

# **CITY OF NEENAH**

Neenah, Wisconsin

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

Including Independent Auditors' Report

As of and for the Year Ended December 31, 2019

Prepared By:

DEPARTMENT OF FINANCE  
Michael K. Easker, CPA, Director  
Andrew Kahl, CPA, Assistant Comptroller

# CITY OF NEENAH

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June 26, 2020

Dear Mayor Kaufert, President Stevenson, Members of the Common Council:

The City of Neenah (the "City") 2019 Comprehensive Annual Financial Report ("CAFR") was prepared by the Finance Department. Responsibility for accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of my knowledge and belief, the data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

In accordance with GAAP, this CAFR includes Management's Discussion and Analysis ("MD&A"), which provides a narrative introduction and an overview and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement the MD&A, and should be read in conjunction with it. The remainder of this transmittal letter will provide an overview of the City's economic conditions and demographic information, along with accomplishments achieved during fiscal year 2019 and future initiatives of the City.

### **OVERVIEW OF THE CITY**

The City of Neenah is located in northeast Wisconsin in Winnebago County. Directly adjacent to Lake Winnebago and the Fox River, it lies 5 miles south of Appleton, 37 miles south of Green Bay, and approximately 90 miles north of Milwaukee. The City serves a 9.73 square mile area. Its current population is 26,137 based on 2018 estimates.

The French first explored the land area of which the City is comprised in 1634. The settlement became known as "Neenah" in 1844, became "Winnebago Rapids Village" in 1856, and was incorporated as the "City of Neenah" in 1873. The City is situated in the center of what is commonly known as the Fox Valley, so called because of the historical significance of the Fox River as a navigable waterway linking Lake Winnebago with Lake Michigan and the St. Lawrence Seaway. This strategic linkage and water resource was key to the Neenah area developing into a major manufacturing, service and commercial center associated with the national paper industry, from which the City has continued to realize strong economic growth.

The Cities of Neenah, Appleton, Menasha and Oshkosh comprise an area known as the Fox Valley due to their location along the Fox River. This metropolitan area, which has an estimated population of over 400,000 people, is Wisconsin's third largest socio-economic market and one of its fastest growing metropolitan areas. The State of Wisconsin reports continue to pinpoint the Fox Cities as a leader in property valuation growth and high personal income.

The Fox Cities metropolitan area has been recognized by *Forbes* as one of the "Best Small Places for Business and Careers" and by *Area Development* as one of the "Leading Locations for Economic and Job Growth". The Neenah public school system has earned a "Gold Medal" rating in Expansion Management magazine and is rated as one of the nation's top 100 school systems by Money magazine. The system is highly rated in its areas of high graduation rates, college board scores that are consistently higher than state and national averages, low teacher/student ratios, continued commitment to funding public education, and strong economic and educational demographic rankings. Also, as part of its "Best Places to Live" study, *Money* magazine also ranked the metropolitan area as the nation's safest community in regard to personal crime risk.

Neenah's downtown is home to the world headquarters of Plexus Corporation and Alta Resources, along with a significant presence from both Kimberly-Clark Corporation and Bergstrom Corporation. The ongoing Downtown Riverwalk Zone Initiative has already generated over \$80.5 million in new projects. The Gateway Building, completed in 2017, has added over \$11 million to this figure. As evidence of the City's business friendly and vibrant downtown, current estimates indicate that over 14,000 people are employed within a one-mile radius of the downtown area during the daytime hours.

Economic development efforts in the area focus on the collective strengths of the region. While the Fox Cities rank as one of the 50 largest manufacturing centers in the country, the region has broadened its economic base by placing emphasis on assistance with business expansion, and selectively targeting industry sectors for new business growth.

### **ECONOMIC CONDITION AND OUTLOOK**

Despite a downturn in construction activity nationally, building permits issued in the City last year leading to over approximately \$16 million in new construction.

Notable commercial projects in 2019 included several multi-million dollar remodels in Theda Clark Hospital and the ongoing Pendleton Parkway apartment project. This apartment complex continued construction on nine additional eight unit apartment buildings in 2019 with an estimated cost of \$6,813,000. Many smaller commercial and industrial projects that were started are in various stages of completion through the City as well.



Much of the City's ongoing development success is due to the active, aggressive and prudent use of Tax Incremental Financing Districts. The City currently has seven open TIF Districts. Existing districts include TIF Districts No. 5, No. 8 and No. 10 which are located in and adjacent to the City's downtown business and waterfront district. In the last six years, TIF No. 8 has seen the redevelopment of the City's waterfront as well as the development of the aforementioned Alta Resources office complex and the redevelopment of the Glatfelter site, including the previously noted Plexus World Headquarters and Affinity Medical Clinic. TID 10's Gateway Building is over 90,000 square feet and has brought several hundred jobs to the downtown district.

The City's other TIF districts include TIF No. 6, which serves the Southpark Industrial Center and TIF No. 7, which was created to support the City's Westside Business Corridor adjacent to Interstate 41. TIF No. 9, created in 2015, serves an area adjacent to Interstate 41 and is home to aforementioned Menasha Corp's new Global Headquarters. TIF 11 is composed of a multi-family commercial development that will include 184 units completed over five years.

The following table summarizes the City's TIF district property value status:

<b><u>TIF No.</u></b>	<b><u>Creation Date</u></b>	<b><u>Max Exp Date</u></b>	<b><u>Max Close Date</u></b>	<b><u>Amended Base Value</u></b>	<b><u>1/1/19 Value</u></b>	<b><u>Increment</u></b>
5	1/1/93	4/21/15	4/22/30	\$13,458,200	\$29,636,400	\$16,178,200
6	1/1/97	3/9/15	3/20/30	2,869,600	31,040,000	28,170,400
7	1/1/00	7/4/22	7/05/37	39,227,000	128,868,200	89,641,200
8	1/1/01	9/4/23	9/05/38	14,743,600	66,375,100	51,631,500
9	1/1/15	3/17/36	3/18/42	10,327,400	19,911,500	9,584,100
10	1/1/15	8/4/36	8/05/42	3,681,600	18,390,500	14,708,900
11	1/1/17	2/1/33	2/1/38	117,700	6,894,100	6,776,400
						<u>\$216,690,700</u>

Neenah's future and economic development outlook remains strong and well positioned as the economy rebounds. Approximately 25 residential lots are available for new home construction, and opportunities for major commercial and industrial projects are available in planned business centers and at prime development sites.

### **COMMUNITY SERVICES**

Community residents enjoy access to 25 City parks with 7,500 feet of shoreline. Facilities include an outdoor swimming pool complex, boat launches, tennis courts, archery range, ball diamonds, basketball courts, skate/bike park, ice rinks, soccer fields, volleyball courts, playgrounds, trails, fishing decks, sled hills and various other recreational facilities.

The Neenah Riverwalk at Shattuck Park provides residents and visitors to the community a cultural, recreational, and social experience in the heart of the Downtown. Key features include a barrier free riverwalk, a waters-edge pavilion, a walkout pier in the inner harbor, an interactive fountain, a concert lawn and ample sitting areas. Shattuck Park is a preferred venue for events, concerts, festivals and other community

gatherings and celebrated its 100<sup>th</sup> birthday in 2015.

To preserve the rich history of Neenah as a paper manufacturing community, Legacy Park was constructed in 2010 on a portion of the former Glatfelter Paper Mill site. The original smokestack from the Glatfelter Mill stands at the center of the park as a tribute to the employees and founders of a business that so strongly influenced the early years of Neenah's development. Visitors to the park can continue along the newly constructed extension of the Neenah Riverwalk, adjacent to the Plexus Headquarters, the Fox River and Little Lake Butte des Morts. In 2012, construction was completed on Gateway Plaza, a public plaza designed to provide space for civic functions as well as day-to-day users. This Plaza, located between Plexus Global Headquarters and the Affinity Medical Clinic, had the strong support of private donors. This partnership between the City and those generating private funds allowed the construction of a high-quality public space for the entire community to enjoy.

The City administers a comprehensive recreation program offering activities and services in arts, sports, special events, wellness/fitness, hobby and entertainment. By maintaining partnerships with private non-profit groups, the City helps facilitate many other opportunities including sailing lessons and regattas, major soccer tournaments and one of the largest 3-on-3 basketball tournaments in the State. A full-service YMCA and the Boys & Girls Brigade offer numerous year-round programs and camping opportunities.

Neenah Access Trails is a system of on-street routes and off-street trails designed to provide a safe and convenient means of non-motorized travel for both recreation and transportation purposes. The system provides access to the neighborhoods, parks, employment centers, shopping areas and other key destinations, bringing together City residents and neighboring cities in the unifying spirit of community, wellness and enjoyment of the outdoors.

Neenah Public Library's use has increased significantly since the 50,000 square foot building opened in 2000. As of the end of 2019, Neenah Public Library was the 7<sup>th</sup> highest circulating library in the state, up from 10<sup>th</sup> place the year before, checking out over 860,000 items. In 2018, more than 1,000 programs, story times, classes, workshops, concerts, movies and other events were offered last year and attendance at programs reached an all-time high of 38,600. The Library provides high quality research services and readers' advisory services for all ages. Additional services include homebound delivery; collections created specifically for classrooms; meeting rooms for use by individuals, groups, businesses, and classes, including three rooms equipped with hearing loops for hearing impaired adults and children; free legal clinics; free volunteer tax preparation assistance; sensory bags for children with autism; book clubs; and monthly Memory Café meetings for those with dementia and their care partners. The Library promotes and provide literacy support for all ages and at all levels, from newborns through seniors. The Library continues to educate the community in the use of new technology through classes and workshops.

The City's private Bergstrom-Mahler Museum of Glass houses one of the world's most renowned collections of glass paperweights and glassware, plus other objects de arte.

It is the location of many public exhibits of nationally known artists in various mediums. Other cultural venues in the City include Pickard Auditorium, a 1,600-seat performing arts center used for local, regional and national touring productions.

City residents have access to both public and private colleges and universities in the Fox Valley region. Fox Valley Technical College ("FVTC") has two main campuses in Appleton and Oshkosh. It is ranked among the nation's top three vocational educational schools. The University of Wisconsin-Oshkosh ("UW-Oshkosh") is one of 13 universities administered by the Wisconsin Board of Regents. UW-Oshkosh has an approximate enrollment of 14,000 graduate and undergraduate students, employs approximately 1,700 people, and is located on a 167-acre campus along the Fox River. UW-Oshkosh was established in 1871. It offers a number of "advance study" classes at the Neenah High School campus for college bound students. Lawrence University, located in Appleton, was chartered in 1847 with the Methodist Church, but today is a non-sectarian and independent four-year liberal arts college. Appleton's Lawrence University, has an enrollment of approximately 1,500 students. Marian College, located in Fond du Lac, is another four-year liberal arts college, which also offers classes in the City. The University of Wisconsin-Fox Valley (two-year center) is located in Menasha.

Neenah is home to ThedaCare Regional Medical Center – Neenah (ThedaCare), formerly Theda Clark Medical Center, a 250-bed acute care hospital that has been ranked among the "100 Top Hospitals" in the United States and as a national "Consumer Choice" hospital. ThedaCare operates ThedaStar Air Medical Helicopter and is the metropolitan area's only American College of Surgeons' Verified Level II Trauma Center. ThedaCare is also home to Children's Hospital of Wisconsin-Fox Valley, a separately licensed pediatric hospital that includes the area's only neo-natal intensive care unit. ThedaCare Regional Medical Center – Neenah has been providing service in Northeast Wisconsin for over 100 years.

### **FINANCIAL INFORMATION**

City management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. As a recipient of federal, state and county financial assistance, the City also is responsible for assuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations. This internal control structure is subject to periodic evaluation by management, its independent auditors and audit staffs of the state and federal governments.

The City maintains strong budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual

appropriated operating and capital improvements budgets adopted by the Common Council. Annual budgets are adopted for all funds, including the activities of the General Fund, Special Revenue Funds, Debt Service Fund, Capital Project Funds, Internal Service Funds and Enterprise Funds. Five-year financial plans are adopted for capital improvement projects. Budgetary control is maintained through expenditure limitation at the defined cost center level (a cost center can be a fund, major program, department or specific activity for which control of expenditures is considered appropriate). Proposed expenditures for which moneys were not previously appropriated, or which result in an overrun of budget control balances, may not take place without additional appropriations made available through Common Council approval.

An explanation of the City's accounting policies is contained in the notes to the financial statements, which are an integral part of this report. The notes explain the basis of accounting for each major fund type, describe the purpose of the funds used, and provide other significant information.

As demonstrated by the statements, schedules and notes included in the **Financial Section** of this report, the City continues to meet its responsibility for sound financial management.

### **INDEPENDENT AUDIT**

State statutes require an annual audit by independent certified public accountants. The City selected the accounting firm of Baker Tilly Virchow Krause, LLP. The auditors report on the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Neenah.

### **REPORTING ACHIEVEMENTS**

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Neenah for its comprehensive annual financial report for the fiscal year ended December 31, 2018. This was the 36th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is only valid for a period of one year. We believe that the 2019 Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

## **CONTINUING DISCLOSURE REQUIREMENTS**

In compliance with Securities and Exchange Commission Disclosure Rule 15C2-12, and according to terms of the City's Official Statement for issuance of debt, tables in the **Statistical Section** and **Notes to Basic Financial Statements** incorporate specific financial information for the benefit of existing and potential investors in the City's securities. The City files its CAFR with the Municipal Securities Rulemaking Board (MSRB) and will continue that practice in fulfillment of its obligation under the SEC Rule. Timely notice of material events enumerated in the Rule will be provided to appropriate authorities as prescribed.

## **ACKNOWLEDGMENTS**

The preparation of this Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service and commitment of each member of the Finance Department staff. They have my sincere appreciation for their individual contribution in preparation of the report.

I also want to recognize the Baker Tilly Virchow Krause, LLP audit management team for their dedication and expertise, which contributed significantly to the report quality and adherence to professional accounting standards.

In closing, I would like to thank the Common Council and Mayor for their leadership and support in the planning and conducting of the financial operations of the City in a responsible and progressive manner.



Michael K. Easker, CPA  
Director of Finance



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
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Presented to

**City of Neenah  
Wisconsin**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2018**

*Christopher P. Morrill*

Executive Director/CEO

**CITY OF NEENAH  
DIRECTORY OF OFFICIALS  
2019 – 2020**

**MAYOR**

Dean R. Kaufert

**PRESIDENT OF THE COUNCIL**

Todd Stevenson

**COUNCIL MEMBERS**

Aldermanic District 1:	Cari Lendrum
Aldermanic District 1:	Danae Steele
Aldermanic District 1:	Kathie Boyette
Aldermanic District 2:	Marge Bates
Aldermanic District 2:	Tami Erickson
Aldermanic District 2:	Christopher Kunz
Aldermanic District 3:	Todd Stevenson
Aldermanic District 3:	Stephanie Spellman
Aldermanic District 3:	Jane Lang

**OFFICERS**

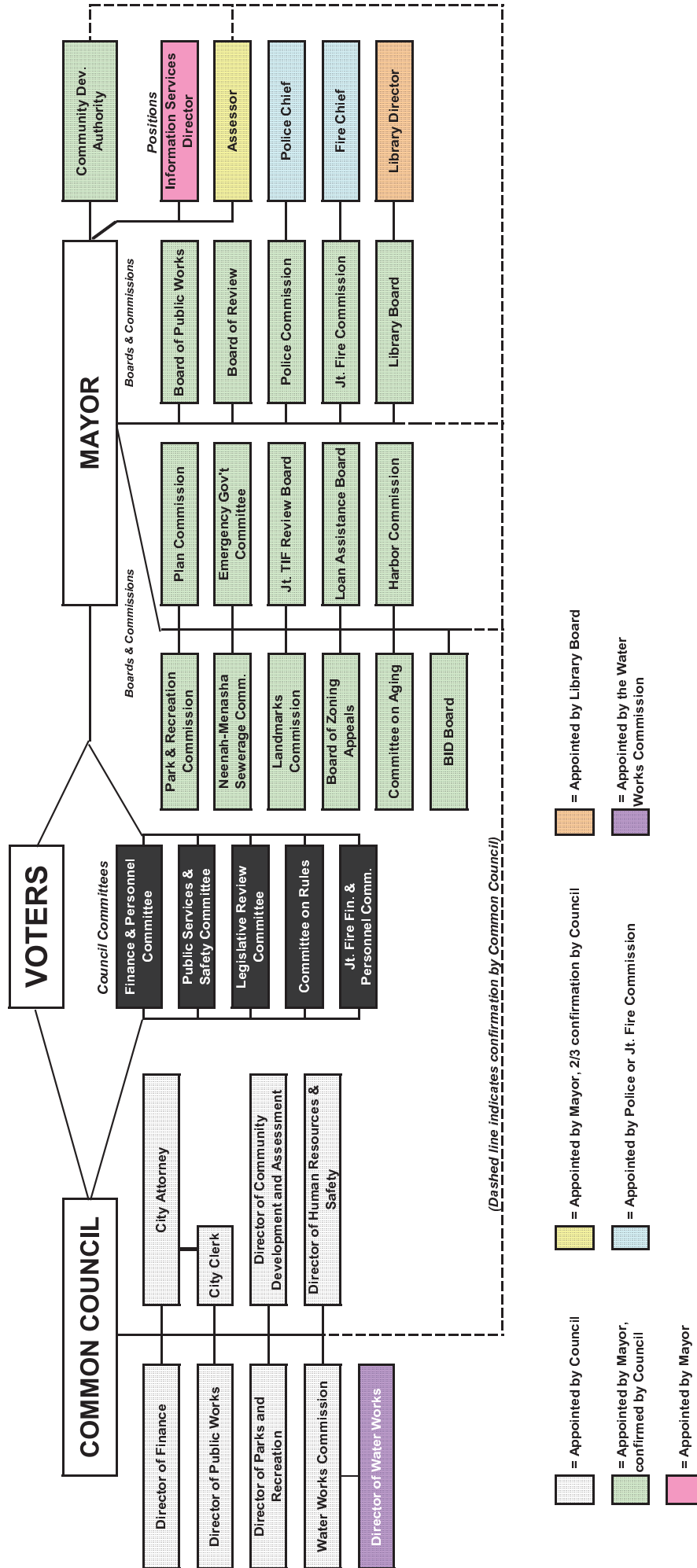
Director of Finance	Michael K. Easker
City Attorney	James G. Godlewski
City Clerk	Patricia A. Sturn
Director of Human Resources and Safety	Lindsay Kehl
Police Chief	Aaron Olson
Fire Chief	Kevin Kloehn
Director of Public Works and Utilities	Gerry Kaiser
Director of Community Development and Assessment	Chris A. Haese
Director of Library	Gretchen Raab
Director of Parks and Recreation	Michael Kading
Director of Information Systems	Joseph Wenninger
Director of Water Utility	Anthony Mach

**STANDING FINANCE AND PERSONNEL COMMITTEE**

Aldersperson Tami Erickson (Chairman)  
Aldersperson Kathie Boyette (Vice Chairman)  
Aldersperson Danae Steele  
Aldersperson Christopher Kunz  
Aldersperson Todd Stevenson

**STANDING PUBLIC SERVICES AND SAFETY COMMITTEE**

Aldersperson Marge Bates (Chairman)  
Aldersperson Jane Lang (Vice Chairman)  
Aldersperson Cari Lendrum  
Aldersperson Stephanie Spellman  
Aldersperson Todd Stevenson





## INDEPENDENT AUDITORS' REPORT

To the Mayor and Common Council  
City of Neenah  
Neenah, Wisconsin

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Neenah, Wisconsin, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City of Neenah'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 City of Neenah's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the City of Neenah's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Neenah, Wisconsin, as of December 31, 2019 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Emphasis of Matter***

As discussed in Note I, the City of Neenah adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*, effective January 1, 2019. Our opinions are not modified with respect to this matter.

## ***Other Matters***

### ***Required Supplementary Information***

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Neenah's basic financial statements. The accompanying supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements 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 accompanying supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

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

*Baker Tilly Virchow Krause, LLP*

Madison, Wisconsin  
June 26, 2020

## **Management's Discussion and Analysis (Unaudited)**

The following discussion and analysis is intended to provide readers an overview of the financial activities of the City of Neenah (the "City") for the fiscal year ended December 31, 2019. The information should be read in conjunction with the preceding letter of transmittal, as well as the City's financial statements, which begin on page 1 of this report.

### **THE FINANCIAL HIGHLIGHTS**

- > The City's net position (assets/deferred outflows of resources less liabilities/deferred inflows of resources) totals \$170,964,870 as of December 31, 2019. Net position from Governmental Activities account for \$95,882,760 of the total, an increase of \$3,476,765 from the previous year. Business-Type Activities net position was \$75,082,110, an increase of \$3,664,617 from 2018.
- > The City ended 2019 with a fund balance of \$21,286,963 for all Governmental Funds, an increase of \$6,933,302 from 2018. This total includes \$4,579,334, which is unassigned, in the City's General Fund. This fund balance is 18.36% of the City's 2019 actual General Fund expenditures/other financing uses of \$24,937,554.
- > In 2019, the City issued \$8,825,000 in General Obligation ("G.O.") Notes and \$1,450,000 in G.O. Refunding Bonds, both backed by the full faith and credit of the City. Of the non-refunding amounts, \$7,835,000 was attributed to Governmental Activities while \$990,000 was earmarked for Business-Type Activities.

### **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements designed to provide readers a broad overview of the financial condition of the City of Neenah as of December 31, 2019. The Statement of Net Position and Statement of Activities (pages 1 through 3) provide information about the financial condition of the City as a whole. It provides the reader the Total Net Position of the City (all assets/deferred outflows of resources less liabilities/deferred inflows of resources). It also provides the reader a financial summary of the activities and operations of the City. On pages 4 through 8 are fund financial statements that provide a more detailed summary of the Governmental Funds (nonbusiness-type activities).

The remaining statements on pages 9 through 15 provide information on the City's Proprietary (business-type activity) Funds and Fiduciary Funds (in which the City acts solely as an agent for the benefit of those outside of the City's operation).

# Management's Discussion and Analysis (Unaudited)

## GOVERNMENT-WIDE FINANCIAL STATEMENTS

As we begin to analyze the City's financial condition and operations as of December 31, 2019, we will try to answer some very basic questions. Is the City better or worse off financially than it was in 2018? Has the City planned appropriately for its operations and activities? Is the City financially healthy as it plans for the future?

First, let's provide some general information to facilitate a better understanding of how local government is required to account for and report on its operations and activities. In the Statement of Net Position and Statement of Activities, we divide the City into three categories:

**Governmental Activities:** Most of the City's basic services are reported here. This includes Public Safety (police, fire, emergency government), Public Works (engineering, street lighting, garbage collection, street repair, snow and ice removal, traffic control), Parks, Recreation and Education (public library, parks, recreation programs, swimming pool, special events), Health and Welfare, Community Development (economic development, building inspections, mass transit) and General Government (common council, mayor, administration, risk management/insurance). These services are funded by various revenue sources, including property taxes, intergovernmental aid, licenses and permits, charges for services and investment income.

