/18	104,254.32	83,758.36	20,495.96	10,334.49	2,528.89	3,195.70	782.00	19,153.14	4,686.84	51,075.03	12,498.23
12/1/18	104,254.30	84,816.62	19,437.68	10,465.07	2,398.31	3,236.08	741.62	19,395.13	4,444.84	51,720.34	11,852.91
6/1/19	104,254.31	86,102.02	18,152.29	10,623.67	2,239.71	3,285.12	692.58	19,689.06	4,150.91	52,504.17	11,069.09
12/1/19	104,254.31	87,205.92	17,048.39	10,759.87	2,103.51	3,327.24	650.46	19,941.49	3,898.48	53,177.32	10,395.94
6/1/20	104,254.29	88,424.98	15,829.31	10,910.28	1,953.09	3,373.75	603.95	20,220.26	3,619.71	53,920.69	9,652.56
12/1/20	104,254.31	89,661.09	14,593.22	11,062.80	1,800.58	3,420.92	556.79	20,502.92	3,337.05	54,674.45	8,898.80
6/1/21	104,254.31	90,987.38	13,266.93	11,226.44	1,636.94	3,471.52	506.18	20,806.21	3,033.77	55,483.21	8,090.04
12/1/21	104,254.32	92,186.42	12,067.90	11,374.39	1,488.99	3,517.27	460.44	21,080.39	2,759.58	56,214.37	7,358.89
6/1/22	104,254.31	93,534.00	10,720.31	11,540.66	1,322.72	3,568.68	409.02	21,388.54	2,451.43	57,036.12	6,537.14
12/1/22	104,254.31	94,782.63	9,471.68	11,694.72	1,168.66	3,616.32	361.38	21,674.07	2,165.90	57,797.52	5,775.74
6/1/23	104,254.31	96,152.13	8,102.18	11,863.69	999.68	3,668.57	309.13	21,987.24	1,852.74	58,632.63	4,940.63
12/1/23	104,254.31	97,451.73	6,802.58	12,024.04	839.33	3,718.16	259.54	22,284.42	1,555.56	59,425.11	4,148.15
6/1/24	104,254.33	98,814.04	5,440.29	12,192.13	671.25	3,770.14	207.57	22,595.94	1,244.04	60,255.83	3,317.43
12/1/24	292,397.14	290,356.58	2,040.56	35,825.54	251.77	11,078.22	77.86	66,396.20	466.62	177,056.62	1,244.31
	<u>\$ 2,273,229.08</u>	<u>\$ 1,950,000.00</u>	<u>\$ 323,229.08</u>	<u>\$ 240,600.00</u>	<u>\$ 39,881.48</u>	<u>\$ 74,400.01</u>	<u>\$ 12,332.43</u>	<u>\$ 445,909.08</u>	<u>\$ 73,913.25</u>	<u>\$ 1,189,090.91</u>	<u>\$ 197,101.92</u>

**CITY OF BARRON, WISCONSIN
ELECTRIC SYSTEM REVENUE BONDS, SERIES 2009
OUTSTANDING DECEMBER 31, 2014**

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
6/1/15	\$ -	\$ 6,296.75	\$ 6,296.75
12/1/15	52,000.00	6,296.75	58,296.75
6/1/16	-	5,139.75	5,139.75
12/1/16	54,000.00	5,139.75	59,139.75
6/1/17	-	3,938.25	3,938.25
12/1/17	56,000.00	3,938.25	59,938.25
6/1/18	-	2,692.25	2,692.25
12/1/18	59,000.00	2,692.25	61,692.25
6/1/19	-	1,379.50	1,379.50
12/1/19	62,000.00	1,379.50	63,379.50
	<u>\$ 283,000.00</u>	<u>\$ 38,893.00</u>	<u>\$ 321,893.00</u>

**CITY OF BARRON, WISCONSIN
WATER SYSTEM REVENUE BONDS, SERIES 2012
OUTSTANDING DECEMBER 31, 2014**

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
5/1/15	\$ 3,596.92	\$ 478.80	\$ 4,075.72
11/1/15	-	455.07	455.07
5/1/16	3,644.39	455.06	4,099.45
11/1/16	-	431.01	431.01
5/1/17	3,692.50	431.02	4,123.52
11/1/17	-	406.64	406.64
5/1/18	3,741.24	406.65	4,147.89
11/1/18	-	381.95	381.95
5/1/19	3,790.63	381.95	4,172.58
11/1/19	-	356.93	356.93
5/1/20	3,840.66	356.94	4,197.60
11/1/20	-	331.59	331.59
5/1/21	3,891.36	331.58	4,222.94
11/1/21	-	305.90	305.90
5/1/22	3,942.73	305.90	4,248.63
11/1/22	-	279.88	279.88
5/1/23	3,994.77	279.88	4,274.65
11/1/23	-	253.51	253.51
5/1/24	4,047.50	253.52	4,301.02
11/1/24	-	226.80	226.80
5/1/25	4,100.93	226.80	4,327.73
11/1/25	-	199.73	199.73
5/1/26	4,155.06	199.74	4,354.80
11/1/26	-	172.31	172.31
5/1/27	4,209.91	172.31	4,382.22
11/1/27	-	144.53	144.53
5/1/28	4,265.48	144.52	4,410.00
11/1/28	-	116.37	116.37
5/1/29	4,321.78	116.38	4,438.16
11/1/29	-	87.85	87.85
5/1/30	4,378.83	87.85	4,466.68
11/1/30	-	58.95	58.95
5/1/31	4,436.62	58.95	4,495.57
11/1/31	-	29.67	29.67
5/1/32	4,495.19	29.67	4,524.86
	<u>\$ 72,546.50</u>	<u>\$ 8,956.21</u>	<u>\$ 81,502.71</u>