**Business-Type Activities:** For these activities, the City charges a fee to cover all or most of the costs of certain services it provides. The City's Water, Sewer, Stormwater and Parking Utilities are reported here.

**Component Units:** The City includes two separate entities, the Business Improvement District ("BID") and the Community Development Authority ("CDA"). Separate statements are issued for the BID, but are not for the CDA.

## FUND FINANCIAL STATEMENTS

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Neenah is required by law to use "fund accounting" to ensure and demonstrate compliance with all finance-related requirements. All funds of the City are divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*. Each category of funds uses different accounting methods to account for and report financial results.

# Management's Discussion and Analysis (Unaudited)

## Governmental Funds

The majority of the City's operations and activities are reported in governmental funds, which focus on how money flows into and out of those funds. The balances left in these funds are available to be spent in future years. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the City's general government operations and the basic services it provides. It also is useful in evaluating a government's ability to meet near-term financing requirements. The relationship between governmental *activities* (as reported in the Statement of Net Position and Statement of Activities) and governmental *funds* is reconciled at the end of the fund financial statements on page 8. Following is a listing and description of the governmental funds reported by the City of Neenah in 2019:

### General Fund

The general fund (major fund) is the general operating fund of the City. It is used to account for all financial resources except those resources required to be accounted for in another fund.

### Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects). In 2019, the City of Neenah used special revenue funds to account for:

TIF District No. 5	Health Grants
TIF District No. 6	Parks and Recreation
TIF District No. 7	Dial-A-Ride
TIF District No. 8 (major fund)	Civic and Social
TIF District No. 9	Library
TIF District No. 10	Clock Tower Renovations
TIF District No. 11	Other
Community Development Block Grant	Cemetery Perpetual Care
Housing/Business Loans	Cemetery Flowers
Industrial Development	Walnut Employee Group
Recycling	

# Management's Discussion and Analysis (Unaudited)

## Debt Service Fund

The debt service fund (major fund) is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of, general long-term debt principal, interest and related costs (other than those being financed by proprietary funds).

## Capital Projects Funds

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment (other than those financed by proprietary funds). In 2019, the City of Neenah used capital project funds to account for:

- Public Infrastructure (major fund)
- TIF District No. 5
- TIF District No. 6
- TIF District No. 7
- TIF District No. 8
- TIF District No. 9
- TIF District No. 10
- TIF District No. 11
- Redevelopment
- Facilities
- Capital Equipment
- Equipment Replacement

The basic governmental fund financial statements can be found on pages 4 through 8 of this report.

## ***Proprietary Funds***

When the City charges customers for the services it provides, whether to outside customers or other units of the City, these services are generally accounted for and reported in the proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and Statement of Activities. They include *enterprise funds*, which are the same (with more detail) as the business-type activities that are reported in the government-wide statements, and *internal service funds*, which report activities that provide services and supplies for the City's other programs and activities.

# Management's Discussion and Analysis (Unaudited)

## Enterprise Funds

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control and accountability or other purposes. In 2019, the City of Neenah used enterprise funds to account for:

Water Utility (major fund)  
Stormwater Utility (major fund)

Sewerage Disposal Utility (major fund)  
Parking Utility

## Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City or to other governmental units on a cost-reimbursement basis. In 2019, the City of Neenah used internal service funds to account for:

Fleet Management  
Benefit Accrual

Insurance  
Information Systems

The basic proprietary fund financial statements can be found on pages 9 through 13 of this report.

## ***Fiduciary Funds***

### Custodial Funds

Custodial funds are used to account for assets controlled by the City in a fiduciary capacity for individuals, private organizations, and/or other governments. In 2019, the City of Neenah used custodial funds to account for:

Advance Tax Collections  
Neenah-Menasha Fire Rescue

Menasha-Neenah Municipal Court

The basic fiduciary fund financial statements can be found on pages 14-15 of this report.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As stated earlier, net position (assets/deferred outflows of resources less liabilities/deferred inflows of resources) total \$170,964,870 for the City of Neenah as of December 31, 2019. This includes total assets of \$287,919,600, deferred outflows of resources of \$12,388,749, total liabilities of \$100,798,114 and deferred inflows of resources of \$28,545,365. While the usefulness of these numbers in determining the financial position of the City is somewhat limited, it is useful to examine the specifics of the City's total net position.

## Management's Discussion and Analysis (Unaudited)

Capital assets (land, buildings, building improvements, improvements other than buildings, machinery and equipment, infrastructure, and construction in progress) account for approximately 73% of the City's total assets. This includes the City's investment in roads, sewers and bridges. Non-current liabilities, most of which were incurred to finance capital assets, account for approximately 95% of all City liabilities. The following table provides an analysis of the City's net position outlook:

CITY OF NEENAH NET POSITION						
	Governmental Activities		Business-Type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Current and other assets	52,656,586	48,950,049	25,002,715	26,089,795	77,659,301	75,039,844
Capital assets	132,375,351	131,938,833	77,884,948	76,666,608	210,260,299	208,605,441
Total assets	185,031,937	180,888,882	102,887,663	102,756,403	287,919,600	283,645,285
Deferred outflows of resources	11,365,245	6,387,058	1,023,504	559,293	12,388,749	6,946,351
Long-term liabilities	(70,487,190)	(63,191,900)	(24,827,504)	(27,976,652)	(95,314,694)	(91,168,552)
Other Liabilities	(1,990,668)	(2,508,740)	(3,492,752)	(3,402,249)	(5,483,420)	(5,910,989)
Total liabilities	(72,477,858)	(65,700,640)	(28,320,256)	(31,378,901)	(100,798,114)	(97,079,541)
Deferred inflows of resources	(28,036,564)	(29,169,305)	(508,801)	(519,302)	(28,545,365)	(29,688,607)
Net position:						
Net investment in capital assets	85,413,763	84,936,057	59,349,147	55,269,145	144,221,208	139,563,761
Restricted	11,453,332	13,961,930	1,332,408	1,580,378	12,785,740	15,542,308
Unrestricted (deficit)	(984,335)	(6,491,992)	14,400,555	14,567,970	13,957,922	8,717,419
Total net position	95,882,760	92,405,995	75,082,110	71,417,493	170,964,870	163,823,488

The total net position section includes an adjustment of \$541,702 for capital assets owned by the business-type activities column, but financed by debt of the governmental activities column (see Note I (D) on page 31).

Net position for governmental activities increased \$3,476,765 from 2018, while net position for business-type activities rose by \$3,664,617. The increase in governmental activity net position is primarily due to a net increase in both current and capital assets. The net position for business-type activities benefited mainly from a reduction in long-term liabilities.



# Management's Discussion and Analysis (Unaudited)

The following table provides a more detailed analysis of the City's change in net position:

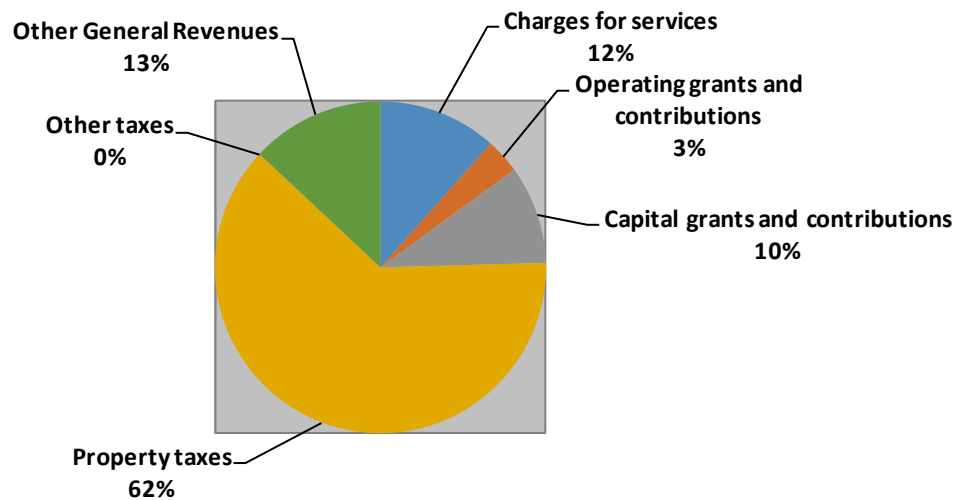
## CITY OF NEENAH CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Revenues						
Program Revenues						
Charges for services	4,083,934	3,763,445	14,696,471	14,632,064	18,780,405	18,395,509
Operating grants and contributions	1,185,457	1,282,215	-	-	1,185,457	1,282,215
Capital grants and contributions	3,376,570	1,968,844	705,528	417,035	4,082,098	2,385,879
General revenues						
Property taxes	21,940,607	21,559,906	-	-	21,940,607	21,559,906
Other taxes	7,518	11,215	-	-	7,518	11,215
Other general revenues	4,580,681	3,761,087	328,231	274,615	4,908,912	4,035,702
Total revenues	35,174,767	32,346,712	15,730,230	15,323,714	50,904,997	47,670,426
Expenses						
General government	2,916,181	2,585,411			2,916,181	2,585,411
Public safety	12,309,336	11,526,125			12,309,336	11,526,125
Public works	10,283,291	10,333,099			10,283,291	10,333,099
Recycling	397,067	503,160			397,067	503,160
Parks, recreation and education	3,603,682	3,500,210			3,603,682	3,500,210
Health and welfare	16,347	5,657			16,347	5,657
Community development	2,690,558	3,426,866			2,690,558	3,426,866
Interest and fiscal charges	1,837,708	1,830,239			1,837,708	1,830,239
Water utility	-	-	4,606,222	4,675,013	4,606,222	4,675,013
Sewer disposal utility	-	-	3,526,473	3,457,713	3,526,473	3,457,713
Storm water utility	-	-	1,317,053	1,166,081	1,317,053	1,166,081
Other proprietary funds	-	-	259,697	241,988	259,697	241,988
Total expenses	34,054,170	33,710,767	9,709,445	9,540,795	43,763,615	43,251,562
Increase (decrease) in net position before transfers	1,120,597	(1,364,055)	6,020,785	5,782,919	7,141,382	4,418,864
Transfers	2,356,168	2,334,692	(2,356,168)	(2,334,692)	-	-
Change in net position	3,476,765	970,637	3,664,617	3,448,227	7,141,382	4,418,864
Net position-beginning	92,405,995	91,435,358	71,417,493	67,969,266	163,823,488	159,404,624
Net position-end of year	95,882,760	92,405,995	75,082,110	71,417,493	170,964,870	163,823,488

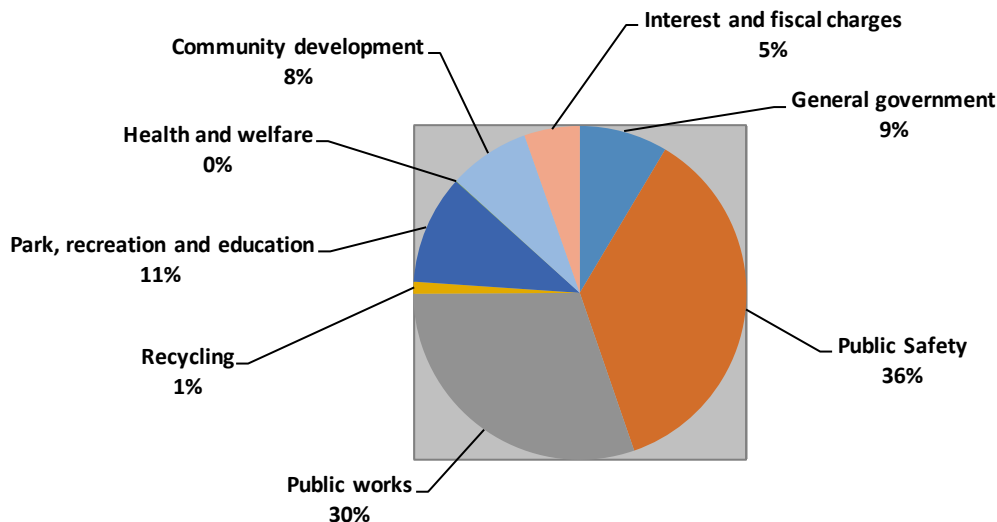
## Management's Discussion and Analysis (Unaudited)

Property taxes in 2019 accounted for 62.38% of total governmental activities revenue, while charges for services accounted for 93.42% all of revenues generated by business-type activities. Expenses for public safety and public works were 66.34% of all governmental activities expenses. Business-type activities expenses were mostly due to the operations of the Water Utility (47.44%) and Sewerage Disposal Utility (36.32%). The following graphs provide a breakdown of all governmental activities revenues and expenses:

### REVENUES



### EXPENSES



# Management's Discussion and Analysis (Unaudited)

## INDIVIDUAL FUND FINANCIAL ANALYSIS

### *Governmental Funds*

The City of Neenah ended 2019 with a fund balance of \$21,286,963 in its governmental funds, an increase of \$6,933,302 (48.3%) from December 31, 2018.

#### General Fund

The City's General Fund realized an above average fund balance increase of \$386,743 (8.40%) from 2019 operations. Public Safety operations was the main contributor to the positive expenditure budget variances, while Investment Income was the majority of positive revenue variances.

Fund balance at year-end totaled \$4,988,913, of which \$4,579,334 is unassigned. This unassigned fund balance is 18.36% of the City's 2019 actual General Fund expenditures/other financing uses of \$24,937,554. Municipal credit analyst Standard and Poor's (S&P) considers the fund balance in the general fund an important measure of a City's financial condition. The fund balance of 18.36% of expenditures/other financing uses is considered a moderately strong fund balance by S&P and helps contribute to the City of Neenah's very strong AA/Stable bond rating.

#### Special Revenue -TIF District No. 8

The Special Revenue -TIF District No. 8 fund accounts for the accumulation of TIF tax increment generated by development in the district, and the corresponding transfer of funds to the City's general and debt service funds for administrative and debt service related costs. The net decrease in fund balance during the year was \$600,940, which resulted in a fund balance deficit at year-end of \$6,605,833. This included a transfer of \$939,134 from donor TIF District No. 7. The primary reason for the decrease in the fund balance was debt service payments that were in excess of increment generated.

#### Debt Service

The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. The year ended with a fund balance of \$7,396,361. The net increase in fund balance during the year of \$1,258,149 was due to three factors: 1). the City's decision to continue the practice, which began in 2012, to annually levy between \$700,000-\$900,000 for TIF-related Debt Service, funding that had previously been used to fund non-TIF debt service payments. That set aside, which now totals \$7,000,000 and remains in the Debt Service Fund fund balance, is being used to fund temporary advances to offset cash deficits in TIF No. 6 and TIF No. 8 Special Revenue Funds, deficits created by debt service payments in excess of tax increment received; 2). Revenue generated from a newly implemented Transportation Assessment Replacement Fee (TARF), a fee which is being imposed on all property owners in the City. The fee was established to replace special assessments previously levied on property owners for all street reconstruction (except for street projects in new subdivisions) and sidewalk and trail projects; and 3). a significant positive variance in special assessment revenue collected for street projects in new subdivisions.

# **Management's Discussion and Analysis (Unaudited)**

## **Capital Projects – Public Infrastructure**

This fund accounts for resources to be used for the acquisition, construction or maintenance of streets, sewers, pedestrian routes and traffic signals. The realization of revenue from unused escrow funds (\$406,263) significantly contributed to an increase in fund balance of \$642,308. This resulted in a fund balance at year-end of \$4,075,731.

## **Special Revenue Fund – TIF District No. 7**

The Special Revenue -TIF District No. 7 fund accounts for the accumulation of TIF tax increment generated by development in the district, and the corresponding transfer of funds to the City's general and debt service funds for administrative and debt service related costs. Increment generated for TIF No. 7 was more than sufficient to offset debt service payments, leading to an initial positive fund balance of \$939,134. As a donor TIF, TIF District No. 7 then transferred this full amount to TIF District No. 8, which would typically lead to the final fund balance of \$0. Unique in 2019 was a December G.O. Debt Refunding that lead to a temporary year-end fund balance of \$1,475,000. This balance that was only temporary in nature, since those funds were then disbursed March 1, 2020 to finalize the debt refunding process.

## **Capital Projects – TIF District No. 8**

This fund accounts for resources to be used to fund redevelopment projects within the City's Doty Island and Riverwalk Zone improvement districts. Unspent borrowed funds in 2019 contributed to an increase in fund balance of \$351,635. This resulted in a positive year-end balance of \$2,465,588. This amount includes Debt Service Reserve funds set aside in trust that will be used to make final year debt service payments on current CDA debt outstanding.

## **Capital Projects – TIF District No. 10**

This fund accounts for resources to be used to fund redevelopment projects within the City's Near Downtown improvement district. The receipt of intergovernmental grants combined with unspent borrowed funds from 2019 led to an increase in fund balance of \$1,131,314. This resulted in a positive fund balance at year-end of \$451,471.

## **Proprietary Funds**

### **Water Utility**

The water utility's operating income was \$3,680,400 in 2019, with net income before transfers and contributions of \$3,626,440. These positive operating results lead to an increase in net position of \$2,908,114. The water utility's 2019 rate of return is 8.31%, the exact same percentage as 2018. Positive operating outcomes are the result of ongoing stable results in both operating revenues expenses within a currently positive budgetary structure.

# Management's Discussion and Analysis (Unaudited)

## Sewerage Disposal Utility

The sewerage disposal utility realized an operating gain, before transfers and contributions, of \$1,179,533. Overall net position increased by \$614,517. A low rate structure was the main contributing factor to the operating loss and decrease in net position in years prior to 2011. The City approved a new rate structure in late 2008 for implementation in 2009-2014, resulting in the continuation of positive and stable operating results for 2019.

## Storm Water Utility

In 2019, the utility had operating income of \$518,909 and an increase in net position of \$253,420. Stability in both rates to customers as well as operations continue to be the driving force behind ongoing positive operating results.

## **BUDGETARY ANALYSIS**

The City's 2019 General Fund adopted expenditure budget totaled \$25,061,550. The Common Council approved both budget amendments and departmental 2019 carryover requests of 2018 unspent operating funds totaling \$144,049 for an amended expenditure budget of \$25,205,599. The City's final adopted General Fund revenue budget totaled \$24,870,550. The 2019 adopted budget, before carryovers, also included the use of \$190,000 (\$150,000 City and \$40,000 Library) of reserves to balance the General Fund operating budget.

The City ended 2019 with a total fund balance increase of \$386,743 and an unassigned fund balance increase of \$358,500 from 2018, continuing the stable and positive trend established over recent years.

Actual general fund revenue and other financing sources was \$453,747 (1.82%) more than budget. With the exception of Taxes, the City experienced positive variances in most revenue categories, including Intergovernmental Revenues (\$46,701), Licenses and Permits (\$5,285), Charges for Services (\$54,222), Investment Income/Miscellaneous (\$350,192) and Other Financing Sources (\$103,555). Negative revenue variances were limited to Taxes (\$4,002) and Fines, Forfeitures and Penalties (\$8,359).

General fund expenditures and other financing uses finished 2019 with a favorable budget variance of \$268,045 (1.06%). Positive variances from Public Safety (\$373,959), Parks, Recreation and Education (\$2,900), Health and Welfare (\$200), Community Development (\$26,064) and Other (\$14,679) more than offset negative variances within General Government (\$14,092) and Public Works (\$135,665). Statements highlighting budget versus actual variances can be found on pages 77 through 80 of this report.

In summary, the City's combined positive revenue variance of \$453,747 and positive expenditure variance of \$268,045 led to a 2019 General Fund operating gain of \$721,792. This number, when reduced by the 2019 budgeted use of reserves of \$190,000 and by the 2019 carryovers of \$145,049, equals the total increase in fund balance of \$386,743 for fiscal year 2019.

# Management's Discussion and Analysis (Unaudited)

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

At the end of 2019, the City of Neenah had a net investment in capital assets of \$210,260,299 for all governmental and business-type activities of the City. This is an increase of \$1,654,858 or .79%, from the end of 2018.

Major capital asset additions (before depreciation) that took place in the City's governmental activities include net additions to Land (\$197,122), Land Improvements (\$25,508), Construction in Progress (\$43,037), Improvements (\$1,378,865), Buildings (\$93,576), Streets (\$484,647), Traffic Signals (\$55,746) and Sidewalks/Trails (\$271,762). Major capital asset net deletions/adjustments (before depreciation) include Equipment, Furniture and Fixtures (\$87,120) and Collections (\$27,521).

In the City's business-type activities, the Water Utility experienced a net increase (before accumulated depreciation) in Treatment (\$464,611), Transmission and Distribution (\$1,260,138) and Administrative and general assets (\$125,870). The City's Sewerage Disposal Utility saw a net increase in Collection System (\$572,188) and Collection System Pumping (\$37,643), while the Storm Water Utility also had a net addition in Construction in progress (\$147,155) and Collection System (\$656,388) along with a decrease in Detention Basins (\$298,326). The City's Parking Utility saw no major reduction in any categories in 2019. The following table provides a summary of the City's change in capital assets:

CITY OF NEENAH CAPITAL ASSETS						
	Governmental Activities		Business-Type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Land	14,800,419	14,603,297	280,447	280,447	15,080,866	14,883,744
Detention Ponds	-	-	3,499,715	3,499,715	3,499,715	3,499,715
Right-of-way	13,114,508	13,114,508	-	-	13,114,508	13,114,508
Land Improvements	10,503,640	10,478,132	-	-	10,503,640	10,478,132
Depreciable Capital Assets	158,478,158	156,308,203	114,153,939	111,047,138	272,632,097	267,355,341
Construction in progress	126,008	82,971	147,155	-	273,163	82,971
Total capital assets	197,022,733	194,587,111	118,081,256	114,827,300	315,103,989	309,414,411
Less accumulated depreciation	(64,647,382)	(62,648,278)	(40,196,308)	(38,160,692)	(104,843,690)	(100,808,970)
Capital assets net of depreciation	132,375,351	131,938,833	77,884,948	76,666,608	210,260,299	208,605,441

More detail regarding the City's capital assets can be found in Note IV (D) on pages 43 to 46 of this report.

# Management's Discussion and Analysis (Unaudited)

## Outstanding Debt

The City's outstanding general obligation debt (backed by the full faith and credit of City taxpayers) as of December 31, 2019 totaled \$52,053,334. The City also had a revenue debt outstanding of \$18,974,121 backed by revenues generated from the Neenah Water Utility (\$10,401,974) and Storm Water Utility (\$282,151). The revenue debt total also includes \$8,289,996 of Sanitary Sewer Clean Water Loan Fund Revenue debt of which the City is responsible through its ownership share in the Neenah-Menasha Sewerage Commission, which issued the loan in 2013. In addition, the City is the lessee for Capital Leases totaling \$17,077,715 owed to the City's Community Development Authority (CDA).

In 2019, the City issued \$8,825,000 in General Obligation Promissory Notes. Notes are debt instruments in which the debt principal will be paid off in ten years or less. Proceeds from the notes were authorized for use in the following manner:

City Capital Improvements Projects	\$ 6,750,000
Tax Incremental Financing Districts	1,085,000
Sanitary Sewer Utility	825,000
Storm Water Utility	<u>165,000</u>
Total	\$ 8,825,000

In addition, the City issued \$1,450,000 in G.O. Refunding Bonds to refund TIF related debt.

City outstanding G.O. notes and bonds carry a AA/stable rating from Standard & Poor's. Moody's current rating for all outstanding water utility revenue debt is Aa3.

Wisconsin state statutes limit the amount of general obligation debt a governmental entity may issue to 5% of its total equalized valuation. Based upon the City's 2019 equalized value of \$2,374,159,900, the City's statutory debt limit totaled \$118,707,995. Excluding excess funds available in the Debt Service Fund, the City was at 43.8% of its legal debt limit as of December 31, 2019.

The following table provides a summary of all outstanding debt and lease obligations:

CITY OF NEENAH OUTSTANDING DEBT					
	Governmental Activities		Business-Type Activities		Totals
	2019	2018	2019	2018	2019 2017
General obligation bonds and notes	44,051,320	40,171,940	8,002,014	8,686,160	52,053,334 48,858,100
Capital Leases	17,077,715	18,046,143	-	-	17,077,715 18,046,143
Revenue bonds	-	-	18,974,121	21,669,936	18,974,121 21,669,936
Total	<u>61,129,035</u>	<u>58,218,083</u>	<u>26,976,135</u>	<u>30,356,096</u>	<u>88,105,170 88,574,179</u>

More detail regarding the City's outstanding debt can be found in Note IV (F) on pages 51 through 57 of this report.

# **Management's Discussion and Analysis (Unaudited)**

## **ECONOMIC FACTORS, 2019 TAX RATES AND THE 2020 BUDGET**

As we enter 2020, the City of Neenah continues to experience relative stability in city government and ongoing signs of positive growth in the community as a whole. The ongoing strong national, state and regional economy as well ongoing strength locally continue to put the City in a healthy position moving forward. While challenges still exist, the City believes it is well positioned to meet ongoing and future issues as they arise.

The City showed tremendous growth in housing, commercial and industrial property values in 2019, reflected by a 7.44% increase in equalized value from 2018. Entering 2020, the City continues to aggressively seek development in all three sectors through the conservative yet creative use of Tax Incremental Financing as well as quality of life improvements within the community at large.

On the larger economic issues, City demographic statistics such as City and resident per return adjusted gross income and total per capita income continue to perform well when compared to both state and national averages. In its most recent rating report affirming the City's AA/Stable rating, Standard and Poors (S&P) continue to note the following positive or very positive attributes: Adequate economy; Strong management; Strong budgetary performance and; Very strong budgetary flexibility, Very strong liquidity and Strong institutional framework. The only negative attribute noted was a weak debt and contingent liability profile.

In summary, these attributes have allowed the City to position itself to counteract ongoing challenges without adversely affecting core services, while remaining committed to solutions that are based on sound financial principles that are sustainable into the future.

Regarding budgetary matters, the City's 2020 budget provided for an operating tax levy increase of .86% (before TIF), with a 1.33% increase after TIF. Regarding the assessed tax rate, the City had completed a property revaluation to bring assessed property values in line with market values. This lead to a 18.87% increase in assessed value, which translated into an assessed tax rate (after TIF) for City services of \$8.1932 per \$1,000 of assessed valuation (a 14.96% decrease). The corresponding equalized tax rate is \$8.0454 per \$1,000 of equalized value (a 5.91% decrease). In addition, the City implemented a Transportation Assessment Replacement Fee (TARF) on all property owners effective January 2019. The purpose of the TARF is to generate revenue that would allow the City to eliminate special assessments for Street Resurfacing, Street Reconstruction and Sidewalk Construction projects. The fee was set at \$23 per Impervious Area Unit (IAU) for the next five years and is expected to generate approximately \$400,000 in revenue annually. Due to the City's quarterly utility billing process, the initial fee charge was deferred for 1-2 months for certain property owners. Consequently, the TARF revenue totaled approximately \$322,000 in 2019.



## **Management's Discussion and Analysis (Unaudited)**

In the City's enterprise funds, the City's Water Utility continues on sound financial footing. A large rate increase in 2011 coupled with operating cost reductions utility-wide have contributed to this ongoing stability. This includes the systematic drawdown of the Water Utility's long-term debt. The recent business location of a large water user in the City Business Park, as well as other business retention and development should bode well for stable or increased water sales in 2020 and beyond. The Utility's rate of return for 2019 was 8.31%, the exact same as 2019. The Sanitary Sewer Utility experienced five rate increases from 2009-2014, with no changes implemented for 2015-2019. The 2013-14 increases were primarily to fund the City's share of a \$23 million improvement project to the Neenah/Menasha Wastewater Treatment Plant. Despite these increases, rates continue to be among the lowest in the state. A rate study is close to completion with recommendations planned that could affect rates beginning in late 2020 or early 2021. The City's Stormwater Utility have remained unchanged for the past eight years, with no plans for modifications in the foreseeable future. The Storm Water Utility charges all properties in the City a fee based upon the approximate impervious surface (ERU) of the property, which contributes to stormwater runoff.

### **COVID-19**

In December 2019, a novel strain of coronavirus was reported in Wuhan, Hubei Province, China. In the first several months of 2020, the virus, SARS-CoV-2, and resulting disease, COVID-19, spread to the United States, including to areas impacting the City of Neenah. The City of Neenah's evaluation of the effects of these events is ongoing; however, we anticipate this situation could impact the following:

- Investment valuations and decreased investment income;
- Declines in revenues such as room tax, state aids, fines or tickets, etc.;
- Decline in demand for services such as utilities, transit, recreational enterprise activities or permits and licenses;
- Increase in delinquencies or uncollectible accounts receivable or loans receivable;
- Timing or ability to issue bonds as planned or obtain financing (as the market has been disrupted);
- Increase in demand for services as a result of increased unemployment;
- Increased costs related to pensions, insurance, labor (sick time or overtime), etc.

The extent of the impact of COVID-19 on the City's operational and financial performance will depend on future developments, including the duration and spread of the outbreak and related governmental or other regulatory actions.

### **REQUESTS FOR FINANCIAL INFORMATION**

This financial report is designed to provide a general overview of the City of Neenah's finances for anyone who would have an interest. Additional information regarding the City's finances or questions concerning any of the information found in this report should be addressed to the City of Neenah, Director of Finance, 211 Walnut Street, P.O. Box 426, Neenah, WI 54957-0426. Other information related to the City can be accessed on the City's website at [www.ci.neenah.wi.us](http://www.ci.neenah.wi.us).

**CITY OF NEENAH**

STATEMENT OF NET POSITION  
As of December 31, 2019

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Totals	
<b>ASSETS</b>				
Cash and investments	\$ 21,760,152	\$ 12,697,355	\$ 34,457,507	\$ -
Receivables (net)				
Taxes	22,609,531	-	22,609,531	-
Delinquent personal property	11,433	-	11,433	-
Special assessments	1,282,853	211,274	1,494,127	-
Loans	499,934	-	499,934	-
Accrued interest	160,680	1,914	162,594	51,091
Accounts	328,936	1,471,808	1,800,744	-
Unbilled revenues	-	1,461,622	1,461,622	-
Other	602,047	8,149	610,196	-
Internal balances	954,770	(954,770)	-	-
Due from component unit	2,159,226	-	2,159,226	-
Due from other governments	45,760	8,289,996	8,335,756	-
Lease receivable from primary government	-	-	-	17,077,716
Inventories	219,663	123,161	342,824	-
Prepaid items	131,446	1,360	132,806	-
Restricted Assets				
Cash and investments	-	1,690,277	1,690,277	2,159,226
Deposit with risk pool	1,117,155	-	1,117,155	-
Other assets	-	569	569	-
Land held for resale	773,000	-	773,000	-
Capital Assets				
Land	14,800,419	280,447	15,080,866	-
Detention ponds	-	3,499,715	3,499,715	-
Right-of-way	13,114,508	-	13,114,508	-
Land improvements	10,503,640	-	10,503,640	-
Construction in progress	126,008	147,155	273,163	-
Depreciable capital assets, net	93,830,776	73,957,631	167,788,407	-
Total Assets	185,031,937	102,887,663	287,919,600	19,288,033
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Unamortized loss on advance refunding	7,884	7,063	14,947	727,284
Pension related amounts	11,357,361	1,016,441	12,373,802	-
Total Deferred Outflows of Resources	11,365,245	1,023,504	12,388,749	727,284
<b>LIABILITIES</b>				
Accounts payable	848,764	533,668	1,382,432	-
Other accrued liabilities	868,100	101,203	969,303	51,091
Claims payable	67,028	-	67,028	-
Due to other governmental units	357	-	357	-
Due to primary government	-	-	-	2,159,226
Other liabilities	194,986	45,800	240,786	-
Unearned revenue	11,433	7,697	19,130	-
Liabilities Payable From Restricted Assets				
Current maturities of revenue debt	-	2,765,515	2,765,515	-
Accrued interest	-	38,869	38,869	-
Noncurrent Liabilities				
Due within one year	8,638,182	1,483,890	10,122,072	1,125,000
Due in more than one year	57,631,697	23,000,645	80,632,342	16,680,000
Net pension liability	4,217,311	342,969	4,560,280	-
Total Liabilities	72,477,858	28,320,256	100,798,114	20,015,317
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes levied for next period	22,244,705	-	22,244,705	-
Pension related amounts	5,791,859	508,801	6,300,660	-
Total Deferred Inflows of Resources	28,036,564	508,801	28,545,365	-
<b>NET POSITION</b>				
Net investment in capital assets	85,413,763	59,349,147	144,221,208	-
Restricted for				
Debt service	7,653,959	1,082,408	8,736,367	-
TIF Districts	272,677	-	272,677	-
Loans	393,791	-	393,791	-
Grant programs	78,859	-	78,859	-
Library	1,618,601	-	1,618,601	-
Cemetery	1,435,445	-	1,435,445	-
Depreciation	-	250,000	250,000	-
Unrestricted (deficit)	(984,335)	14,400,555	13,957,922	-
<b>TOTAL NET POSITION</b>	\$ 95,882,760	\$ 75,082,110	\$ 170,964,870	\$ -

See accompanying notes to financial statements.

# CITY OF NEENAH

## STATEMENT OF ACTIVITIES For the Year Ended December 31, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 2,916,181	\$ 954,771	\$ -	\$ -
Public safety	12,309,336	408,732	191,032	-
Public works	10,283,291	530,495	-	3,360,209
Recycling	397,067	360,800	208,575	-
Parks, recreation, and education	3,603,682	1,535,788	221,936	16,361
Health and welfare	16,347	60,698	-	-
Community development	2,690,558	232,650	563,914	-
Interest and fiscal charges	1,837,708	-	-	-
Total Governmental Activities	34,054,170	4,083,934	1,185,457	3,376,570
Business-type Activities				
Water utility	4,606,222	8,011,790	-	217,402
Sewerage disposal utility	3,526,473	4,650,553	-	299,924
Stormwater utility	1,317,053	1,756,995	-	188,202
Parking utility	259,697	277,133	-	-
Total Business-type Activities	9,709,445	14,696,471	-	705,528
Total Primary Government	\$ 43,763,615	\$ 18,780,405	\$ 1,185,457	\$ 4,082,098
Component Unit - Business-type Activities				
Community Development Authority	\$ 751,143	\$ -	\$ -	\$ -

### General Revenues

#### Taxes

Property taxes, levied for general purposes

Property taxes, levied for debt service

Property taxes, levied for TIF purposes

Other taxes

Intergovernmental revenues not restricted to specific programs

Investment income

Gain on sale of capital assets

Miscellaneous

#### Transfers

Total General Revenues and Transfers

### Change in Net Position

NET POSITION - Beginning

NET POSITION - Ending

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Totals	
\$ (1,961,410)	\$ -	\$ (1,961,410)	\$ -
(11,709,572)	-	(11,709,572)	-
(6,392,587)	-	(6,392,587)	-
172,308	-	172,308	-
(1,829,597)	-	(1,829,597)	-
44,351	-	44,351	-
(1,893,994)	-	(1,893,994)	-
(1,837,708)	-	(1,837,708)	-
<u>(25,408,209)</u>	<u>-</u>	<u>(25,408,209)</u>	<u>-</u>
-	3,622,970	3,622,970	-
-	1,424,004	1,424,004	-
-	628,144	628,144	-
-	<u>17,436</u>	<u>17,436</u>	-
-	<u>5,692,554</u>	<u>5,692,554</u>	-
<u>(25,408,209)</u>	<u>5,692,554</u>	<u>(19,715,655)</u>	-
-	-	-	(751,143)
13,668,255	-	13,668,255	-
3,285,000	-	3,285,000	-
4,987,352	-	4,987,352	-
7,518	-	7,518	-
2,948,962	-	2,948,962	-
1,280,603	283,506	1,564,109	751,143
-	8,000	8,000	-
351,116	36,725	387,841	-
<u>2,356,168</u>	<u>(2,356,168)</u>	<u>-</u>	-
<u>28,884,974</u>	<u>(2,027,937)</u>	<u>26,857,037</u>	<u>751,143</u>
3,476,765	3,664,617	7,141,382	-
<u>92,405,995</u>	<u>71,417,493</u>	<u>163,823,488</u>	-
<u>\$ 95,882,760</u>	<u>\$ 75,082,110</u>	<u>\$ 170,964,870</u>	<u>\$ -</u>

See accompanying notes to financial statements.

**CITY OF NEENAH**

BALANCE SHEET - GOVERNMENTAL FUNDS  
As of December 31, 2019

	General	Special Revenue - TIF District No. 8
<b>ASSETS</b>		
Cash and investments	\$ 3,913,436	\$ -
Receivables (net)		
Taxes	14,055,494	1,074,858
Delinquent personal property	11,433	-
Special assessments	1,946	-
Loans	-	-
Accrued interest	160,680	-
Other	440,440	73,322
Due from other funds	935,728	-
Due from component unit	-	-
Due from other governments	45,760	-
Inventories	160	-
Prepaid items	38,251	-
Advances to other funds	-	-
<b>TOTAL ASSETS</b>	<b>\$ 19,603,328</b>	<b>\$ 1,148,180</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>		
Liabilities		
Accounts payable	\$ 223,992	\$ -
Other accrued liabilities	327,583	-
Due to other governmental units	357	-
Due to other funds	101,724	-
Other liabilities	-	-
Advances from other funds	-	6,679,155
Total Liabilities	<u>653,656</u>	<u>6,679,155</u>
Deferred Inflows of Resources		
Property tax levied for next period	13,939,939	1,074,858
Unavailable revenue	20,820	-
Total Deferred Inflows of Resources	<u>13,960,759</u>	<u>1,074,858</u>
Fund Balances		
Nonspendable:		
Delinquent personal property taxes	11,433	-
Inventories	160	-
Prepaid items	38,251	-
Restricted	-	-
Committed	-	-
Assigned	359,735	-
Unassigned (deficit)	4,579,334	(6,605,833)
Total Fund Balances	<u>4,988,913</u>	<u>(6,605,833)</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 19,603,328</b>	<b>\$ 1,148,180</b>

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

Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. See Note IV.D.

Assets held for resale are not reported in the funds.

Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements. See Note IV.B.

Internal service funds are reported in the statement of net position as governmental funds.

Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds. See Note II.A.

The net pension liability does not relate to current financial resources and is not reported in governmental funds.

Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.

Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.

**NET POSITION OF GOVERNMENTAL ACTIVITIES**

<u>Debt Service</u>	<u>Capital Projects - Public Infrastructure</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 84,079	\$ 2,705,917	\$ 10,273,834	\$ 16,977,266
3,708,292	-	3,770,887	22,609,531
-	-	-	11,433
774,042	506,865	-	1,282,853
-	-	499,934	499,934
-	-	-	160,680
35,640	-	52,645	602,047
-	-	-	935,728
-	-	2,159,226	2,159,226
-	-	-	45,760
-	-	-	160
-	-	884	39,135
<u>7,018,417</u>	<u>1,095,680</u>	<u>374,046</u>	<u>8,488,143</u>
<u>\$ 11,620,470</u>	<u>\$ 4,308,462</u>	<u>\$ 17,131,456</u>	<u>\$ 53,811,896</u>
\$ 68	\$ 93,299	\$ 185,002	\$ 502,361
-	-	-	327,583
-	-	-	357
-	-	-	101,724
-	139,432	55,554	194,986
-	-	1,688,222	8,367,377
<u>68</u>	<u>232,731</u>	<u>1,928,778</u>	<u>9,494,388</u>
3,450,000	-	3,770,887	22,235,684
774,041	-	-	794,861
<u>4,224,041</u>	<u>-</u>	<u>3,770,887</u>	<u>23,030,545</u>
-	-	-	11,433
-	-	-	160
-	-	884	39,135
7,396,361	-	10,527,898	17,924,259
-	-	1,421,084	1,421,084
-	4,075,731	502,763	4,938,229
-	-	(1,020,838)	(3,047,337)
<u>7,396,361</u>	<u>4,075,731</u>	<u>11,431,791</u>	<u>21,286,963</u>
<u>\$ 11,620,470</u>	<u>\$ 4,308,462</u>	<u>\$ 17,131,456</u>	
			132,375,351
			773,000
			794,861
			3,335,941
			(64,031,547)
			(4,217,311)
			11,357,361
			(5,791,859)
			<u>\$ 95,882,760</u>

See accompanying notes to financial statements.

# CITY OF NEENAH

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS For the Year Ended December 31, 2019

	General	Special Revenue - TIF District No. 8	Debt Service
<b>REVENUES</b>			
Taxes	\$ 13,689,758	\$ 1,305,284	\$ 3,285,000
Intergovernmental	3,915,901	234,718	110,800
Licenses and permits	303,965	-	-
Fines, forfeitures and penalties	99,141	-	-
Special assessments	-	-	978,828
Charges for services	2,845,332	-	322,889
Contributions	-	-	-
Investment income and miscellaneous	956,995	120,145	-
Total Revenues	<u>21,811,092</u>	<u>1,660,147</u>	<u>4,697,517</u>
<b>EXPENDITURES</b>			
Current			
General government	2,553,422	-	-
Public safety	11,550,161	-	-
Public works	4,499,385	-	-
Recycling	-	-	-
Parks, recreation, and education	4,314,070	-	-
Health and welfare	50	-	-
Community development	1,709,855	19,512	-
Conservation and development	-	-	-
Other	298,611	-	-
Capital Outlay	-	-	-
Debt Service			
Principal retirement	-	1,085,000	5,405,620
Interest and fiscal charges	-	635,572	1,186,321
Total Expenditures	<u>24,925,554</u>	<u>1,740,084</u>	<u>6,591,941</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(3,114,462)</u>	<u>(79,937)</u>	<u>(1,894,424)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Long-term debt issued	-	-	43,050
Refunding bonds issued	-	-	-
Premium on debt	-	4,025	159,809
Sale of city property	94,694	-	-
Transfers in	3,418,511	939,134	2,949,714
Transfers out	(12,000)	(1,464,162)	-
Total Other Financing Sources (Uses)	<u>3,501,205</u>	<u>(521,003)</u>	<u>3,152,573</u>
<b>Net Change in Fund Balance</b>	386,743	(600,940)	1,258,149
FUND BALANCES (DEFICIT) - Beginning	<u>4,602,170</u>	<u>(6,004,893)</u>	<u>6,138,212</u>
<b>FUND BALANCES (DEFICIT) - ENDING</b>	<u>\$ 4,988,913</u>	<u>\$ (6,605,833)</u>	<u>\$ 7,396,361</u>

Capital Projects - Public Infrastructure	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 4,042,868	\$ 22,322,910
-	1,247,441	5,508,860
-	-	303,965
-	-	99,141
-	-	978,828
-	-	3,168,221
406,263	232,733	638,996
-	715,455	1,792,595
<u>406,263</u>	<u>6,238,497</u>	<u>34,813,516</u>
-	-	2,553,422
-	24,579	11,574,740
-	-	4,499,385
-	460,640	460,640
-	79,383	4,393,453
-	3,338	3,388
-	840,080	2,569,447
-	37,459	37,459
-	-	298,611
1,703,700	3,660,008	5,363,708
-	-	6,490,620
-	43,178	1,865,071
<u>1,703,700</u>	<u>5,148,665</u>	<u>40,109,944</u>
<u>(1,297,437)</u>	<u>1,089,832</u>	<u>(5,296,428)</u>
1,985,000	5,806,950	7,835,000
-	1,450,000	1,450,000
-	102,755	266,589
-	7,279	101,973
-	342,004	7,649,363
<u>(45,255)</u>	<u>(3,551,778)</u>	<u>(5,073,195)</u>
<u>1,939,745</u>	<u>4,157,210</u>	<u>12,229,730</u>
642,308	5,247,042	6,933,302
<u>3,433,423</u>	<u>6,184,749</u>	<u>14,353,661</u>
<u>\$ 4,075,731</u>	<u>\$ 11,431,791</u>	<u>\$ 21,286,963</u>

See accompanying notes to financial statements.



# CITY OF NEENAH

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended December 31, 2019

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Net change in fund balances - total governmental funds	\$ 6,933,302
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives with depreciation expense reported in the statement of activities.

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	5,363,708
Some items are reported as capital outlay but are not capitalized	(752,787)
Depreciation is reported in the government-wide statements	(3,973,496)
Net book value of assets retired	(200,907)

Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.	295,608
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Debt and leases issued provide current financial resources to governmental funds, but issuing these obligations increases long-term liabilities in the statement of net position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which issues (\$9,285,000 for general obligation debt and \$116,572 for the change in the unamortized loss on the CDA refunding) were less than the payments (\$5,405,620 for principal of general obligation debt and \$1,085,000 for principal of capital lease).	(2,910,952)
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Governmental funds report debt premiums and discounts as other financing sources (uses) or expenditures. However, in the statement of net position, these are reported as additions to or deductions from long-term debt. These are allocated over the period the debt is outstanding in the statement of activities and are reported as interest expense.	(45,251)
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Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Compensated absences	2,193
Accrued interest on debt	(30,102)
Amortization of loss on advance refunding	(47,301)
Net pension liability (asset)	(7,670,909)
Deferred outflow of resources related to pensions	5,025,488
Deferred inflow of resources related to pensions	1,035,066

Internal service funds are used by management to charge the costs of self insurance and central equipment agency costs to individual funds. The decrease in net position of the internal service funds is reported with governmental activities.	453,105
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<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 3,476,765</u></b>
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See accompanying notes to financial statements.