**STATISTICAL INFORMATION
(UNAUDITED)**

TABLE 1

**CITY OF BARRON, WISCONSIN
EQUALIZED PROPERTY TAX RATES
ALL OVERLAPPING GOVERNMENTS
DECEMBER 31, 2014
(THE INFORMATION IN THIS TABLE IS UNAUDITED)**

<u>Roll Year</u>	<u>State</u>	<u>Barron County</u>	<u>City</u>	<u>School District</u>	<u>Technical College</u>	<u>Gross Tax Rate</u>	<u>Net Tax Rate</u>
1995	.200	5.260	5.555	15.515	1.684	28.214	26.473
1996	.200	5.159	6.025	11.481	1.626	24.491	22.101
1997	.200	5.278	6.581	12.731	1.540	26.330	24.183
1998	.200	5.157	7.676	11.918	1.498	26.449	24.376
1999	.200	5.199	7.446	11.296	1.442	25.583	23.667
2000	.200	5.056	7.020	11.083	1.363	24.722	22.859
2001	.200	5.131	6.926	10.552	1.300	24.109	22.472
2002	.200	4.745	6.915	11.300	1.226	24.386	22.932
2003	.200	4.973	8.049	10.207	1.145	24.574	23.089
2004	.200	4.505	8.417	10.664	1.088	24.874	23.428
2005	.188	4.42	8.483	9.627	1.031	23.749	22.384
2006	.176	4.173	8.873	9.402	0.978	23.602	21.991
2007	.170	4.036	9.195	10.779	0.971	25.151	23.462
2008	.170	4.154	8.444	10.688	0.995	24.451	22.534
2009	.170	4.288	8.616	11.213	1.056	25.343	23.447
2010	.170	4.621	8.987	12.454	1.140	27.372	25.446
2011	.170	4.711	9.058	12.088	1.180	27.207	25.355
2012	.170	5.044	9.387	13.273	1.242	29.116	27.177
2013	.170	5.023	9.268	11.728	1.254	27.443	25.457
2014	.170	5.097	9.351	12.392	0.362	27.372	25.408

TABLE 2

CITY OF BARRON, WISCONSIN
ASSESSED VALUE AND ESTIMATED TRUE VALUE OF ALL TAXABLE PROPERTY
DECEMBER 31, 2014
(THE INFORMATION IN THIS TABLE IS UNAUDITED)

Tax Roll Year	Real Property		Personal Property		Totals		Ratio of Assessed Value to Estimated True Value
	Assessed Value	Estimated True Value	Assessed Value	Estimated True Value	Assessed Value	Estimated True Value	
1995	\$ 64,714,715	\$ 70,401,200	\$ 7,615,270	\$ 7,968,800	\$ 72,329,985	\$ 78,370,000	92.29
1996	66,666,050	74,162,100	7,373,900	7,820,400	74,039,950	81,982,500	90.29
1997	66,614,695	81,038,600	6,621,540	7,325,300	73,236,235	88,363,900	82.85
1998	67,065,860	83,073,500	7,238,720	8,880,300	74,304,580	91,953,800	80.77
1999	68,060,390	91,135,700	5,621,922	7,117,700	73,682,312	98,253,400	74.91
2000	69,665,070	95,731,600	5,277,760	7,236,600	74,942,830	102,968,200	72.86
2001	103,351,750	105,248,700	7,762,320	7,769,000	111,114,070	113,017,700	98.45
2002	105,147,950	110,156,300	7,355,914	7,598,400	112,503,864	117,754,700	95.54
2003	107,669,050	114,718,700	10,067,600	10,641,100	117,736,650	125,359,800	93.92
2004	107,823,550	117,455,200	8,880,970	9,573,500	116,704,520	127,028,700	91.87
2005	106,385,750	123,639,900	7,855,450	8,859,600	114,241,200	132,499,500	86.22
2006	105,124,250	125,988,900	5,425,572	6,480,000	110,549,822	132,468,900	83.45
2007	105,970,150	131,792,000	5,246,685	6,462,900	111,216,835	138,254,900	80.44
2008	106,092,750	126,418,800	6,423,691	7,734,400	112,516,441	134,153,200	83.87
2009	123,305,500	124,267,300	8,267,760	8,342,400	131,573,260	132,609,700	99.22
2010	124,080,100	121,694,700	8,373,276	8,298,100	132,453,376	129,992,800	101.55
2011	125,785,100	124,792,400	7,948,230	7,914,700	133,733,330	132,707,100	100.77
2012	126,247,100	119,902,400	7,718,767	7,508,500	133,965,867	127,410,900	105.15
2013	126,897,100	120,730,000	8,099,800	7,705,900	134,996,900	128,435,900	105.11
2014	127,162,400	118,559,700	8,547,300	8,050,500	135,709,700	126,610,200	107.19