**CITY OF NEENAH**

**STATEMENT OF NET POSITION - PROPRIETARY FUNDS**  
As of December 31, 2019

	Business-type Activities - Enterprise Funds					Governmental
	Water	Sewerage	Stormwater	Nonmajor	Total	Activities -
	Utility	Disposal	Utility	(Parking Utility)	Enterprise	Internal Service
		Utility			Funds	Funds
<b>ASSETS AND DEFERRED</b>						
<b>OUTFLOWS OF RESOURCES</b>						
Current Assets						
Cash and investments	\$ 7,120,629	\$ 2,803,944	\$ 2,772,782	\$ -	\$ 12,697,355	\$ 4,782,886
Accounts receivable	796,280	479,188	165,749	30,591	1,471,808	328,936
Interest receivable	1,914	-	-	-	1,914	-
Unbilled revenues	834,327	482,803	144,492	-	1,461,622	-
Other accounts receivable	8,149	-	-	-	8,149	-
Due from other funds	296	100,143	1,285	-	101,724	-
Inventories	120,511	-	-	2,650	123,161	219,503
Prepaid items	1,360	-	-	-	1,360	92,311
Current portion of due from other governments	-	542,609	-	-	542,609	-
Other assets	569	-	-	-	569	-
Restricted Assets						
Bond redemption account	1,103,447	-	17,830	-	1,121,277	-
Total Current Assets	9,987,482	4,408,687	3,102,138	33,241	17,531,548	5,423,636
Noncurrent Assets						
Restricted Assets						
Bond depreciation account	250,000	-	-	-	250,000	-
Bond reserve account	319,000	-	-	-	319,000	-
Deposit with risk pool	-	-	-	-	-	1,117,155
Capital Assets						
Land	122,180	-	-	158,267	280,447	-
Construction in progress	-	-	147,155	-	147,155	-
Detention ponds	-	-	3,499,715	-	3,499,715	-
Plant in service	64,962,371	28,841,871	20,317,980	31,717	114,153,939	-
Accumulated depreciation	(22,125,328)	(10,921,013)	(7,118,250)	(31,717)	(40,196,308)	-
Due from other governments	-	7,747,387	-	-	7,747,387	-
Other Assets						
Special assessments	-	196,908	14,366	-	211,274	-
Total Noncurrent Assets	43,528,223	25,865,153	16,860,966	158,267	86,412,609	1,117,155
Total Assets	53,515,705	30,273,840	19,963,104	191,508	103,944,157	6,540,791
Deferred Outflows of Resources						
Unamortized loss on advance refunding	7,063	-	-	-	7,063	-
Pension related amounts	719,517	89,566	170,892	36,466	1,016,441	-
Total Deferred Outflows of Resources	726,580	89,566	170,892	36,466	1,023,504	-
<b>TOTAL ASSETS AND DEFERRED</b>						
<b>OUTFLOWS OF RESOURCES</b>						
	\$ 54,242,285	\$ 30,363,406	\$ 20,133,996	\$ 227,974	\$ 104,967,661	\$ 6,540,791

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water Utility	Sewerage Disposal Utility	Stormwater Utility	Nonmajor (Parking Utility)	Total Enterprise Funds	
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>						
Current Liabilities						
Accounts payable	\$ 211,834	\$ 244,160	\$ 64,891	\$ 12,783	\$ 533,668	\$ 346,403
Other accrued liabilities	-	42,719	28,055	30,429	101,203	24,073
Claims payable	-	-	-	-	-	67,028
Due to other funds	935,728	-	-	-	935,728	-
Other current liabilities	45,800	-	-	-	45,800	-
Unearned revenue	7,697	-	-	-	7,697	20,454
Compensated absences	30,430	-	-	-	30,430	1,622,158
General obligation debt	-	1,015,700	437,760	-	1,453,460	-
Current Liabilities Payable From Restricted Assets						
Current maturities of revenue debt	2,198,467	542,609	24,439	-	2,765,515	-
Accrued interest	37,386	-	1,483	-	38,869	-
Total Current Liabilities	3,467,342	1,845,188	556,628	43,212	5,912,370	2,080,116
Noncurrent Liabilities						
General obligation debt payable (including unamortized premium)	-	4,175,142	2,505,631	-	6,680,773	-
Revenue debt (including unamortized premium)	8,247,013	7,747,387	257,712	-	16,252,112	-
Compensated absences	67,760	-	-	-	67,760	1,124,734
Advances to other funds	-	-	-	120,766	120,766	-
Net pension liability	251,327	27,487	58,197	5,958	342,969	-
Total Noncurrent Liabilities	8,566,100	11,950,016	2,821,540	126,724	23,464,380	1,124,734
Total Liabilities	12,033,442	13,795,204	3,378,168	169,936	29,376,750	3,204,850
Deferred Inflows of Resources						
Pension related amounts	365,127	43,094	83,490	17,090	508,801	-
<b>NET POSITION</b>						
Net investment in capital assets	32,839,806	12,730,016	13,621,058	158,267	59,349,147	-
Restricted for debt service	1,066,061	-	16,347	-	1,082,408	-
Restricted for depreciation	250,000	-	-	-	250,000	-
Unrestricted (deficit)	7,687,849	3,795,092	3,034,933	(117,319)	14,400,555	3,335,941
Total Net Position	41,843,716	16,525,108	16,672,338	40,948	75,082,110	3,335,941
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>						
	\$ 54,242,285	\$ 30,363,406	\$ 20,133,996	\$ 227,974	\$ 104,967,661	\$ 6,540,791

See accompanying notes to financial statements.

# CITY OF NEENAH

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - PROPRIETARY FUNDS For the Year Ended December 31, 2019

	Business-type Activities - Enterprise Funds				Total Enterprise Funds	Governmental Activities - Internal Service Fund
	Water Utility	Sewerage Disposal Utility	Stormwater Utility	Nonmajor (Parking Utility)		
<b>OPERATING REVENUES</b>						
Fees, fines, and forfeitures	\$ -	\$ -	\$ -	\$ 277,133	\$ 277,133	\$ -
Charges for services	7,747,551	4,609,645	1,736,694	-	14,093,890	9,309,986
Miscellaneous operating income	264,239	40,908	20,301	-	325,448	-
Total Operating Revenues	<u>8,011,790</u>	<u>4,650,553</u>	<u>1,756,995</u>	<u>277,133</u>	<u>14,696,471</u>	<u>9,309,986</u>
<b>OPERATING EXPENSES</b>						
Utility operations	2,808,196	2,972,941	950,860	259,697	6,991,694	-
Depreciation	1,523,194	430,307	287,226	-	2,240,727	-
Other	-	-	-	-	-	8,636,881
Total Operating Expenses	<u>4,331,390</u>	<u>3,403,248</u>	<u>1,238,086</u>	<u>259,697</u>	<u>9,232,421</u>	<u>8,636,881</u>
Operating Income	<u>3,680,400</u>	<u>1,247,305</u>	<u>518,909</u>	<u>17,436</u>	<u>5,464,050</u>	<u>673,105</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Investment income	174,931	55,453	51,906	-	282,290	-
Intergovernmental grant	-	-	80,000	-	80,000	-
Gain on investments	1,216	-	-	-	1,216	-
Miscellaneous non-operating income	18,900	-	-	-	18,900	-
Gain on sale of capital assets	8,000	-	-	-	8,000	-
Interest expense	(270,810)	(112,203)	(68,588)	-	(451,601)	-
Amortization of loss on advance refunding	(4,022)	(6,164)	(9,407)	-	(19,593)	-
Debt issuance costs	-	(4,858)	(972)	-	(5,830)	-
Amortization of premium	17,825	-	-	-	17,825	-
Total Nonoperating Revenues (Expenses)	<u>(53,960)</u>	<u>(67,772)</u>	<u>52,939</u>	<u>-</u>	<u>(68,793)</u>	<u>-</u>
Income Before Contributions and Transfers	3,626,440	1,179,533	571,848	17,436	5,395,257	673,105
Capital contributions	217,402	299,924	108,202	-	625,528	-
Transfers out	-	(864,940)	(426,630)	(128,870)	(1,420,440)	(220,000)
Transfers - tax equivalent	<u>(935,728)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(935,728)</u>	<u>-</u>
Change in Net Position	2,908,114	614,517	253,420	(111,434)	3,664,617	453,105
TOTAL NET POSITION - Beginning	<u>38,935,602</u>	<u>15,910,591</u>	<u>16,418,918</u>	<u>152,382</u>	<u>71,417,493</u>	<u>2,882,836</u>
TOTAL NET POSITION - ENDING	<u>\$ 41,843,716</u>	<u>\$ 16,525,108</u>	<u>\$ 16,672,338</u>	<u>\$ 40,948</u>	<u>\$ 75,082,110</u>	<u>\$ 3,335,941</u>

See accompanying notes to financial statements.

**CITY OF NEENAH**

STATEMENT OF CASH FLOWS -  
PROPRIETARY FUNDS  
For the Year Ended December 31, 2019

	Business-type Activities - Enterprise Funds				Total Enterprise Funds	Governmental Activities- Internal Service Funds
	Water Utility	Sewerage Disposal Utility	Stormwater Utility	Nonmajor (Parking Utility)		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Received from customers	\$ 8,143,532	\$ 4,764,785	\$ 1,742,572	\$ 247,587	\$ 14,898,476	\$ 9,275,964
Paid to suppliers for good and services	(1,720,414)	(2,658,226)	(691,465)	(160,601)	(5,230,706)	(7,356,646)
Paid to employees	(1,125,795)	(124,514)	(227,417)	(83,415)	(1,561,141)	(1,075,648)
Net Cash Provided (Used) by Operating Activities	5,297,323	1,982,045	823,690	3,571	8,106,629	843,670
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Paid to municipality for tax equivalent	(971,379)	-	-	-	(971,379)	-
Transfers out	-	(864,940)	(426,630)	(128,870)	(1,420,440)	(220,000)
Net Cash Provided (Used) by Noncapital Financing Activities	(971,379)	(864,940)	(426,630)	(128,870)	(2,391,819)	(220,000)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Additions to capital assets	(1,956,709)	(515,471)	(811,642)	-	(3,283,822)	-
Capital contributed by customers	13,076	25,750	88,008	-	126,834	-
Special assessments received	-	184,170	9,886	-	194,056	-
Construction grant received	-	-	80,000	-	80,000	-
Advances from other funds	-	-	-	120,766	120,766	-
Long-term debt issued	-	825,000	165,000	-	990,000	-
Debt issuance costs and premiums	-	14,674	2,934	-	17,608	-
Principal paid on long-term debt	(2,143,501)	(1,169,768)	(528,071)	-	(3,841,340)	-
Interest paid on long-term debt	(277,746)	(132,527)	(84,811)	-	(495,084)	-
Net Cash Used by Capital and Related Financing Activities	(4,364,880)	(768,172)	(1,078,696)	120,766	(6,090,982)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Investment income	177,998	55,453	51,906	-	285,357	-
Investments sold and matured	263,255	-	-	-	263,255	-
Net Cash Provided by Investing Activities	441,253	55,453	51,906	-	548,612	-
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	402,317	404,386	(629,730)	(4,533)	172,440	623,670
<b>CASH AND CASH EQUIVALENTS - Beginning</b>	8,104,528	2,399,558	3,420,342	4,533	13,928,961	4,159,216
<b>CASH AND CASH EQUIVALENTS - ENDING</b>	\$ 8,506,845	\$ 2,803,944	\$ 2,790,612	\$ -	\$ 14,101,401	\$ 4,782,886

	Business-type Activities - Enterprise Funds				Total Enterprise Funds	Governmental Activities- Internal Service Funds
	Water Utility	Sewerage Disposal Utility	Stormwater Utility	Nonmajor (Parking Utility)		
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES</b>						
Operating income	\$ 3,680,400	\$ 1,247,305	\$ 518,909	\$ 17,436	\$ 5,464,050	\$ 673,105
Adjustments to Reconcile Operating Income to Net Cash Provided From Operating Activities						
Nonoperating income	18,900	-	-	-	18,900	-
Depreciation expense	1,523,194	430,307	287,226	-	2,240,727	-
Depreciation charged to sewer utility	158,000	-	-	-	158,000	-
Changes in Assets, Liabilities, and Deferred Inflows and Outflows						
Accounts receivable	23,840	114,232	(14,423)	(29,546)	94,103	(37,824)
Other accounts receivable	1,039	-	-	-	1,039	-
Inventories	(4,576)	-	-	-	(4,576)	(5,574)
Prepaid items	(1,311)	-	-	(2,650)	(3,961)	23,634
Accounts payable	(195,644)	183,042	17,136	5,163	9,697	61,633
Claims payable	-	-	-	-	-	(2,777)
Other current liabilities	1,000	-	(1,784)	11,342	10,558	-
Unearned revenues	263	-	-	-	263	3,802
Pension related deferrals and liabilities	95,518	7,159	16,626	1,826	121,129	-
Compensated absences	(3,300)	-	-	-	(3,300)	127,671
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>\$ 5,297,323</b>	<b>\$ 1,982,045</b>	<b>\$ 823,690</b>	<b>\$ 3,571</b>	<b>\$ 8,106,629</b>	<b>\$ 843,670</b>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION - PROPRIETARY FUNDS</b>						
Cash and investments	\$ 7,120,629	\$ 2,803,944	\$ 2,772,782	\$ -	\$ 12,697,355	\$ 4,782,886
Restricted cash and investments						
Bond redemption account	1,103,447	-	17,830	-	1,121,277	-
Bond depreciation account	250,000	-	-	-	250,000	-
Bond reserve account	319,000	-	-	-	319,000	-
Total Cash and Investments	8,793,076	2,803,944	2,790,612	-	14,387,632	4,782,886
Less: Noncash Equivalents	(286,231)	-	-	-	(286,231)	-
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>\$ 8,506,845</b>	<b>\$ 2,803,944</b>	<b>\$ 2,790,612</b>	<b>\$ -</b>	<b>\$ 14,101,401</b>	<b>\$ 4,782,886</b>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>						
Developer and customer financed additions to utility plant	\$ 204,326	\$ -	\$ -	\$ -	\$ 204,326	\$ -
Unrealized loss on investments	\$ 1,216	\$ -	\$ -	\$ -	\$ 1,216	\$ -
Capital costs special assessed to customers, net with adjustments	\$ -	\$ 353,048	\$ -	\$ -	\$ 353,048	\$ -
Principal paid by NMSC	\$ -	\$ (528,622)	\$ -	\$ -	\$ (528,622)	\$ -
Capital assets transferred between funds	\$ -	\$ 120,919	\$ -	\$ -	\$ 120,919	\$ -

See accompanying notes to financial statements.

## CITY OF NEENAH

### STATEMENT OF FIDUCIARY NET POSITION CUSTODIAL FUNDS As of December 31, 2019

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	Custodial Funds
<b>ASSETS</b>	
Cash and investments	\$ 25,060,782
Property taxes receivable	4,420,968
Accounts receivable	<u>14,604</u>
<b>TOTAL ASSETS</b>	<u>29,496,354</u>
<b>LIABILITIES</b>	
Accounts payable	\$ 70,919
Accrued liabilities	1,823,258
Deposits	29,346
Due to other governmental units	<u>27,870,208</u>
<b>TOTAL LIABILITIES</b>	<u>29,793,731</u>
<b>NET POSITION (DEFICIT)</b>	<u><u>\$ (297,377)</u></u>

See accompanying notes to financial statements.

## CITY OF NEENAH

### STATEMENT OF CHANGES IN FIDUCIARY NET POSITION CUSTODIAL FUNDS As of December 31, 2019

	<u>Custodial Funds</u>
<b>ADDITIONS</b>	
Property taxes collected for other governments	
County	\$ 9,953,244
School District	14,266,227
Technical College	2,069,809
Court fines and penalties	406,544
Neenah subsidy	10,000
Neenah fire protection fees collected	5,043,514
Menasha fire protection fees collected	3,443,630
Investment income	34,748
Sale of property	21,148
Other fees collected	<u>1,105</u>
<b>TOTAL ADDITIONS</b>	<u>35,249,969</u>
<b>DEDUCTIONS</b>	
Property taxes distributed to other governments	
County	9,953,244
School District	14,266,227
Technical College	2,069,809
Municipal court fines and penalties distributed	435,858
Fire protection fees distributed	<u>8,513,572</u>
<b>TOTAL DEDUCTIONS</b>	<u>35,238,710</u>
<b>Change in Fiduciary Net Position</b>	11,259
NET POSITION (DEFICIT) - Beginning of Year, as restated	<u>(308,636)</u>
<b>NET POSITION (DEFICIT) - END OF YEAR</b>	<u>\$ (297,377)</u>

See accompanying notes to financial statements.



## CITY OF NEENAH

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## CITY OF NEENAH

### INDEX TO NOTES TO FINANCIAL STATEMENTS (cont.) As of and for the Year Ended December 31, 2019

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# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### **A. REPORTING ENTITY**

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

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

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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

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#### A. REPORTING ENTITY (cont.)

##### ***Discretely Presented Component Units***

###### *City of Neenah Business Improvement District*

The City of Neenah Business Improvement District (“BID”) is a legally separate organization. The BID was created under the provisions of Wisconsin Statute Section 66.1109. The BID, created in 2001, is a separate governmental entity with a separate 11-member board appointed by the mayor subject to common council confirmation. The members serve staggered terms as designated by the City Council. A majority of the members own or occupy real property in the BID. The BID has its own budgetary authority and assessment capabilities. Wisconsin statutes provide for circumstances whereby the City can impose their will on the BID, and also create a potential financial benefit or burden on the City. The BID’s financial information is not material to the City’s operations and therefore, is not presented. Separate financial statements may be obtained from the BID’s office at 135 West Wisconsin, Neenah, Wisconsin 54957.

###### *Neenah Community Development Authority*

The government-wide financial statements include the Neenah Community Development Authority (“Authority”) as a component unit. The Authority is a legally separate organization. The board of the Authority is appointed by the mayor of Neenah. Wisconsin Statutes provide for circumstances whereby the City can impose their will on the Authority, and also create a potential financial benefit to or burden on the City. See Note IV.K. As a component unit, the Authority’s financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended December 31, 2019. Separate financial statements of the Neenah Community Development Authority are not issued.

#### B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

In January 2017, the GASB issued statement No. 84 - *Fiduciary Activities*. This statement establishes criteria for identifying fiduciary activities of all state and local governments for accounting and financial reporting purposes and how those activities should be reported. This standard was implemented January 1, 2019.

In March 2018, the GASB issued statement No. 88 - *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This Statement defines debt for purposes of disclosure in notes to financial statements and establishes additional financial statement note disclosure requirements related to debt obligations of governments, including direct borrowings and direct placements. This standard was implemented January 1, 2019.

##### ***Government-Wide Financial Statements***

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

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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

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

##### ***Government-Wide Financial Statements (cont.)***

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

##### ***Fund Financial Statements***

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

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

- a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental fund or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the City believes is particularly important to financial statement users may be reported as a major fund.

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

The City reports the following major governmental funds:

- General Fund – accounts for the City's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.
- Special Revenue – TIF District No. 8 – accounts for resources legally restricted (state grants) or committed (lease payments, miscellaneous income) to supporting expenditures of the district.
- Debt Service Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the payment of general long-term debt principal, interest, and related costs, other than TIF or enterprise debt.
- Capital Projects – Public Infrastructure – used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the acquisition or construction of infrastructure.

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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

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

##### ***Fund Financial Statements (cont.)***

The City reports the following major enterprise funds:

- Water Utility – accounts for operations of the water system
- Sewerage Disposal Utility – accounts for operations of the sewer system
- Stormwater Utility – accounts for operations of the stormwater system

The City reports the following nonmajor governmental and enterprise funds:

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

- TIF District No. 5
- TIF District No. 6
- TIF District No. 7
- TIF District No. 9
- TIF District No. 10
- TIF District No. 11
- Community Development Block Grant
- Housing and Business Loans
- Industrial Development
- Recycling
- Health Grants
- Parks and Recreation
- Dial-A-Ride
- Civic and Social
- Library
- Clock Tower Renovations
- Other
- Cemetery Perpetual Care
- Cemetery Flowers
- Walnut

Capital Projects Funds – used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of equipment and/or major capital facilities.

- TIF District No. 5
- TIF District No. 6
- TIF District No. 7
- TIF District No. 8
- TIF District No. 9
- TIF District No. 10
- TIF District No. 11
- Redevelopment
- Facilities
- Capital Equipment
- Equipment Replacement

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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

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

##### ***Fund Financial Statements*** (cont.)

The City reports the following nonmajor governmental and enterprise funds: (cont.)

Enterprise Fund – used to report any activity for which a fee is charged to external uses for goods or services.

Parking Utility

In addition, the City reports the following fund types:

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

Fleet Management  
Benefit Accrual  
Insurance  
Information Systems

Custodial funds used to account for and report assets controlled by the City and the assets are for the benefit of individuals, private organizations, and/or other governmental units.

Advance Tax Collections  
Municipal Court  
Neenah-Menasha Fire Rescue

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

##### ***Government-Wide Financial Statements***

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

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

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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

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

##### ***Fund Financial Statements***

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

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

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

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues. At December 31, 2019, there were \$470,251 of unrecorded anticipated future assessments in the water utility, which are not recorded as receivables because collection is subject to certain events occurring in the future and no formal repayment schedule has been established.

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

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

The water utility records an annual payment in lieu of taxes (PILOT) expense based on the value of its plant and the current assessment ratio and local and school portion of the mill rate. Municipal utilities are exempt from federal and state income taxes. Taxes include the employer's share of social security and medicare, PSCW remainder assessment, and tax equivalent.

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



# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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

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

##### ***All Financial Statements***

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

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

##### **1. Deposits and Investments**

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

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

- a. Time deposits in any credit union, bank, savings bank or trust.
- b. Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority, or the Wisconsin Aerospace Authority.
- c. Bonds or securities issued or guaranteed by the federal government.
- d. The local government investment pool.
- e. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- f. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- g. Repurchase agreements with public depositories, with certain conditions.

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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

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

##### **1. Deposits and Investments (cont.)**

Investment of most trust funds including cemetery perpetual care funds is regulated by Chapter 881 of the Wisconsin Statutes. Investment of library trust funds is regulated by Chapter 112. Those sections give broad authority to use such funds to acquire various kinds of investments including stocks, bonds and debentures. Additional restrictions may arise from local charters, ordinances, resolutions and grant regulations. City funds invested in the cemetery perpetual care funds or endowment funds, including gifts where principal is to be kept intact, may be invested in specific investment types which prudent persons would not acquire or retain for their own accounts as long as the total investment in common stock does not exceed 50% of the total market value of the fund.

The City believes it is in compliance with all restrictions.

As described in Note IV.A., the City is exposed to the following deposit and investment risks: custodial credit risk (deposits and investments), credit risk, interest rate risk, and investments highly sensitive to interest rate changes.

The City's investment policy addresses each of these risks in the following manner:

*Custodial Credit Risk:* Where allowed by state law and in accordance with the GFOA Recommended Practices on the Collateralization of Public Deposits, full collateralization will be required on all demand deposit accounts, including checking accounts and nonnegotiable certificates of deposit.

*Credit Risk:* The City of Neenah will minimize credit risk, which is the risk of loss due to failure of the security issuer or backer, by limiting investments to types of securities listed within the policy; pre-qualifying financial institutions, brokers/dealers, intermediaries and advisers, and; diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

*Interest Rate Risk:* The City of Neenah will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy.

The policy does not specifically address custodial credit risk for investments or investments highly sensitive to interest rate changes.

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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

---

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

##### **1. Deposits and Investments (cont.)**

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

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2019, the fair value of the City's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note IV.A. for further information.

##### **2. Receivables**

###### *Property Taxes*

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

Property tax calendar – 2019 tax roll:

Lien date and levy date	December 2019
Tax bills mailed	December 2019
Payment in full, or	January 31, 2020
First installment due	January 31, 2020
Second installment due	March 31, 2020
Third installment due	May 31, 2020
Fourth installment due	July 31, 2020
Personal property taxes in full	January 31, 2020
Tax sale – 2019 delinquent real estate taxes	October 2022

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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

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

##### **2. Receivables (cont.)**

###### *Uncollectible Accounts*

Accounts receivable have been shown net of an allowance for uncollectible accounts. Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof. No provision for uncollectible utility accounts receivable has been made for the water, sewerage district, and stormwater utilities because they have the right by law to place substantially all delinquent bills on the tax roll, and other delinquent bills are generally not significant.

###### *Interfund Transactions*

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

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

###### *Loans*

The City has received federal and state grant funds for economic development and housing rehabilitation loan programs to various businesses and individuals. The City records a loan receivable when the loan has been made and funds have been disbursed. The amount recorded as economic development and housing rehabilitation loans receivable has been reduced by all known uncollectible accounts. An allowance of \$55,543 has been established in the housing/business loans fund at year-end.

It is the City’s policy to record revenue when the initial loan is made from the federal and state grant funds. The net amount of the loan receivable balance is included in restricted fund balance. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year-end are presented as restricted fund balance in the fund financial statements.

For economic development loans, the City is limited by the Wisconsin Department of Administration to the amount of program income from economic development loans that it may retain and loan to other businesses and the amount of time for which funds may be held without use. Program income includes the principal and interest received from economic development loans repayments.

At December 31, 2019, the City has not exceeded the maximum amount of program income that it may retain, or the amount of time established for which funds may be held without use. When it does, a liability to the state will be recorded.

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

---

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

---

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

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

Inventories of the proprietary funds are valued at cost based on weighted average cost and charged to construction and/or operation and maintenance expense when used. Governmental fund type inventories are recorded as expenditures when consumed rather than when purchased (consumption method), based on original cost using the FIFO method of accounting.

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

##### ***4. Restricted Assets***

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

##### ***5. Capital Assets***

###### ***Government –Wide Statements***

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$2,000 for utility capital assets, \$10,000 for general capital assets, and \$25,000 for infrastructure capital assets, each with an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at their estimated acquisition value at the date of donation.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. No interest was capitalized during the current year. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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

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

##### **5. Capital Assets (cont.)**

##### **Government –Wide Statements (cont.)**

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

Buildings	40 Years
Land Improvements	30 Years
Machinery and Equipment	3 – 20 Years
Library Collection	2 – 10 Years
Utility System	4 – 77 Years
Infrastructure	40 – 70 Years

##### **Fund Financial Statements**

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

##### **6. Land Held for Resale**

Land held for resale consists of land and improvements and is valued at cost of acquisition, demolition, and site improvements. Properties include both land intended for resale and land designated as a public area. Land held for resale is recorded at lower of cost or market value.

##### **7. Deferred Outflows of Resources**

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

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

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

---

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

---

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

##### **8. Basis for Existing Rates – Proprietary Funds**

###### *Water Utility*

Current water rates were approved by the Public Service Commission of Wisconsin in November 2010 and placed into effect January 1, 2011.

###### *Sewerage Disposal Utility*

Current wastewater rates were approved by the Common Council and effective March 1, 2014.

###### *Stormwater Utility*

Current stormwater rates were approved by the Common Council and effective January 1, 2010.

##### **9. Compensated Absences**

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

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

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2019 are determined on the basis of current salary rates and include salary related payments.

##### **10. Long-Term Obligations/Conduit Debt**

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of notes and bonds payable, capital leases, and accrued compensated absences.

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

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

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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

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

##### **10. Long-Term Obligations/Conduit Debt (cont.)**

The City has approved the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the City. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. Seven series of IRB's issued from 1999 through 2013 are outstanding. At year-end, the aggregate principal amount of these issues could not be determined. However, their aggregate original issue amounts totaled \$25,848,000.

##### **11. Deferred Inflows of Resources**

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

##### **12. Equity Classifications**

###### **Government-Wide Statements**

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

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net positions that do not meet the definition of “restricted” or “net investment in capital assets.”

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.

The net position section includes an adjustment for capital assets owned by the business-type activities column but financed by debt of the governmental activities column. The amount is a reduction of “net investment in capital assets,” and an increase in “unrestricted” net position, shown only in the total column. A reconciliation of this adjustment is as follows:

	Governmental Activities	Business-type Activities	Adjustment	Total
Net investment in capital assets	\$ 85,413,763	\$ 59,349,147	\$ (541,702)	\$ 144,221,208
Unrestricted (deficit)	(984,335)	14,400,555	541,702	13,957,922



# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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

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

##### ***12. Equity Classifications (cont.)***

###### ***Fund Statements***

Governmental fund balances are displayed as follows:

- a. Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority. Fund balance amounts are committed through a formal action (resolution) of the City. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City that originally created the commitment.
- d. Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The City has, by resolution, adopted a financial policy authorizing the Common Council to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.
- e. Unassigned - Includes residual positive fund balance within the general fund, which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

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

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

See Note IV.H. for further information.

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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

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

##### **13. Pension**

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

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### NOTE II – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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#### **A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET POSITION**

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this \$64,031,547 difference in liabilities are as follows:

Bonds and notes payable	\$ 44,051,320
Capital lease obligations	17,077,715
Compensated absences	1,692,421
Accrued interest*	516,444
Unamortized debt premiums	701,531
Unamortized loss on advance refunding	<u>(7,884)</u>
Net Adjustment to Reduce Fund Balance – Total	
Governmental Funds to Arrive at Net Position –	
Governmental Activities	<u>\$ 64,031,547</u>

\* This amount is included in other accrued liabilities on the Statement of Net Position.

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

#### A. BUDGETARY INFORMATION

A budget has been adopted for all of the governmental funds with the exception of the Walnut special revenue fund. Therefore, a budgetary comparative schedule is not presented in supplementary information for this fund. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

#### B. EXCESS EXPENDITURES AND OTHER FINANCING USES OVER APPROPRIATIONS

The following individual funds had an excess of expenditures and other financing uses over appropriations at the legal level of budgetary control for the year ended December 31, 2019.

	Excess
Special Revenue – TIF District No. 5	\$ 9,301
Special Revenue – TIF District No. 7	33,119
Special Revenue – TIF District No. 8	34,914
Special Revenue – TIF District No. 9	98,670
Special Revenue – TIF District No. 11	40,630
Special Revenue – Community Development Block Grant	501,570
Special Revenue – Housing and business loans	12,153
Special Revenue – Health Grants	1,049
Special Revenue – Clock Tower	25
Special Revenue – Library	35,731
Special Revenue – Cemetery perpetual care	4,577
Debt Service	164,362
Capital Projects – Equipment replacement	160,452

The City controls expenditures at the cost center level. Some individual departments experienced expenditures, which exceeded appropriations. The detail of those items can be found in the City's year-end budget to actual report.

#### C. DEFICIT BALANCES

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

As of December 31, 2019, the following nonmajor individual funds held a deficit balance:

Fund	Amount	Reason
Special Revenue Funds		
TIF District No. 5	\$ 217,829	Costs exceed accumulated increments
TIF District No. 6	332,696	Costs exceed accumulated increments
TIF District No. 10	227,430	Costs exceed accumulated increments
TIF District No. 11	98,653	Costs exceed accumulated increments
CDBG	143,323	Costs exceed intergovernmental revenues
Capital Projects Funds		
Redevelopment	907	Costs exceed revenues and other financing sources

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

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#### **C. DEFICIT BALANCES** (cont.)

TIF District deficits are anticipated to be funded with future incremental taxes levied over the life of the districts, which is 27 years for the districts created before October 1, 1995, and 23 years for districts created through September 30, 2004. Beginning October 1, 2004, the life of new districts varies by type of district (20-27 years) and may be extended in some cases. TIF District Nos. 5, 6 and 8 have been designated as distressed and can collect increment for an additional 10 years past the original life. Other fund deficits are anticipated to be funded with future contributions, grant revenues, general tax revenues, or long-term borrowing.

#### **D. LIMITATIONS ON THE CITY'S TAX LEVY**

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

#### **E. BOND COVENANT DISCLOSURE**

The following information is provided in compliance with the resolution creating the revenue bonds.

##### ***Insurance – Water Utility***

The water utility is covered under the following insurance policies at December 31, 2019:

Type	Coverage	Expiration Date
<i>Insurance Company of the State of Pennsylvania and The Cities and Villages Mutual Insurance Company</i>		
General Liability	\$ 5,000,000	01/01/2020
Automobile	10,000,000	01/01/2020
<i>Local Government Property Insurance Fund</i>		
Property (entire City)	179,780,680	04/04/2020

Refer to Note V.B. for additional insurance information.

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

#### E. BOND COVENANT DISCLOSURE (cont.)

##### Debt Coverage

Under terms of the resolutions providing for the issue of revenue bonds, revenues less operating expenses excluding depreciation (defined net earnings) must exceed 1.25 times the subsequent year's annual debt service and 1.10 times the highest annual debt service of the bonds for the water and stormwater utility, respectively. The coverage requirement was met for both the water utility and the stormwater utility as follows:

	Water	Stormwater
Operating revenues	\$ 8,011,790	\$ 1,756,995
Investment income	174,931	51,906
Miscellaneous nonoperating income	18,900	-
Less: Operation and maintenance expenses	(2,808,196)	(950,860)
Net Defined Earnings	<u>\$ 5,397,425</u>	<u>\$ 858,041</u>
Minimum Required Earnings per Resolution:		
Debt service	\$ 2,427,533	\$ 32,950
Coverage factor	<u>1.25</u>	<u>1.10</u>
Minimum Required Earnings	<u>\$ 3,304,416</u>	<u>\$ 36,245</u>

##### Number of Customers and Billed Volumes – Water Utility

The water utility has the following number of customers and billed volumes for 2019.

	Customers	Sales (000 gals)
	2019	2019
Residential	9,863	381,200
Commercial	676	142,483
Industrial	91	323,652
Public authority	19	21,090
Multifamily residential	94	24,217
Totals	<u>10,743</u>	<u>892,642</u>

##### Utility Budget

The 2019 utility budget was prepared and approved as required by the bond resolutions.

### NOTE IV – DETAILED NOTES ON ALL FUNDS

#### A. DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as cash and investments. In addition, investments are separately held by several of the City's funds.

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### A. DEPOSITS AND INVESTMENTS (cont.)

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

	Carrying Value	Bank and Investment Balances	Associated Risks
Deposits and cash on hand	\$ 34,099,123	\$ 34,306,528	Custodial credit
U.S. agencies implicitly guaranteed	6,063,689	6,063,689	Custodial credit, credit, interest rate and highly sensitive to interest rate changes
U.S. agencies explicitly guaranteed	1,289,596	1,289,596	Custodial credit, interest rate and highly sensitive to interest rate changes
U.S. treasuries	1,329,713	1,328,602	Custodial credit and interest rate
Corporate bonds and notes	1,918,930	1,918,930	Custodial credit, credit, and interest rate
Common stock	553,464	553,464	Custodial credit
State and local bonds	2,659,973	2,659,973	Custodial credit, credit and interest rate
LGIP	12,362,298	12,362,298	Credit
Mutual funds	923,611	923,611	Credit and interest rate
Petty cash	8,169	8,169	
Total Cash and Investments	<u>\$ 61,208,566</u>	<u>\$ 61,414,860</u>	
Reconciliation to financial statements			
Per statement of net position			
Unrestricted cash and investments	\$ 34,457,507		
Restricted cash and investments	1,690,277		
Per statement of fiduciary net position			
– Custodial Funds	<u>25,060,782</u>		
Total Cash and Investments	<u>\$ 61,208,566</u>		

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

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

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### A. DEPOSITS AND INVESTMENTS (cont.)

The City maintains collateral agreements with its banks. As of December 31, 2019, the bank had pledged various government securities in the amount of \$33,838,372 to secure the City's deposits. In addition, the City had \$2M of insurance provided by London insurers.

The Securities Investor Protection Corporation (SIPC), created by the Securities Investor Protection Act of 1970, is an independent government-sponsored corporation (not an agency of the U.S. government). SIPC membership provides account protection up to a maximum of \$500,000 per customer. \$1,000,000 of the City's deposits are covered by SIPC. TDC Ameritrade provides each client \$149.5 million worth of protection for securities. Vining Sparks provides a \$1 million securities dealer fidelity bond.

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

Investment Type	December 31, 2019			
	Level 1	Level 2	Level 3	Total
US agencies – implicitly guaranteed	\$ 248,565	\$ 5,815,124	\$ -	\$ 6,063,689
US agencies – explicitly guaranteed	-	1,289,596	-	1,289,596
US treasuries	1,329,713	-	-	1,329,713
Corporate bonds	249,908	1,669,022	-	1,918,930
Equity securities/stocks	553,464	-	-	553,464
State and local bonds	-	2,659,973	-	2,659,973
Mutual funds	923,611	-	-	923,611
Totals	<u>\$ 3,305,261</u>	<u>\$ 11,433,715</u>	<u>\$ -</u>	<u>\$ 14,738,976</u>

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

Investment Type	Valuation Method
U.S. agencies – implicitly guaranteed	Valued by a pricing service that uses matrix pricing or a yield of a similar investment type.
U.S. agencies – explicitly guaranteed	Valued by a pricing service that uses matrix pricing or a yield of a similar investment type.
U.S. treasuries	Institutional bond quotes – evaluations based on various market and industry inputs
Corporate bonds	Valued by a pricing service that uses matrix pricing or a yield of a similar investment type.
Equity securities/stocks	Evaluations based on various market factors
State and local bonds	Valued by a pricing service that uses matrix pricing or a yield of a similar investment type.
Mutual funds	Net asset value

#### Custodial Credit Risk

Deposits – Custodial credit risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned to the City.

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### A. DEPOSITS AND INVESTMENTS (cont.)

##### **Custodial Credit Risk** (cont.)

As of December 31, 2019, \$1,130,392 of the City's total bank balances of \$34,306,528 were uninsured and uncollateralized and therefore exposed to custodial credit risk.

Investments – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

As of December 31, 2019, \$742,908 of the City's investments were neither insured nor registered and held by counterparty, and therefore, exposed to custodial credit risk.

##### **Credit Risk**

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

As of December 31, 2019, the City's investments were rated as follows:

Investment Type	Standard & Poor's	Moody's Investor Service
<b>U.S. Agencies Implicitly Guaranteed</b>		
Federal Home Loan Mortgage Corporation	AA+	Aaa
Federal National Mortgage Association	AA+	Aaa
Federal Farm Credit Bank	AA+	Aaa
Small Business Administration	AA+	Aaa
<b>Corporate Bonds and Notes</b>		
Commonwealth Bank	AA-	Not available
Toyota Mtr Credit Corporation	AA-	Aa3
Microsoft Corporation	AAA	Aaa
Coca Cola Corporation	AA-	Aa3
General Electric Corporation Floater	AA+	Not available
Disney Corporation	A	A2
International bonds	AAA	Aaa



# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### A. DEPOSITS AND INVESTMENTS (cont.)

##### Credit Risk (cont.)

Investment Type	Standard & Poor's	Moody's Investor Service
<b>State and Local Bonds</b>		
State of Wisconsin Taxable Series C	AA+	Aa2
Oklahoma City Tax	AAA	Aaa
Grafton, WI	AA+	Not available
Brooklyn Center, MN	AA	Not available
State of Georgia	AAA	Aaa
Verona Schools	Not available	Aa2
Will Grundy, IL	AA	Not available
De Pere, WI	AA+	Not available
Grand Chute – Community Development Authority	AA	Not available
Maple Bluff, WI	AA+	Not available
<b>Mutual Funds</b>		
Templeton Institutional Fds Inc Foreign	Not available	Not available
Vanguard Extended Market Index Fd Invest	Not available	Not available
Vanguard Index TR 500 Admiral Shs	Not available	Not available

The City also had investments in the following external pool, which is not rated:

LGIP

##### Interest Rate Risk

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

As of December 31, 2019, the City's investments were as follows:

Specific Investment	Maturity Date	Fair Value
<b>Mutual Funds</b>		
TIF International Equity Ser Fund	Not applicable	\$ 13,998
Vanguard Extended Market Index Fd Invest	Not applicable	107,590
Vanguard Index TR 500 Admiral Shs	Not applicable	802,023
Total		<u>\$ 923,611</u>

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### A. DEPOSITS AND INVESTMENTS (cont.)

##### Interest Rate Risk (cont.)

Investment Type	Fair Value	0-1 Years	1-5 Years	5-30 Years
U.S. Agencies Implicitly Guaranteed	\$ 6,063,689	\$ 248,565	\$ 385,685	\$ 5,429,439
U.S. Agencies Explicitly Guaranteed	1,289,596	-	-	1,289,596
U.S. Treasuries	1,328,602	277,262	667,342	383,998
Corporate Bonds and Notes	1,918,930	1,664,862	254,068	-
State and Local Bonds	2,659,973	500,313	1,298,998	860,662
Totals	<u>\$ 13,260,790</u>	<u>\$ 2,691,002</u>	<u>\$ 2,606,093</u>	<u>\$ 7,963,695</u>

##### Investments Highly Sensitive to Interest Rate Changes

At December 31, 2019, \$6,394,013 of the \$13,260,790 reported above had maturity dates beyond ten years classifying them as highly sensitive to interest rate changes.

#### B. RECEIVABLES

All receivable balances are expected to be collected within one year with the exception of \$11,433 in delinquent personal property taxes; \$619,233 in special assessments; and \$499,934 of loans receivable.

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

	Unavailable	Unearned
Property taxes receivable for subsequent year	\$ -	\$ 22,203,427
Special assessments/special charges not yet due	794,861	-
Unearned revenue: pet licenses, rent	-	32,257
Total Unavailable/Unearned Revenue for Governmental Funds	<u>\$ 794,861</u>	<u>\$ 22,235,684</u>

On the statement of net position, \$20,454 of unearned revenue is reported from the internal service funds.

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### C. RESTRICTED ASSETS

The following represent the balances of the restricted assets:

#### *Long Term Debt Accounts*

- Redemption – Used to segregate resources accumulated for debt service payments over the next twelve months.
- Depreciation – Used to report resources set aside to fund plant renewals and replacement or make up potential future deficiencies in the redemption account as required by the bond resolution.
- Reserve – Used to report resources set aside to make up potential future deficiencies in the redemption account.

Following is a list of restricted assets at December 31, 2019:

	Restricted Assets	Liabilities Payable from Restricted Assets	Restricted Assets Not funded by Revenues Reserves From Borrowing	Restricted Net Position
Restricted Assets				
Redemption account	\$ 1,121,277	\$ 38,869	\$ -	\$ 1,082,408
Depreciation account	250,000	-	-	250,000
Reserve account	319,000	-	319,000	-
Total Restricted Assets	<u>\$ 1,690,277</u>	<u>\$ 38,869</u>	<u>\$ 319,000</u>	<u>\$ 1,332,408</u>

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### **D. CAPITAL ASSETS**

##### **Governmental Activities**

Capital asset activity for the year ended December 31, 2019 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>				
Capital assets not being depreciated				
Land	\$ 14,603,297	\$ 197,122	\$ -	\$ 14,800,419
Right-of-ways	13,114,508	-	-	13,114,508
Land improvements <sup>(1)</sup>	10,478,132	62,519	37,011	10,503,640
Construction work in progress	82,971	43,037	-	126,008
Total Capital Assets Not Being Depreciated	<u>38,278,908</u>	<u>302,678</u>	<u>37,011</u>	<u>38,544,575</u>
Capital assets being depreciated				
Improvements	14,903,008	1,578,119	199,254	16,281,873
Buildings	36,231,300	168,334	74,758	36,324,876
Equipment, furniture and fixtures	12,875,389	738,796	825,916	12,788,269
Collections (library)	3,572,622	307,626	335,147	3,545,101
Streets	56,635,727	1,187,860	703,213	57,120,374
Bridges	20,291,817	-	-	20,291,817
Street lighting	1,320,500	-	-	1,320,500
Traffic signals	1,376,201	55,746	-	1,431,947
Sidewalks	6,098,197	-	-	6,098,197
Trails	1,308,067	271,762	-	1,579,829
Retaining walls	1,305,001	-	-	1,305,001
Steam tunnel	390,374	-	-	390,374
Total Capital Assets Being Depreciated	<u>156,308,203</u>	<u>4,308,243</u>	<u>2,138,288</u>	<u>158,478,158</u>
Less: Accumulated depreciation for				
Improvements	(6,328,784)	(568,076)	165,543	(6,731,317)
Buildings	(16,321,718)	(749,778)	46,724	(17,024,772)
Equipment, furniture and fixtures	(6,865,186)	(653,499)	686,754	(6,831,931)
Collections (library)	(3,327,740)	(335,069)	335,147	(3,327,662)
Streets	(20,566,472)	(1,142,407)	740,224	(20,968,655)
Bridges	(4,279,954)	(289,883)	-	(4,569,837)
Street lighting	(213,894)	(17,930)	-	(231,824)
Traffic signals	(312,237)	(19,535)	-	(331,772)
Sidewalks	(3,832,147)	(121,964)	-	(3,954,111)
Trails	(303,513)	(39,496)	-	(343,009)
Retaining walls	(208,800)	(26,100)	-	(234,900)
Steam tunnel	(87,833)	(9,759)	-	(97,592)
Total Accumulated Depreciation	<u>(62,648,278)</u>	<u>(3,973,496)</u>	<u>1,974,392</u>	<u>(64,647,382)</u>
Capital Assets, Net of Depreciation	<u>\$ 131,938,833</u>	<u>\$ 637,425</u>	<u>\$ 200,907</u>	<u>\$ 132,375,351</u>

<sup>(1)</sup> This represents the nondepreciable portion of City streets.