**CITY OF BARRON, WISCONSIN
FIFTEEN LARGEST REAL ESTATE TAXPAYERS
DECEMBER 31, 2014
(THE INFORMATION IN THIS TABLE IS UNAUDITED)**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Equalized Valuation January 1, 2014</u>
The Turkey Store: Processing Division	Dressed, whole and smoked turkey, turkey rolls and roasts	
Farm Division - Hatchery	Turkeys, turkey hatching and poults	\$ 6,093,900
Monroe Manor	Assisted living	2,951,700
Thomas Kite	Apartments	1,654,400
Luther Midelfort Northland Mayo Health System	Medical clinic	1,559,400
Joseph & Debbie Johnston	Maple Avenue apartments	1,495,800
Sterling Bank	Banking	1,176,200
PF Developers	McDonalds, Dollar Store, & Mosaic	923,900
General Beer Northwest	Beer distributor	882,500
Barron Care & Rehab	Nursing home	838,500
United Ag Co-op	Granary, service station, fertilizer and tire center and restaurant	783,000
Kwik Trip	Convenience store and gas station	696,400
Erickson's Diversified Corp.	Supermarket & pharmacy	689,800
Mutual Savings Bank	Banking	687,200
Brian & Katherine Rieckenberg	Apartments	663,700
Swant Bros. Inc.	Car Dealership	560,900

TABLE 4

**CITY OF BARRON, WISCONSIN
OTHER STATISTICAL INFORMATION
DECEMBER 31, 2014
(THE INFORMATION IN THIS TABLE IS UNAUDITED)**

Date of Incorporation March 31, 1887
 Form of Government Charter Ordinance
Six Member Council - Mayor

Area:
 1960 2.14 square miles
 1990 2.47 square miles
 2000 3.02 square miles
 2010 2.96 square miles

Population:
 1890 829
 1900 1,493
 1910 1,449
 1920 1,623
 1930 1,863
 1940 2,059
 1950 2,355
 1960 2,338
 1970 2,337
 1980 2,595
 1990 2,986
 2000 3,248
 2010 3,336

Building Permits and Construction:

<u>Year</u>	<u>Number of Permits</u>	<u>Estimated Cost</u>
1995	127	1,572,350
1996	89	800,320
1997	115	2,005,875
1998	132	8,612,426
1999	93	3,491,838
2000	121	2,947,880
2001	157	4,106,631
2002	125	2,321,080
2003	89	1,331,246
2004	91	1,985,586
2005	113	5,834,178
2006	97	3,842,868
2007	83	2,647,085
2008	84	1,611,746
2009	104	4,123,678
2010	62	1,349,526
2011	87	2,921,634
2012	80	1,598,684
2013	46	966,005
2014	71	1,459,127

Total Number of Full-time
 City Employees December 31, 2014 29

TABLE 4

CITY OF BARRON, WISCONSIN
OTHER STATISTICAL INFORMATION (CONTINUED)
DECEMBER 31, 2014
 (THE INFORMATION IN THIS TABLE IS UNAUDITED)

Fire Protection:	
Number of Stations	1
Number of Employees	30
Firefighting Units	7
Police Protection:	
Number of Stations	1
Number of Employees	6
Number of Citations Issued	373
Number of Police Vehicle Units	4
Parks and Recreation:	
Number of Outdoor Skating Facilities	1
Number of Playgrounds	4
Number of Parks	3
Education:	
Number of Elementary Schools	1
Number of Middle Schools	1
Number of High Schools	1
Area of District	185 square miles
Municipal Sewer, Water and Electric:	
Sewer System:	
Sewer Customers	1,281
Water System:	
Number of Meters in Service as of December 31, 2014	1,303
Net Number of Meters Added (Removed) During 2014	(4)
Average Daily Consumption - in Gallons:	
Measured - Sold	1,623,519
Pumped	1,579,756
Maximum Daily Capacity - Water Production - in Gallons	3,600,000
Water Mains	139,479 feet
Fire Hydrants	209
Maximum Gallons Pumped in Any One Day - June 28, 2014	2,264,000
Minimum Gallons Pumped in Any One Day - February 9, 2014	521,000
Storage Capacity - in Gallons	300,000
Electric System:	
Number of Meters in Service as of December 31, 2014	1,830
Net Number of Meters Added (Removed) During 2014	(5)
Total Number kWh - Sold	83,707,451
Total Number kWh - Purchased and Generated	86,268,858
Maximum kW Demand - July 21, 2014	14,583
Library:	
Circulation in 2014	72,375
Number of Volumes as of December 31, 2014	30,158
Elections:	
Number of Aldermanic Districts	4
Number of Votes Cast in Last Municipal Election - April 1, 2014	191