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### **D. CAPITAL ASSETS (cont.)**

##### **Governmental Activities (cont.)**

Depreciation expense was charged to functions as follows:

##### **Governmental Activities**

General government	\$ 512,542
Public safety	215,613
Public works, which includes the depreciation of infrastructure	2,105,595
Parks, recreation, and education	<u>1,139,746</u>
Total Governmental Activities Depreciation Expense	<u><u>\$ 3,973,496</u></u>

##### **Business-type Activities**

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Water Utility</u>				
Capital assets not being depreciated				
Land and land rights	\$ 122,180	\$ -	\$ -	\$ 122,180
Capital assets being depreciated				
Source of supply	130,978	-	-	130,978
Pumping	3,384,153	6,978	6,280	3,384,851
Treatment	23,969,269	464,611	-	24,433,880
Transmission and distribution	33,310,014	1,553,924	293,786	34,570,152
Administrative and general assets	2,316,640	143,522	17,652	2,442,510
Total Capital Assets				
Being Depreciated	<u>63,111,054</u>	<u>2,169,035</u>	<u>317,718</u>	<u>64,962,371</u>
Total Capital Assets	<u>63,233,234</u>	<u>2,169,035</u>	<u>317,718</u>	<u>65,084,551</u>
Less: Accumulated depreciation for				
Source of supply	(130,978)	-	-	(130,978)
Pumping	(1,508,785)	(107,739)	6,280	(1,610,244)
Treatment	(10,761,073)	(797,032)	-	(11,558,105)
Transmission and distribution	(6,298,101)	(703,121)	293,786	(6,707,436)
Administrative and general assets	(2,062,915)	(73,302)	17,652	(2,118,565)
Total Accumulated Depreciation	<u>(20,761,852)</u>	<u>(1,681,194)</u>	<u>317,718</u>	<u>(22,125,328)</u>
Capital Assets, Net of Depreciation	<u><u>\$ 42,471,382</u></u>			<u><u>\$ 42,959,223</u></u>

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### **D. CAPITAL ASSETS (cont.)**

##### ***Business-type Activities*** (cont.)

<u>Sewerage Disposal Utility</u>	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets being depreciated				
Collection system	\$ 26,848,852	\$ 597,547	\$ 25,359	\$ 27,421,040
Collection system pumping	976,382	38,843	1,200	1,014,025
Flow meters	43,315	-	-	43,315
Computer software	10,359	-	-	10,359
Equipment	353,132	-	-	353,132
Total Capital Assets Being Depreciated	<u>28,232,040</u>	<u>636,390</u>	<u>26,559</u>	<u>28,841,871</u>
Less: Accumulated depreciation for				
Collection system	(9,996,818)	(378,223)	25,359	(10,349,682)
Collection system pumping	(346,052)	(12,440)	1,200	(357,292)
Flow meters	(21,901)	(4,331)	-	(26,232)
Computer software	(10,359)	-	-	(10,359)
Equipment	(142,135)	(35,313)	-	(177,448)
Total Accumulated Depreciation	<u>(10,517,265)</u>	<u>(430,307)</u>	<u>26,559</u>	<u>(10,921,013)</u>
Capital Assets, Net of Depreciation	<u>\$ 17,714,775</u>			<u>\$ 17,920,858</u>
 <u>Stormwater Utility</u>				
Capital assets not being depreciated				
Detention ponds	\$ 3,499,715	\$ -	\$ -	\$ 3,499,715
Construction in progress	-	147,155	-	147,155
Total Capital Assets Not Being Depreciated	<u>3,499,715</u>	<u>147,155</u>	<u>-</u>	<u>3,646,870</u>
Capital assets being depreciated				
Collection system	15,129,345	664,488	8,100	15,785,733
Detention basins	3,975,811	-	10,735	3,965,076
Detention pond equipment	113,052	-	-	113,052
Computer software	10,359	-	-	10,359
Equipment	443,760	-	-	443,760
Total Capital Assets Being Depreciated	<u>19,672,327</u>	<u>664,488</u>	<u>18,835</u>	<u>20,317,980</u>
Total Capital Assets	<u>23,172,042</u>	<u>811,643</u>	<u>18,835</u>	<u>23,964,850</u>
Less: Accumulated depreciation for				
Collection system	(4,778,464)	(193,219)	8,100	(4,963,583)
Detention basins	(1,890,475)	(49,632)	10,735	(1,929,372)
Detention pond equipment	(113,052)	-	-	(113,052)
Computer software	(10,359)	-	-	(10,359)
Equipment	(57,508)	(44,376)	-	(101,884)
Total Accumulated Depreciation	<u>(6,849,858)</u>	<u>(287,227)</u>	<u>18,835</u>	<u>(7,118,250)</u>
Capital Assets, Net of Depreciation	<u>\$ 16,322,184</u>			<u>\$ 16,846,600</u>

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

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#### **D. CAPITAL ASSETS** (cont.)

##### ***Business-type Activities*** (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Parking Utility</u>				
Capital assets not being depreciated				
Land and land rights	\$ 158,267	\$ -	\$ -	\$ 158,267
Capital assets being depreciated				
Land improvements	26,717	-	-	26,717
Administrative and general assets	5,000	-	-	5,000
Total Capital Assets Being Depreciated	31,717	-	-	31,717
Less: Accumulated depreciation for				
Land improvements	(26,717)	-	-	(26,717)
Administrative and general assets	(5,000)	-	-	(5,000)
Total Accumulated Depreciation	(31,717)	-	-	(31,717)
Capital Assets, Net of Depreciation	\$ 158,267			\$ 158,267
Total Business-type Activities	\$ 76,666,608			\$ 77,884,948

Depreciation expense was charged to functions as follows:

#### **Business-type Activities**

Water	\$ 1,523,194
Sewerage disposal	430,307
Stormwater	287,226
Total Business-type Activities Depreciation Expense	\$ 2,240,727

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

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### ***E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS***

##### ***Interfund Receivables/Payables***

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Enterprise fund – water utility	\$ 935,728
Enterprise fund – water utility	General	296
Enterprise fund – sewerage disposal utility	General	100,143
Enterprise fund – stormwater utility	General	1,285
Sub-Total – Fund Financial Statements		1,037,452
Less: Elimination to government-wide statements		(203,448)
Add: Interfund advances		120,766
Total – Government-Wide Financial Statements		<u>\$ 954,770</u>
<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental activities	Business-type activities	\$ 1,056,494
Less: Business-type activities	Governmental activities	(101,724)
Total Internal Balances – Government-Wide Financial Statements		<u>\$ 954,770</u>

All of these amounts are due within one year.

The principal purpose of these interfunds is the PILOT due from the water utility to the general fund in the amount of \$935,728 and tax roll items.

All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.



# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

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

##### ***Advances***

The following is a schedule of interfund advances:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Amount Not Due Within One Year</u>
Debt service	Special revenue – TIF District No. 8	\$ 6,518,417	\$ 6,518,417
Debt service	Special revenue – TIF District No. 6	350,000	350,000
Debt service	Special revenue – TIF District No. 10	150,000	150,000
Capital projects – Public infrastructure	Special revenue – TIF District No. 5	891,000	891,000
Capital projects – Public infrastructure	CDBG	83,007	83,007
Capital projects – Public infrastructure	Capital projects – Redevelopment	907	907
Capital projects – Public Infrastructure	Parking utility	120,766	120,766
Capital projects – TIF District No. 5	Special revenue – TIF District No. 10	77,430	77,430
Special revenue – TIF District No. 5	Special revenue – TIF District No. 11	98,653	98,653
Special revenue – TIF District No. 5	Special revenue – TIF District No. 8	160,738	160,738
Housing/Business loans	CDBG	<u>37,225</u>	<u>37,225</u>
Sub-Totals – Fund Financial Statements		8,488,143	<u><u>\$ 8,488,143</u></u>
Less: Eliminations		<u>(8,367,377)</u>	
Total – Interfund Advances		<u><u>\$ 120,766</u></u>	

The principal purpose of the advances is due to expenditures exceeding revenues. No repayment schedules have been established.

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

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

##### **Transfers**

The following is a schedule of interfund transfers:

Fund Transferred From	Fund Transferred To	Amount	Principal Purpose
General fund	Special revenue – Dial-A-Ride	\$ 12,000	Operating subsidy
<b>Special Revenue</b>			
TIF District No. 5	General fund	80,000	Administrative and finance costs
TIF District No. 5	Debt service	317,042	Debt service
TIF District No. 6	General fund	64,127	Administrative and finance costs
TIF District No. 6	Debt service	240,149	Debt service
TIF District No. 7	General fund	120,000	Administrative and finance costs
TIF District No. 7	Debt service	1,045,949	Debt service
TIF District No. 7	TIF District No. 8	939,134	Excess funds
TIF District No. 8	General fund	184,852	Administrative and finance costs
TIF District No. 8	Debt service	1,109,310	Debt service
TIF District No. 8	Capital projects – TIF District No. 8	170,000	Administrative charge
TIF District No. 9	General fund	40,000	Administrative and finance costs
TIF District No. 9	Debt service	79,593	Debt service
TIF District No. 10	General fund	40,515	Administrative and finance costs
TIF District No. 10	Debt service	153,673	Debt service
TIF District No. 11	General fund	40,342	Administrative and finance costs
TIF District No. 11	Debt service	3,998	Debt service
CDBG	General fund	21,237	Administrative charge
Housing	General fund	35,000	Administrative charge
Recycling	General fund	25,000	Administrative charge
Cemetery perpetual care	General fund	24,577	Interest and administrative charge
Dial-A-Ride	General fund	5,000	Administrative charge
Clock tower	General fund	62	To close fund
Other	Capital equipment	15,132	Reimburse for capital costs

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

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

##### Transfers (cont.)

Fund Transferred From	Fund Transferred To	Amount	Principal Purpose
<b>Special Revenue (cont.)</b>			
Industrial development	General fund	\$ 5,000	Operating subsidy as budgeted
CDBG	Housing loans	61,507	Use dollars for revolving loans
Health grant	Capital equipment	1,049	Drone equipment
Library trust	Capital projects – facilities	37,061	Reimburse for capital costs
<b>Capital Projects</b>			
Public infrastructure	CDBG	45,255	To reimburse CDBG program expenditures
Equipment replacement	General fund	156,631	Return funds to original source
<b>Enterprise</b>			
Water utility	General fund	935,728	PILOT
Sewerage disposal utility	General fund	864,940	2019 expenditures, interest and administrative costs
Stormwater utility	General fund	426,630	City and public works support overhead
Parking utility	General fund	128,870	Administrative charges
<b>Internal Service</b>			
Benefit accrual fund	General fund	100,000	Administrative charge
Information systems	General fund	120,000	Administrative charge
Sub-Total – Fund Financial Statements		7,649,363	
Less: Fund Eliminations		(5,293,195)	
Total Transfers – Government-wide Statement of Activities		<u>\$ 2,356,168</u>	

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

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### **F. LONG-TERM OBLIGATIONS**

Long-term obligations activity for the year ended December 31, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<b>GOVERNMENTAL ACTIVITIES</b>					
Bonds and Notes Payable:					
General obligation debt					
General	\$ 40,171,940	\$ 9,285,000	\$ 5,405,620	\$ 44,051,320	\$ 5,556,740
Premiums	656,280	266,589	221,338	701,531	-
Sub-Totals	<u>40,828,220</u>	<u>9,551,589</u>	<u>5,626,958</u>	<u>44,752,851</u>	<u>5,556,740</u>
Other Liabilities:					
Vested compensated absences					
General	1,694,614	421,461	423,654	1,692,421	423,105
Internal service	2,622,923	1,636,302	1,512,333	2,746,892	1,622,158
Capital leases*	18,046,143	116,572	1,085,000	17,077,715	1,036,179
Total Other Liabilities	<u>22,363,680</u>	<u>2,174,335</u>	<u>3,020,987</u>	<u>21,517,028</u>	<u>3,081,442</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 63,191,900</u>	<u>\$ 11,725,924</u>	<u>\$ 8,647,945</u>	<u>\$ 66,269,879</u>	<u>\$ 8,638,182</u>
<b>BUSINESS-TYPE ACTIVITIES</b>					
Bonds and Notes Payable:					
General obligation debt	\$ 8,418,060	\$ 990,000	\$ 1,654,380	\$ 7,753,680	\$ 1,433,259
General obligation debt from direct Borrowings and direct placement	268,100	-	19,766	248,334	20,201
Revenue bonds	2,540,000	-	665,000	1,875,000	685,000
Revenue bonds from direct Borrowings and direct placement	19,129,936	-	2,030,815	17,099,121	2,080,515
Premiums	205,641	23,438	53,354	175,725	-
Sub-Totals	<u>30,561,737</u>	<u>1,013,438</u>	<u>4,423,315</u>	<u>27,151,860</u>	<u>4,218,975</u>
Other Liabilities:					
Vested compensated absences	110,730	51,460	64,000	98,190	30,430
Total Business-type Activities Long-Term Liabilities	<u>\$ 30,672,467</u>	<u>\$ 1,064,898</u>	<u>\$ 4,487,315</u>	<u>\$ 27,250,050</u>	<u>\$ 4,249,405</u>

\*Includes \$116,572 of amortization of loss on the related CDA refunding.

In addition to the liabilities above, information on the net pension liability/(asset) is provided in Note V.A.

#### **General Obligation Debt**

All general obligation notes and bonds payable are backed by the full faith and credit of the City. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed 5% of the equalized value of \$118,707,995. Total general obligation debt outstanding at year-end was \$52,053,334.

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### F. LONG-TERM OBLIGATIONS (cont.)

##### General Obligation Debt (cont.)

Governmental Activities	Date of Issue	Final Maturity	Interest Rates	Original Indebted- ness	Balance 12/31/19
General Obligation Debt					
General Obligation Refunding Bonds 2019A	12/03/19	03/01/29	3.00%	\$ 1,450,000	\$ 1,450,000
General Obligation Promissory Notes 2019A	03/01/19	03/01/29	2.125 - 5.00%	7,835,000	7,835,000
General Obligation Promissory Notes 2018A	03/01/18	03/01/28	2.38 - 4.00%	6,830,200	6,531,300
General Obligation Refunding Bonds 2017A	01/24/17	03/01/29	2.00 - 4.00%	3,785,000	3,705,000
General Obligation Promissory Notes 2017B	01/24/17	03/01/29	1.00 - 2.00%	3,990,000	3,164,520
General Obligation Refunding Bonds 2017C	09/01/17	03/01/37	3.00 - 4.00%	1,350,000	1,350,000
General Obligation Promissory Notes 2016	04/06/16	03/01/26	1.00 - 2.00%	4,975,000	4,225,500
General Obligation Promissory Notes 2015	05/27/15	03/01/25	2.00 - 2.50%	5,080,000	2,555,000
General Obligation Promissory Notes 2014	05/28/14	09/01/24	2.00%	3,230,000	2,005,000
General Obligation Refunding Bonds 2013A	03/01/13	03/01/20	2.00 - 3.00%	6,147,826	495,000
General Obligation Promissory Notes 2013B	06/05/13	03/01/23	1.50 - 2.50%	3,765,000	1,790,000
General Obligation Taxable Refunding Bonds 2013	12/02/13	03/01/24	0.65 - 3.85%	1,030,000	500,000
General Obligation Promissory Notes, Series 2012A	06/27/12	03/01/22	1.25 - 2.00%	2,565,000	910,000
General Obligation Community Development Bonds, Series 2012B	06/27/12	03/01/31	2.75 - 3.30%	1,635,000	1,290,000
General Obligation Refunding Bonds, Series 2012C	12/03/12	03/01/26	2.00%	4,186,092	3,140,000
General Obligation Promissory Notes, Series 2011	01/26/11	09/01/20	1.50 - 2.90%	3,335,000	425,000
General Obligation Community Development Bonds, Series 2010B	01/26/10	03/01/29	3.25 - 4.25%	2,315,000	1,745,000
General Obligation Community Development Bonds, Series 2004C	06/01/04	03/01/23	4.00 - 5.00%	2,225,000	935,000
Total Governmental Activities – General Obligation Debt					<u>\$ 44,051,320</u>

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### F. LONG-TERM OBLIGATIONS (cont.)

##### General Obligation Debt (cont.)

Business-type Activities	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/19
General Obligation Debt					
General Obligation Promissory Notes 2019A	03/01/19	03/01/29	2.125 – 5.00%	\$ 990,000	\$ 990,000
General Obligation Promissory Notes 2018A	03/01/18	03/01/28	2.38 – 4.00%	1,464,800	1,328,700
General Obligation Promissory Notes 2017B	01/24/17	03/01/29	1.00 – 2.00%	1,620,000	1,265,480
General Obligation Promissory Notes 2016	04/06/16	03/01/26	1.00 – 2.00%	1,525,000	1,139,500
General Obligation Promissory Notes 2015	05/27/15	03/01/25	2.00 – 2.50%	1,170,000	850,000
General Obligation Promissory Note, Series 2014	05/28/14	09/01/24	2.00%	1,455,000	765,000
General Obligation Promissory Note, Series 2013	06/05/13	03/01/20	1.50 – 2.00%	1,505,000	645,000
General Obligation Promissory Note, Series 2012	06/27/12	03/01/22	1.25 – 2.00%	1,390,000	455,000
General Obligation Promissory Notes, Series 2011	01/26/11	09/01/20	1.50 – 2.90%	1,660,000	315,000
Clean Water Fund General Obligation Debt	05/12/10	05/01/30	2.20%	411,652	248,334 *
Total Business-type Activities General Obligation Debt					<u>\$ 8,002,014</u>

\*The debt noted is directly placed with a third party

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt			Business-type Activities General Obligation Debt		
	Principal	Interest	Totals	Principal	Interest	Totals
2020	\$ 5,556,740	\$ 1,158,132	\$ 6,714,872	\$ 1,433,259	\$ 181,431	\$ 1,614,690
2021	5,597,580	1,018,576	6,616,156	1,127,421	148,281	1,275,702
2022	5,180,940	865,302	6,046,242	1,184,060	118,228	1,302,288
2023	5,284,200	711,474	5,995,674	1,045,800	88,912	1,134,712
2024	4,742,120	563,710	5,305,830	912,880	63,337	976,217
2025 – 2029	16,719,740	1,201,694	17,921,434	2,050,260	90,889	2,141,149
2030 – 2034	690,000	89,426	779,426	-	-	-
2035 – 2037	280,000	16,950	296,950	-	-	-
Totals	<u>\$ 44,051,320</u>	<u>\$ 5,625,264</u>	<u>\$ 49,676,584</u>	<u>\$ 7,753,680</u>	<u>\$ 691,078</u>	<u>\$ 8,444,758</u>

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

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#### **F. LONG-TERM OBLIGATIONS** (cont.)

##### **General Obligation Debt** (cont.)

Debt service requirements to maturity are as follows (cont.):

Years	Business-type Activities General Obligation Debt from Direct Borrowing and Direct Placements		
	Principal	Interest	Totals
2020	\$ 20,201	\$ 5,241	\$ 25,442
2021	20,645	4,791	25,436
2022	21,099	4,332	25,431
2023	21,563	3,863	25,426
2024	22,038	3,384	25,422
2025 – 2029	117,677	9,349	127,026
2030	25,111	276	25,387
Totals	<u>\$ 248,334</u>	<u>\$ 31,236</u>	<u>\$ 279,570</u>

The City's outstanding clean water loan from direct borrowings related to business-type activities of \$248,334 do not contain any significant finance-related consequences or acceleration default clauses.

#### **Revenue Debt**

Revenue bonds are payable only from revenues derived from the operation of the water, sewerage disposal and stormwater utilities.

The water utility has pledged future sales revenues, net of specified operating expenses, to repay revenue bonds issued between 2005-2017. Proceeds from the bonds provided financing for the water utility. The bonds are payable solely from sales revenues and are payable through 2026. Annual principal and interest payments on the bonds are expected to require 19% of gross revenues on average. The total principal and interest remaining to be paid on the bonds is \$11,073,885. Principal and interest paid for the current year and total customer gross revenues were \$2,421,247 and \$8,205,621, respectively.

All revenue debt was issued for capital related purposes.

All stormwater utility revenues net of specified operating expenses are pledged as security to the revenue bonds until the bonds are defeased. Principal and interest paid for 2019 was \$32,962. Total customer gross revenues as defined for the same period were \$1,808,901. Annual principal and interest payments are expected to require 2% of gross revenues on average.

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### F. LONG-TERM OBLIGATIONS (cont.)

##### Revenue Debt (cont.)

Revenue debt payable at December 31, 2019 consists of the following:

<b>Business-type Activities Revenue Debt</b>					
	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/19
<u>Water Utility</u>					
Water Utility Revenue Refunding Bonds 2017	12/01/17	12/01/26	2.83%	\$ 835,000	\$ 670,000
Water Utility Revenue Refunding Bonds 2013	12/02/13	12/01/21	2.00 – 2.50%	3,545,000	950,000
Water Utility Revenue Advance Refunding Bonds 2012	09/26/12	12/01/21	2.12%	1,350,000	255,000
Water Utility Revenue Bonds 2006	01/25/06	05/01/25	2.365%	8,788,354	3,359,504*
Water Utility Revenue Bonds 2005	04/27/05	05/01/24	2.365%	16,666,667	5,167,470*
<u>Sewerage Disposal Utility</u>					
Sewer System 2013 Clean Water Fund Loan (1)	02/13/13	05/01/32	2.65%	10,952,442	8,289,996*
<u>Stormwater Utility</u>					
Stormwater System Revenue Bonds, Series 2009	12/09/09	05/01/29	3.15%	471,087	282,151*
Total Business-type Activities Revenue Debt					<u>\$ 18,974,121</u>

\* The debt noted is directly placed with a third party.

- (1) The proceeds of the Sewer Utility's 2013 Sewer Clean Water Fund Loan were paid directly to the Neenah-Menasha Sewerage Commission for expansion of the regional plant. Principal and interest payments on this debt will be paid by the Neenah-Menasha Sewerage Commission under an agency agreement. The debt service is recovered by Neenah-Menasha Sewerage Commission as part of its annual use charges. The resulting "due from other governments" and "revenue bonds" of a like amount has been recorded by the City of Neenah Sewer Utility and will be reduced as payments are made.



# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### F. LONG-TERM OBLIGATIONS (cont.)

##### Revenue Debt (cont.)

##### Business-type Activities Revenue Debt (cont.)

Debt service requirements to maturity are as follows:

Years	Business-type Activities Revenue Bonds		Business-type Activities Revenue Bonds Debt from Direct Borrowings and Direct Placements		Totals
	Principal	Interest	Principal	Interest	
2020	\$ 685,000	\$ 45,300	\$ 2,080,515	\$ 404,451	\$ 3,215,266
2021	700,000	29,250	2,131,438	352,905	3,213,593
2022	90,000	12,850	2,183,610	300,092	2,586,552
2023	95,000	11,050	2,237,063	245,981	2,589,094
2024	100,000	9,150	2,291,830	190,542	2,591,522
2025 – 2029	205,000	9,300	4,004,615	526,509	4,745,424
2030 – 2032	-	-	2,170,050	87,129	2,257,179
Totals	<u>\$ 1,875,000</u>	<u>\$ 116,900</u>	<u>\$ 17,099,121</u>	<u>\$ 2,107,609</u>	<u>\$ 21,198,630</u>

##### Capital Leases

Refer to Note IV.G.

##### Other Debt Information

Estimated payments of compensated absences is not included in the debt service requirement schedules. The compensated absences liability attributable to governmental activities will be liquidated primarily by the general fund.

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

##### Current Refunding

On December 3, 2019, the city issued \$1,450,000 in general obligation refunding bonds with an average coupon rate of 2.10% to refund \$1,495,000 of outstanding GO Community Development Bonds with an average coupon rate of 3.92%.

The cash flow requirements on the refunded debt prior to the advance refunding was \$1,785,276, from 3/1/2021 through 3/1/2029. The cash flow requirements on the refunding bonds are \$1,686,233 from 3/1/2021 through 3/1/2029. The current refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$116,500 and in income statement savings of \$128,509.

The bond proceeds were still being held by the city at December 31, 2019 and were being accounted for in the TIF District No. 6 (\$20,000) and TIF District No. 7 (\$1,430,000) special revenue funds. The refunded bonds will be called in March of 2020.

## CITY OF NEENAH

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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#### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

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##### ***F. LONG-TERM OBLIGATIONS*** (cont.)

##### ***Prior-Year Defeasance of Debt***

In prior years, the City and CDA defeased certain general obligation and lease revenue bonds, respectively, by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's or CDA's financial statements. At December 31, 2019, \$4,690,000 of City bonds and \$14,885,000 of CDA bonds outstanding are considered defeased.

##### ***City bonds:***

<u>Call Date</u>	<u>Amount</u>
03/01/2020	\$ 990,000
12/01/2020	115,000
03/01/2021	185,000
12/01/2021	155,000
03/01/2022	190,000
12/01/2022	205,000
03/01/2023	200,000
12/01/2023	255,000
03/01/2024	205,000
12/01/2024	290,000
03/01/2025	220,000
12/01/2025	340,000
03/01/2026	230,000
12/01/2026	345,000
03/01/2027	245,000
03/01/2028	255,000
03/01/2029	265,000

##### ***CDA bonds (see Note IV. K.):***

<u>Call Date</u>	<u>Amount</u>
12/01/2020	\$ 1,885,000
12/01/2023	3,300,000
12/01/2026	4,930,000
12/01/2028	4,770,000

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

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#### **G. LEASE DISCLOSURES**

##### ***Lessee – Capital Leases***

In 2008, the CDA borrowed \$6,285,000 in lease revenue bonds. In 2013, the CDA issued \$17,620,000 to advance refund the 2004 lease revenue bonds. In 2016, the CDA issued \$3,500,000 to partially advance refund the 2008 lease revenue bonds. The funds from the 2008 issue were used for the construction of TIF No. 8 projects as part of a capital lease agreement. The annual lease payments to be paid will be the same as the CDA's annual debt service payments on the lease revenue bonds (See Note IV.K.). The future minimum lease obligations and the net present value on these minimum lease payments as of December 31, 2019, are as follows:

	Governmental Activities		
	Principal	Interest	Totals
2020	\$ 1,036,179	\$ 613,095	\$ 1,649,274
2021	1,081,179	585,355	1,666,534
2022	1,131,179	552,466	1,683,645
2023	1,186,179	515,134	1,701,313
2024	1,521,179	473,568	1,994,747
2025 – 2029	9,476,820	1,306,585	10,783,405
2030 – 2032	1,645,000	95,080	1,740,080
Totals	<u>\$ 17,077,715</u>	<u>\$ 4,141,283</u>	<u>\$ 21,218,998</u>

The gross amount of assets capitalized under the lease are as follows:

> Parking structure	\$ 10,915,041
> Land held for resale	\$ 773,000

The remainder of the costs were related to environmental clean-up and demolition.

##### ***Lessee – Operating Leases***

The City has no material operating leases with a remaining noncancellable term, exceeding one year.

##### ***Lessor – Capital Leases***

The City has no material outstanding sales-type or direct financing leases.

##### ***Lessor – Operating Leases***

The City does not receive material lease payments from property rented to others.

## CITY OF NEENAH

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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#### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

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##### ***H. GOVERNMENTAL ACTIVITIES NET POSITION/FUND BALANCES***

Governmental activities net position reported on the government wide statement of net position at December 31, 2019 includes the following:

##### ***Governmental Activities***

Net investment in capital assets		
Land	\$	14,800,419
Right-of-way		13,114,508
Land improvements		10,503,640
Construction work in progress		126,008
Other capital assets, net of accumulated depreciation		93,830,776
Less: Related long-term debt outstanding, premium and loss on refunding	\$ (50,862,699)	
Add: Unspent debt proceeds	<u>3,901,111</u>	<u>(46,961,588)</u>
Total Net Investment in Capital Assets		<u>85,413,763</u>
Restricted		
Debt service		7,653,959
TIF Districts		272,677
Loans		393,791
Grant programs		78,859
Library		1,618,601
Cemetery		<u>1,435,445</u>
Total Restricted		<u>11,453,332</u>
Unrestricted (deficit)		<u>(984,335)</u>
Total Governmental Activities Net Position	\$	<u>95,882,760</u>

Governmental fund balances reported on the fund financial statements at December 31, 2019 include the following:

##### ***Governmental Funds***

##### ***Nonspendable***

Major Fund		
General Fund		
Delinquent personal property taxes	\$	11,433
Inventories		160
Prepaid items		<u>38,251</u>
Total	\$	<u>49,844</u>

##### ***Restricted***

Major Funds		
Debt Service	\$	<u>7,396,361</u>

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### **H. GOVERNMENTAL ACTIVITIES NET POSITION/FUND BALANCES (cont.)**

##### **Governmental Funds (cont.)**

##### **Assigned**

##### Major Funds

##### General Fund

Library operations	\$ 60,699
Carryforwards	99,036
Applied to 2020 budget	<u>200,000</u>
Total	<u>\$ 359,735</u>

##### Capital Projects – Public Infrastructure

Capital projects	<u>\$ 4,075,731</u>
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##### **Unassigned (deficit)**

##### Major Funds

General Fund	<u>\$ 4,579,334</u>
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Special Revenue – TIF District No. 8 (Deficit)	<u>\$ (6,605,833)</u>
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##### **Nonmajor Funds – Details of Fund Balance**

##### **Special Revenue Funds**

	Nonspendable	Restricted	Committed	Assigned	Unassigned (Deficit)
TIF District No. 5	\$ -	\$ -	\$ -	\$ -	\$ (217,82)
TIF District No. 6	-	-	-	-	(332,696)
TIF District No. 7	-	1,475,000	-	-	-
TIF District No. 9	-	231,432	-	-	-
TIF District No. 10	-	-	-	-	(227,430)
TIF District No. 11	-	-	-	-	(98,653)
Community Development Block Grant	-	-	-	-	(143,323)
Housing/business loans	-	537,114	-	-	-
Industrial development	660	-	105,814	-	-
Recycling	-	-	277,496	-	-
Health grants	-	78,859	-	-	-
Parks and recreation	224	-	355,251	-	-
Dial-A-Ride	-	-	96,002	-	-
Civic and social	-	-	172,453	-	-
Library	-	1,618,601	-	-	-
Clock tower renovations	-	-	-	-	-
Other	-	-	246,491	-	-
Cemetery perpetual care	-	1,435,445	-	-	-
Cemetery flowers	-	-	167,577	-	-
Walnut	-	-	-	-	-
Sub-Total – Special Revenue Funds	<u>884</u>	<u>5,376,451</u>	<u>1,421,084</u>	<u>-</u>	<u>(1,019,931)</u>

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### H. GOVERNMENTAL ACTIVITIES NET POSITION/FUND BALANCES (cont.)

##### Governmental Funds (cont.)

Nonmajor Funds – Details of Fund Balance (cont.)	Nonspendable	Restricted	Committed	Assigned	Unassigned (Deficit)
<b>Capital Projects Fund</b>					
TIF District No. 5	\$ -	\$ 222,164	\$ -	\$ -	\$ -
TIF District No. 6	-	94,039	-	-	-
TIF District No. 7	-	680,172	-	-	-
TIF District No. 8	-	2,465,588	-	-	-
TIF District No. 9	-	283,957	-	-	-
TIF District No. 10	-	451,371	-	-	-
TIF District No. 11	-	45,144	-	-	-
Redevelopment	-	-	-	-	(907)
Facilities	-	-	-	492,455	-
Capital equipment	-	909,012	-	-	-
Equipment replacement	-	-	-	10,308	-
Sub-Total – Capital Projects Funds	-	5,151,447	-	502,763	(907)
Totals	\$ 884	\$ 10,527,898	\$ 1,421,084	\$ 502,763	\$ (1,020,838)

#### I. BUSINESS-TYPE ACTIVITIES/NET POSITION

The following calculation supports the enterprise fund net investment in capital assets:

	Water	Sewerage Disposal Utility	Stormwater Utility	Other Enterprise Funds
Plant in service	\$ 65,084,551	\$ 28,841,871	\$ 23,817,695	\$ 189,984
Construction in progress	-	-	147,155	-
Accumulated depreciation	(22,125,328)	(10,921,013)	(7,118,250)	(31,717)
Sub-Totals	42,959,223	17,920,858	16,846,600	158,267
Less: Capital related debt				
Current portion of long-term debt	2,198,467	1,015,700	462,199	-
Long-term portion of debt	8,203,507	4,175,142	2,763,343	-
Unamortized loss on advance refunding	(7,063)	-	-	-
Unamortized premiums	43,506	-	-	-
Sub-Totals	10,438,417	5,190,842	3,225,542	-
Add: Unspent Debt Proceeds				
Reserve from borrowing	319,000	-	-	-
Total Net Investment in Capital Assets	\$ 32,839,806	\$ 12,730,016	\$ 13,621,058	\$ 158,267

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### J. RESTATEMENT OF NET POSITION

Net position has been restated to implement GASB No. 84. Refer to Note I.B for additional information related to this standard. The details of the restatement are as follows:

Municipal Court Custodial Fund Net Position	
December 31, 2018 (as reported as an agency fund)	\$ -
Add: Beginning net position (deficit) upon applying the implementation of GASB No. 84	<u>(278,062)</u>
Net Position - December 31, 2018 (as restated)	<u><u>\$ (278,062)</u></u>
Neenah-Menasha Fire Rescue Custodial Fund Net Position	
December 31, 2018 (as reported as an agency fund)	\$ -
Add: Beginning net position (deficit) upon applying the implementation of GASB No. 84	<u>(30,574)</u>
Net Position - December 31, 2018 (as restated)	<u><u>\$ (30,574)</u></u>

#### K. COMPONENT UNIT

##### Community Development Authority

This report contains the Community Development Authority (CDA), which is included as a component unit. Financial information is presented in the discrete column in the combining statement of net position and statement of changes in net position.

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

##### a. Basis of Accounting/Measurement Focus

The CDA prepares its financial statements in accordance with generally accepted accounting principles. The accounting records are kept on the accrual basis of accounting and the flow of economic resources measurement focus.

##### b. Deposits and Investments

A separate investment policy does not exist for the CDA.

The Community Development Authority's deposits and investments at year-end were comprised of the following:

	<u>Carrying Value</u>	<u>Statement Balance</u>	<u>Associated Risks</u>
Money market	<u>\$ 2,159,226</u>	<u>\$ 2,159,226</u>	Custodial credit
Reconciliation to financial statements			
Per statement of net position			
Restricted cash and investments	<u>\$ 2,159,226</u>		

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### K. COMPONENT UNIT (cont.)

##### Community Development Authority (cont.)

#### b. Deposits and Investments (cont.)

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

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

##### **Custodial Credit Risk**

Deposits – Custodial credit risk is the risk that in the event of a financial institution failure, the Community Development Authority's deposits may not be returned to the Community Development Authority.

As of December 31, 2019, none of the CDA's total bank balances of \$2,159,226 were exposed to custodial credit risk.

#### c. Long-Term Obligations

	Beginning Balance	Increases	Decreases	Ending Balance
2013 community development lease revenue bonds dated September 10, 2013 with interest at 0.45-4.20%. Principal payments vary. Bonds mature December 1, 2028.	\$ 15,500,000	\$ -	\$ 1,055,000	\$ 14,445,000
2016 community development lease revenue bonds dated February 10, 2016 with interest at 0.65-2.40%. Principal payments vary. Bonds mature December 1, 2032.	3,390,000	-	30,000	3,360,000
Totals	<u>\$ 18,890,000</u>	<u>\$ -</u>	<u>\$ 1,085,000</u>	<u>\$ 17,805,000</u>



## CITY OF NEENAH

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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#### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

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##### **K. COMPONENT UNIT** (cont.)

##### **Community Development Authority** (cont.)

##### c. Long-Term Obligations (cont.)

Debt service requirements to maturity are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2020	\$ 1,125,000	\$ 613,095	\$ 1,738,095
2021	1,170,000	585,355	1,755,355
2022	1,220,000	552,466	1,772,466
2023	1,275,000	515,134	1,790,134
2024	1,610,000	473,568	2,083,568
2025 – 2029	9,760,000	1,306,585	11,066,585
2030 – 2032	<u>1,645,000</u>	<u>95,080</u>	<u>1,740,080</u>
Totals	<u>\$ 17,805,000</u>	<u>\$ 4,141,283</u>	<u>\$ 21,946,283</u>

##### d. Lease Disclosures

The CDA has entered into a lease agreement with Plexus, Corp. for the use of land and land improvements. The term of the lease is ninety-nine (99) years and went into effect April 28, 2009. Rent is \$1 per year and interest is not being charged. The cost of the land and land improvements is being reported as land held for resale in the governmental activities column at a value of \$773,000 as it was purchased by TIF No. 8.

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE V – OTHER INFORMATION

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#### **A. EMPLOYEES' RETIREMENT SYSTEM**

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

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

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

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

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

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

The WRS also provides death and disability benefits for employees.

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE V – OTHER INFORMATION

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2009	(2.1)	(42.0)
2010	(1.3)	22.0
2011	(1.2)	11.0
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0

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

During the reporting period, the WRS recognized \$1,329,433 in contributions from the City.

Contribution rates as of December 31, 2019 are:

Employee Category	Employee	Employer
General (Executives & Elected Officials)	6.7%	6.7%
Protective with Social Security	6.7%	10.7%
Protective without Social Security	6.7%	14.9%

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE V – OTHER INFORMATION (cont.)

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#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

##### ***Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

At December 31, 2019, the City reported a liability of \$4,560,280 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability/(asset) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2018, the City's proportion was .12818106%, which was an increase of .00265345% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the City recognized pension expense of \$3,061,918.

At December 31, 2019, the City reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,551,767	\$ 6,278,248
Changes in assumption	768,696	-
Net differences between projected and actual earnings on pension plan investments	6,659,977	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	30,369	22,412
Employer contributions subsequent to the measurement date	1,362,993	-
Totals	<u>\$ 12,373,802</u>	<u>\$ 6,300,660</u>

\$1,362,993 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred outflows (inflows) of resources related to pension will be recognized in pension expense as follows:

Year Ended December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2020	\$ 1,714,165
2021	430,479
2022	745,887
2023	1,819,618
2024	-
Thereafter	-

## CITY OF NEENAH

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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#### NOTE V – OTHER INFORMATION (cont.)

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##### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

##### ***Pension Liability/(Asset), Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*** (cont.)

**Actuarial assumptions.** The total pension asset in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2017
Measurement Date of Net Pension Liability (Asset)	December 31, 2018
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table
Post-retirement Adjustments*:	1.9%

*\* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.9% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.*

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates. The Total Pension Liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE V – OTHER INFORMATION (cont.)

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

Core Fund Asset Class	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	49%	8.1%	5.5%
Fixed Income	24.5	4.0	1.5
Inflation Sensitive Assets	15.5	3.8	1.3
Real Estate	9	6.5	3.9
Private Equity/Debt	8	9.4	6.7
Multi-Asset	4	6.7	4.1
Total Core Fund	110	7.3	4.7
<u>Variable Fund Asset Class</u>			
U.S Equities	70	7.6	5.0
International Equities	30	8.5	5.9
Total Variable Fund	100	8.0	5.4

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%

Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations

**Single discount rate.** A single discount rate of 7.00% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.00% and a long term bond rate of 3.71%. Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE V – OTHER INFORMATION (cont.)

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#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

**Sensitivity of the City's proportionate share of the net pension liability/(asset) to changes in the discount rate.** The following presents the City's proportionate share of the net pension liability/(asset) calculated using the discount rate of 7.00 percent, as well as what the City's proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
City's proportionate share of the net pension liability/(asset)	\$18,123,031	\$4,560,280	\$(5,524,677)

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

At December 31, 2019, the City reported a payable to the pension plan, which represents contractually required contributions outstanding as of the end of the year.

#### B. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The City participates in a public entity risk pool to provide coverage for losses from theft of, damage to, or destruction of assets (torts; errors and omissions; workers compensation; and general liability coverage). Other risks, such as health and dental coverage of its employees are accounted for and financed by the City in an internal service fund – the benefit accrual fund.

#### **Participation in Public Entity Risk Pool**

WMIC is an intergovernmental cooperation commission created by contract under Section 66.30 of the Wisconsin Statutes. It was created in August 1987 for the purpose of facilitating the organization, establishment, and capitalization of CVMIC, and has numerous cities and villages as members.

CVMIC is a municipal mutual insurance company established on September 14, 1987 under Section 611.23 of the Wisconsin Statutes. The CVMIC provides liability insurance coverage to the cities and villages, which make up the membership of WMIC.

CVMIC is self-insured up to a maximum of \$2,000,000 of each insurance risk. Losses paid by CVMIC plus administrative expenses will be recovered through premiums to the participating pool of municipalities. The City's share of such losses is less than 1%.

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

Financial statements of WMIC and CVMIC can be obtained directly from the CVMIC's offices.

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE V – OTHER INFORMATION (cont.)

#### **B. RISK MANAGEMENT** (cont.)

##### **Participation in Public Entity Risk Pool** (cont.)

The initial investment of WMIC is refundable upon withdrawal from the commission and has been reported at the original amount of \$1,117,155 in the insurance internal service fund.

The City pays an annual premium to CVMIC for its general liability insurance, which provides coverage up to \$5,000,000 per occurrence, less the City's retained liability. The City's retained liability is limited to \$100,000 per occurrence and an annual aggregate limit of \$100,000. An actuarially determined estimate for this liability, as well as for claims incurred but not reported was determined to be \$47,028 at December 31, 2019. Changes in the fund's claims loss liability follow:

	Balance January 1	Incurred Claims	Claims Paid/ Settled	Balance December 31
2018	\$ 45,928	\$ 25,922	\$ 22,045	\$ 49,805
2019	49,805	76,831	79,608	47,028

The City is not financially accountable, as defined in Note I, over WMIC or CVMIC.

#### **Dental Care**

The City is exposed to various risks of loss related to dental claims. The City's risk management fund (an internal service fund) is used to account for and finance its uninsured risks of loss. Under this program, the risk management fund provides coverage for up to a maximum annual reimbursement per claimant of \$4,000 for basic (Teamsters) members and \$2,000 for all others. There have been no reductions in insurance coverage in 2019.

All funds of the City participate in the program and are charged amounts needed to pay prior and current year claims and to establish a reserve for future claims costs. The estimated liability for self-funded losses is based on reviewing past claim experience, 2018 claim payment data and making assumptions about future claim payments and experiences. The City does not allocate overhead costs or other nonincremental costs to the claims liability. The estimated liability for self-insured losses for this program consisted of the following at December 31, 2019:

Incurred but not reported claims	<u>\$ 20,000</u>
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Changes in the claims payable follow:

	Balance January 1	Incurred Claims	Claims Paid	Balance December 31
2018	\$ 20,000	\$ 293,917	\$ 293,917	\$ 20,000
2019	20,000	304,858	304,858	20,000



# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE V – OTHER INFORMATION (cont.)

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#### **C. COMMITMENTS AND CONTINGENCIES**

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments is only reported in governmental fund types if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. There were no significant claims or judgments at year-end.

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

The City has incurred costs for sanitary sewer interceptors and transportation systems, which will benefit certain areas if they are annexed by the City. Upon annexation, the City could recover the costs from the property owners. City officials estimate the potential recovery at December 31, 2019 aggregated approximately \$4,227,377.

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

The City has active construction projects as of December 31, 2019. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

The City has the following encumbrances outstanding at year-end expected to be honored upon performance by the vendor.

Capital projects – public infrastructure	\$ 120,994
Nonmajor funds	<u>417,327</u>
Total	<u>\$ 538,321</u>

#### ***Developer Agreements***

In 2015, the City created TIF District No. 10 and signed an agreement with a developer that requires the developer to pay for specified improvements, including the construction of an office building. The City and CDA will transfer the building site to the developer to allow for the construction of the project. The City will provide payments to the developer to assist with developer costs solely from future tax increments from the development area and from the WEDC's Community Development Investment Grant. The City contribution for developer costs shall be limited to a maximum of \$420,000 plus interest. A maximum of 70% of the property tax increment revenue attributable to the development project shall be payable in annual installments. The City's contribution may be prepaid at any time until paid in full, the payments will be provided to the developer as follows: Each year beginning September 1, 2019 and continuing each September 1 thereafter until September 1, 2023, the City will pay to the developer 70% of the tax increment revenue received by the City with respect to the development in that year. No payments will be distributed until the property taxes have been paid on the property.

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE V – OTHER INFORMATION (cont.)

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#### **C. COMMITMENTS AND CONTINGENCIES (cont.)**

##### ***Developer Agreements (cont.)***

In 2015, the City created TIF District No. 9 and signed an agreement with a developer that allows for a maximum of \$1,550,000 or 70% of the tax increment revenue attributable to the development project, whichever is less, payable in installments over seven years. No payments will be distributed until the property taxes have been paid on the property. Until the City contribution has been paid in full, or a sum sufficient to pay off the City contribution has been set aside to cover payment of the City contribution, the City shall not close the District prior to the expiration date.

In 2016, the City created TIF District No. 11 and signed an agreement with a developer that requires the developer to pay for specified improvements including the construction of a number of commercial buildings. The City will provide payments to the developer to assist with developer costs solely from future tax increments from the development area. The City contribution for developer costs shall be limited to a maximum of \$2.015 million. A maximum of 70% of the property tax increment revenue attributable to the development project shall be payable in annual installments. Each year beginning September 1, 2019 and continuing each September 1 thereafter until September 1, 2030, the City will pay to the developer 70% of the tax increment revenue received by the City with respect to the development in that year. No payments will be distributed until the property taxes have been paid on the property.

#### **D. JOINT VENTURES**

##### ***Menasha-Neenah Municipal Court***

The City of Neenah and the City of Menasha have enacted joint ordinances creating the Menasha-Neenah Municipal Court. Each City's proportionate share in the annual operations is equal to the percentage share of citations issued by that city compared to the total citations issued by both cities since the inception of the municipal court. The breakdown as of December 31, 2019 was as follows:

City	Number of 2019 Citations	Number of Citations Since Inception	% of Total
City of Menasha	1,431	33,175	39.9%
City of Neenah	2,361	49,965	60.1%
Totals	3,792	83,140	100.0%

The City of Neenah is the lead agency for purposes of administering the operations of the court. Therefore, all employees of the court, including the judge, are considered City of Neenah employees. The court's offices operate out of the Neenah City Hall building. Court trials are held in the Common Council Chambers at Neenah City Hall.

The municipal court prepares an annual budget and submits it to Neenah and Menasha as part of the cities' annual budgeting process. The cities each pay a proportionate share of the municipal court budget. In addition to its proportionate share, Menasha also pays the City of Neenah an annual administrative fee. The administrative fee is reviewed annually. The City of Neenah has established a Municipal Court fund (a custodial fund) to account for municipal court activity.

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE V – OTHER INFORMATION (cont.)

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#### ***D. JOINT VENTURES (cont.)***

##### ***Menasha-Neenah Municipal Court (cont.)***

As of December 31, 2019, the court had a deficit of \$297,376. The allocation of this deficit is as follows:

City of Menasha	\$ 111,458
City of Neenah	<u>185,918</u>
Total	<u>\$ 297,376</u>

It is the intent that the court will repay these funds.

Financial information of the court as of December 31, 2019 is included in the City's CAFR as supplementary information. Separate financial statements are not available. The City of Neenah does not have an equity interest in this organization.

##### ***Neenah-Menasha Fire Rescue***

On January 1, 2003, the City of Neenah and City of Menasha merged their fire departments. The merged fire department is known as the Neenah-Menasha Fire Rescue (NMFR). It provides fire and rescue services to the citizens of both communities.

The communities share in the annual operation of the fire department as follows: City of Menasha – 40.47% and City of Neenah – 59.53%.

Annually as part of the budget process, the joint finance and personnel committee will re-evaluate the cost distribution formula based on the following five factors: 1) population, 2) equalized value, 3) annual fire/rescue calls, 4) square miles, and 5) square footage of all buildings with each community.

The Joint Fire Commission consists of six members with three-year staggered terms. Neenah and Menasha each appoint three members to the commission. The appointees are not elected officials of the municipalities.

The oversight of the day-to-day operations and budgetary matters of the Neenah-Menasha Fire Rescue are conducted by the Joint Fire Finance and Personnel Committee. The recommendations of the Joint Finance and Personnel Committee shall be acted upon separately by the common councils of both Neenah and Menasha and are effective only upon concurrence of both councils.

The City of Neenah is responsible for administering and accounting for all funds received and disbursed. A separate fund (a custodial fund) has been established by the City of Neenah to account for fire services.

The City accounts for its share of the operations in the general fund. The City of Neenah does not have an equity interest in this organization. Financial information related to the Neenah-Menasha Fire Rescue as of December 31, 2019 is included in the City's CAFR as supplementary information. Separate financial statements are not available.

# CITY OF NEENAH

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE V – OTHER INFORMATION (cont.)

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#### **E. SUBSEQUENT EVENTS**

On April 9, 2020, the City of Neenah issued \$9,895,000 in General Obligation Promissory Notes to finance capital projects. The notes mature on March 1, 2030 and have interest rates ranging from 2.30% to 5.00%.

In December 2019, a novel strain of coronavirus was reported in Wuhan, Hubei Province, China. In the first several months of 2020, the virus, SARS-CoV-2, and resulting disease, COVID-19, spread to the United States, including to areas impacting the City of Neenah. The City of Neenah's evaluation of the effects of these events is ongoing; however, we anticipate this situation could impact the following:

- > Investment valuations and decreased investment income;
- > Declines in revenues such as room tax, state aids, fines or tickets, etc.;
- > Decline in demand for services such as utilities, transit, recreational enterprise activities or permits and licenses;
- > Increase in delinquencies or uncollectible accounts receivable or loans receivable;
- > Timing or ability to issue bonds as planned or obtain financing (as the market has been disrupted);
- > Increase in demand for services as a result of increased unemployment;
- > Increased costs related to pensions, insurance, labor (sick time or overtime), etc.

The extent of the impact of COVID-19 on the City's operational and financial performance will depend on future developments, including the duration and spread of the outbreak and related governmental or other regulatory actions.

#### **F. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS**

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

- > Statement No. 87, *Leases*
- > Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- > Statement No. 91, *Conduit Debt Obligations*
- > Statement No. 92, *Omnibus*
- > Statement No. 93, *Replacement of Interbank Offered Rates*
- > Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*

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

The statements listed above through Statement No. 93 had their required effective dates postponed by one year with the issuance of Statement No. 95, *Postponement of Effective Dates of Certain Authoritative Guidance*, with the exception of Statement No. 87, which was postponed by one and a half years.

## CITY OF NEENAH

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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#### NOTE V – OTHER INFORMATION (cont.)

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##### **G. TAX ABATEMENT**

Tax abatements are a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to an economic development or otherwise benefits the governments or the citizens of those governments.

The City is disclosing all abatement agreements individually.

The City, through its Tax Incremental Financing Districts (TID), has entered into tax abatement agreements with developers in the form of tax incremental financing incentive payments to stimulate economic development. The abatements are authorized through the TID project plans. The developers pay property taxes as they become due, and after meeting the criteria established in the development agreements, are entitled to a future incentive payments that directly correlate to the taxes paid.

Agreement Description	Calculation Method	Developer Commitment	2019 Payment
TID No. 5 Development Agreement – ERA	80% of incremental tax revenue, maximum reimbursement of \$75,000	\$500,000 tax increment	\$ 11,650
TID No. 7 Development Agreement – Festival	80% of incremental tax revenue, maximum reimbursement of \$853,000	\$5.4 million tax increment	95,000
TID No. 9 Development Agreement – Menasha Corp.	70% of incremental tax revenue, maximum reimbursement of \$1.55 million	\$9 million investment	93,292
TID No. 10 – Development Agreement – Site 7	70% of incremental tax revenue, maximum reimbursement of \$420,000	\$6 million investment	112,751
TID No. 11 – Pendleton Park LLC	70% of incremental tax revenue, maximum disbursement of \$2,015,000	\$2 million investment	37,311

## REQUIRED SUPPLEMENTARY INFORMATION

# CITY OF NEENAH

## GENERAL FUND SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES BUDGET AND ACTUAL For the Year Ended December 31, 2019

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
<b>TAXES</b>				
General property tax	\$ 13,668,260	\$ 13,668,260	\$ 13,668,255	\$ (5)
Payment in lieu of taxes	25,500	25,500	21,503	(3,997)
Total Taxes	13,693,760	13,693,760	13,689,758	(4,002)
<b>INTERGOVERNMENTAL REVENUES</b>				
State shared revenues	2,241,260	2,241,260	2,261,247	19,987
Personal property exempt credit aids	92,860	92,860	92,858	(2)
Highway maintenance aids	1,036,080	1,036,080	1,035,624	(456)
Fire aids	85,000	85,000	94,693	9,693
Mass transit subsidy	339,000	339,000	343,380	4,380
Neenah Menasha fire	75,000	75,000	88,099	13,099
Total Intergovernmental Revenues	3,869,200	3,869,200	3,915,901	46,701
<b>LICENSES AND PERMITS</b>				
Licenses				
Liquor and malt beverage	25,000	25,000	22,508	(2,492)
Operators	15,000	15,000	15,995	995
Cigarette	2,500	2,500	2,400	(100)
Dog and cat	13,000	13,000	10,817	(2,183)
Sundry	11,550	11,550	10,585	(965)
Permits				
Building	120,100	120,100	109,269	(10,831)
Electrical	30,000	30,000	40,426	10,426
Plumbing	30,000	30,000	33,290	3,290
Furnace	30,000	30,000	39,275	9,275
Sundry	21,530	21,530	19,400	(2,130)
Total Licenses and Permits	298,680	298,680	303,965	5,285
<b>FINES, FORFEITURES AND PENALTIES</b>				
Court fines	103,000	103,000	93,836	(9,164)
Miscellaneous	4,500	4,500	5,305	805
Total Fines, Forfeitures and Penalties	107,500	107,500	99,141	(8,359)

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

# CITY OF NEENAH

## GENERAL FUND SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (cont.) BUDGET AND ACTUAL For the Year Ended December 31, 2019

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
<b>CHARGES FOR SERVICES</b>				
Other				
General government	\$ 799,310	\$ 799,310	\$ 806,671	\$ 7,361
Public safety	211,400	211,400	209,009	(2,391)
Highway and street	104,400	104,400	160,765	56,365
Rental of City property	93,870	93,870	89,612	(4,258)
Public library	878,720	878,720	890,937	12,217
Cemetery	109,000	109,000	91,098	(17,902)
Park and recreation	555,310	555,310	562,240	6,930
Sundry	11,100	11,100	9,435	(1,665)
Total Other	2,763,110	2,763,110	2,819,767	56,657
Health and Welfare				
Health inspection fees	28,000	28,000	25,565	(2,435)
Total Charges for Services	2,791,110	2,791,110	2,845,332	54,222
<b>INVESTMENT INCOME AND MISCELLANEOUS</b>				
Investment income	540,000	540,000	771,665	231,665
Miscellaneous general revenues	160,650	160,650	185,330	24,680
Total Investment Income and Miscellaneous	700,650	700,650	956,995	256,345
Total Revenues	21,460,900	21,460,900	21,811,092	350,192
<b>OTHER FINANCING SOURCES</b>				
Transfers In				
TIF District No. 5 fund	81,500	81,500	80,000	(1,500)
TIF District No. 6 fund	70,000	70,000	64,127	(5,873)
TIF District No. 7 fund	120,000	120,000	120,000	-
TIF District No. 8 fund	172,000	172,000	184,852	12,852
TIF District No. 9 fund	40,000	40,000	40,000	-
TIF District No. 10 fund	52,000	52,000	40,515	(11,485)
TIF District No. 11 fund	41,500	41,500	40,342	(1,158)
Information Systems	120,000	120,000	120,000	-
Community development block grant fund	25,000	25,000	21,237	(3,763)
Housing and business loans fund	40,000	40,000	35,000	(5,000)
Industrial development fund	5,000	5,000	5,000	-
Recycling fund	25,000	25,000	25,000	-
Clock tower renovations	-	-	62	62
Equipment replacement	-	-	156,631	156,631
Cemetery perpetual care fund	22,000	22,000	24,577	2,577
Sewer fund	864,940	864,940	864,940	-
Stormwater fund	426,630	426,630	426,630	-
Water utility fund - payment in lieu of tax	1,018,010	1,018,010	935,728	(82,282)
Benefit accrual fund	100,000	100,000	100,000	-
Dial-A-Ride	5,000	5,000	5,000	-
Parking utility fund	128,870	128,870	128,870	-
Total Transfers	3,357,450	3,357,450	3,418,511	61,061
Sale of city property	52,200	52,200	94,694	42,494
Total Other Financing Sources	3,409,650	3,409,650	3,513,205	103,555
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<b>\$ 24,870,550</b>	<b>\$ 24,870,550</b>	<b>\$ 25,324,297</b>	<b>\$ 453,747</b>

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



# CITY OF NEENAH

## GENERAL FUND SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES BUDGET AND ACTUAL For the Year Ended December 31, 2019

CURRENT EXPENDITURES	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>GENERAL GOVERNMENT</b>				
Common council	\$ 86,300	\$ 84,430	\$ 83,372	\$ 1,058
Mayor's office	229,560	228,230	225,155	3,075
Finance	1,153,020	1,156,170	1,140,634	15,536
Municipal buildings	286,260	287,090	325,219	(38,129)
Human resources	243,430	252,840	263,161	(10,321)
City attorney	528,340	530,570	515,881	14,689
Total General Government	2,526,910	2,539,330	2,553,422	(14,092)
<b>PUBLIC SAFETY</b>				
Police Department				
Operations	6,333,290	6,377,030	6,064,339	312,691
Police firing range	19,610	20,490	17,618	2,872
Police school liaison program	272,080	274,300	239,071	35,229
Crossing guards	69,890	70,960	59,621	11,339
Capital outlay	21,230	22,830	11,094	11,736
Community service officers/animal control	72,940	72,840	76,379	(3,539)
K-9 unit	15,870	15,870	15,123	747
Fire Department				
Operations	5,039,730	5,047,520	5,057,825	(10,305)
Other				
Pension	13,160	13,160	(1,097)	14,257
Police and fire commission	9,120	9,120	10,188	(1,068)
Total Public Safety	11,866,920	11,924,120	11,550,161	373,959
<b>PUBLIC WORKS</b>				
Engineering	721,140	752,280	769,533	(17,253)
Repair of streets	376,210	381,970	391,042	(9,072)
Snow and ice control	573,360	575,400	683,208	(107,808)
Weed cutting	41,600	41,950	65,204	(23,254)
Forestry program	200,020	203,180	172,112	31,068
Street lighting	583,080	577,380	532,372	45,008
Municipal garage	502,990	505,060	529,831	(24,771)
Storm and sanitary sewers and drains	286,410	289,610	277,519	12,091
Refuse collection	671,410	674,650	751,671	(77,021)
Sewer inspection	47,300	67,310	51,019	16,291
Traffic control	270,190	282,370	264,121	18,249
Capital outlay	6,100	6,100	5,464	636
Sundry	6,300	6,460	6,289	171
Total Public Works	4,286,110	4,363,720	4,499,385	(135,665)

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

# CITY OF NEENAH

## GENERAL FUND SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES (cont.) BUDGET AND ACTUAL For the Year Ended December 31, 2019

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
<b>PARKS, RECREATION AND EDUCATION</b>				
Parks and Recreation				
Administration	\$ 605,630	\$ 607,410	\$ 636,388	\$ (28,978)
Adult programs	14,380	14,380	11,569	2,811
Youth programs	27,710	27,710	28,904	(1,194)
Municipal pool and recreation building	292,860	292,650	281,669	10,981
Playground programs	106,850	106,850	106,637	213
Parks	933,710	947,030	953,669	(6,639)
Forestry	84,980	84,520	55,948	28,572
Other activities	46,520	46,520	40,569	5,951
Total Parks and Recreation	2,112,640	2,127,070	2,115,353	11,717
Library				
Operations	2,181,510	2,189,900	2,198,717	(8,817)
Total Parks, Recreation and Education	4,294,150	4,316,970	4,314,070	2,900
<b>HEALTH AND WELFARE</b>				
Assistance Program				
Committee on Aging	250	250	50	200
<b>COMMUNITY DEVELOPMENT</b>				
Operations	903,750	902,570	856,993	45,577
Celebrations and commemorations	78,060	78,650	65,371	13,279
Housing authority	6,030	6,020	5,613	407
Bus subsidy program	422,530	422,500	427,811	(5,311)
Older adult center	15,100	15,100	15,100	-
Conservation and development	262,400	311,079	338,967	(27,888)
Total Community Development	1,687,870	1,735,919	1,709,855	26,064
<b>OTHER</b>				
Cemetery operations	259,310	259,110	260,058	(948)
Miscellaneous	128,030	54,180	38,553	15,627
Total Other	387,340	313,290	298,611	14,679
Total Expenditures	25,049,550	25,193,599	24,925,554	268,045
<b>OTHER FINANCING USES</b>				
Transfers Out To				
Dial-A-Ride	12,000	12,000	12,000	-
Total Other Financing Uses	12,000	12,000	12,000	-
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 25,061,550	\$ 25,205,599	\$ 24,937,554	\$ 268,045

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

# CITY OF NEENAH

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - TIF DISTRICT NO. 8 - SPECIAL REVENUE FUND For the Year Ended December 31, 2019

	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Taxes	\$ 1,333,781	\$ 1,305,284	\$ (28,497)
Intergovernmental	226,470	234,718	8,248
Investment income and miscellaneous	84,000	120,145	36,145
Total Revenues	<u>1,644,251</u>	<u>1,660,147</u>	<u>15,896</u>
<b>EXPENDITURES</b>			
Current			
Community development	1,000	19,512	(18,512)
Debt Service			
Principal retirement	1,085,000	1,085,000	-
Interest and fiscal charges	634,570	635,572	(1,002)
Total Expenditures	<u>1,720,570</u>	<u>1,740,084</u>	<u>(19,514)</u>
Deficiency of Revenues Over Expenditures	<u>(76,319)</u>	<u>(79,937)</u>	<u>(3,618)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Premium on debt	-	4,025	4,025
Transfer in	942,316	939,134	(3,182)
Transfers out	(1,448,762)	(1,464,162)	(15,400)
Total Other Financing Sources (Uses)	<u>(506,446)</u>	<u>(521,003)</u>	<u>(14,557)</u>
Net Change in Fund Balance	(582,765)	(600,940)	(18,175)
FUND BALANCE (DEFICIT) - Beginning	<u>(6,004,893)</u>	<u>(6,004,893)</u>	<u>-</u>
FUND BALANCE (DEFICIT) - Ending	<u>\$ (6,587,658)</u>	<u>\$ (6,605,833)</u>	<u>\$ (18,175)</u>

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

# CITY OF NEENAH

## SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) - WISCONSIN RETIREMENT SYSTEM For the Year Ended December 31, 2019

<u>Fiscal Year Ending</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
12/31/15	0.12675709%	\$ (3,113,501)	\$ 13,691,283	22.74%	102.74%
12/31/16	0.12458703%	2,024,515	13,244,463	15.29%	98.20%
12/31/17	0.12459281%	1,026,942	13,689,999	7.50%	99.12%
12/31/18	0.12552761%	(3,727,063)	13,810,125	26.99%	102.93%
12/31/19	0.12818106%	4,560,280	14,063,467	32.43%	96.45%

## SCHEDULE OF EMPLOYER CONTRIBUTIONS - WISCONSIN RETIREMENT SYSTEM For the Year Ended December 31, 2019

<u>Fiscal Year Ending</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to the Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
12/31/15	\$ 1,228,134	\$ 1,228,134	\$ -	\$ 13,245,015	9.27%
12/31/16	1,215,257	1,215,257	-	13,689,999	8.88%
12/31/17	1,363,477	1,363,477	-	13,810,125	9.87%
12/31/18	1,329,434	1,329,434	-	14,063,467	9.45%
12/31/19	1,362,993	1,362,993	-	14,580,270	9.35%

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

## CITY OF NEENAH

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2019

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#### ***BUDGETARY INFORMATION***

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note I. C.

The budgeted amounts presented include any amendments made.

The City follows these procedures in establishing the budget versus actual budgetary data reflected in the financial statements:

- a. The Mayor submits to the Common Council a proposed budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted at the City Administration Building to obtain taxpayer comments.
- c. Prior to December 31, the budget is legally adopted through passage of a council resolution.
- d. The budget as adopted includes total expenditures at the cost center level. A cost center can be a fund, major program, department or other activity for which control of expenditures are considered desirable. Cost centers are defined as follows for the governmental fund types with annual budgets: General at the department level, and Special Revenue and Capital Projects at major program level and Debt Service at total fund level. Expenditures cannot legally exceed appropriations at this level without two-thirds common council approval to amend the budget.

- e. Formal budgetary integration is employed as a management control device during the year for the General Fund, the Special Revenue Funds, the Debt Service Fund, the Capital Projects Funds, Sewerage Disposal Utility, Stormwater Utility, and Parking Utility Enterprise Funds.

A comparison of Actual and Budget is included in the accompanying financial statements for all governmental fund types with a legally adopted annual budget. The budget presentations are at the cost center level (legal level of control for the annual budget).

- f. All budgets adopted conform to generally accepted accounting principles (GAAP) except for the Enterprise Funds, where depreciation is not recognized for budget purposes. Budget amounts are as originally adopted or as amended via the procedures explained above. Individual amendments were legally authorized as described.
- g. Budgets for all noncommitted governmental funds lapse at year-end. Carryovers to the following year were \$159,735 in the general fund, which includes library operations.

#### ***WISCONSIN RETIREMENT SYSTEM***

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

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

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

*Changes in Assumptions.* Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015 – 2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop Total Pension Liability changed, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates.

See independent auditors' report.

## **SUPPLEMENTARY INFORMATION**

**DEBT SERVICE FUND**

# CITY OF NEENAH

## BALANCE SHEET - DEBT SERVICE FUND As of December 31, 2019

	Debt Service Fund
<b>ASSETS</b>	
Cash and investments	\$ 84,079
Receivables	
Taxes	3,708,292
Special assessments	774,042
Accounts receivable	35,640
Advances to other funds	<u>7,018,417</u>
 TOTAL ASSETS	 <u>\$ 11,620,470</u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	
Liabilities	
Accounts payable	\$ 68
Total Liabilities	<u>68</u>
 Deferred Inflows of Resources	
Property tax levied for next period	3,450,000
Unavailable revenue	<u>774,041</u>
Total Deferred Inflows of Resources	<u>4,224,041</u>
 Fund Balance	
Restricted for debt service	<u>7,396,361</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	 <u>\$ 11,620,470</u>



# CITY OF NEENAH

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - DEBT SERVICE (MAJOR FUND) For the Year Ended December 31, 2019

	Final Budget	Actual	Variance With Final Budget
<b>REVENUES</b>			
Taxes	\$ 3,285,000	\$ 3,285,000	\$ -
Intergovernmental	108,509	110,800	2,291
Special assessments	370,000	978,828	608,828
Charges for service	400,000	322,889	(77,111)
Total Revenues	<u>4,163,509</u>	<u>4,697,517</u>	<u>534,008</u>
<b>EXPENDITURES</b>			
Debt Service			
Principal retirement	5,405,620	5,405,620	-
Interest and fiscal charges	1,021,959	1,186,321	(164,362)
Total Expenditures	<u>6,427,579</u>	<u>6,591,941</u>	<u>(164,362)</u>
Deficiency of Revenues Over Expenditures	<u>(2,264,070)</u>	<u>(1,894,424)</u>	<u>369,646</u>
<b>OTHER FINANCING SOURCES</b>			
Long-term debt issued	-	43,050	43,050
Premium on debt	100,000	159,809	59,809
Transfers in	2,934,906	2,949,714	14,808
Total Other Financing Sources	<u>3,034,906</u>	<u>3,152,573</u>	<u>117,667</u>
Net Change in Fund Balance	770,836	1,258,149	487,313
FUND BALANCE - Beginning	<u>6,138,212</u>	<u>6,138,212</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 6,909,048</u>	<u>\$ 7,396,361</u>	<u>\$ 487,313</u>

## **OTHER MAJOR FUNDS**

# CITY OF NEENAH

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - PUBLIC INFRASTRUCTURE - CAPITAL PROJECTS FUND (MAJOR FUND) For the Year Ended December 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Contributions	\$ -	\$ 406,263	\$ 406,263
<b>EXPENDITURES</b>			
Capital Outlay	2,799,534	1,703,700	1,095,834
Deficiency of Revenues Over Expenditures	(2,799,534)	(1,297,437)	(1,502,097)
<b>OTHER FINANCING SOURCES (USES)</b>			
Long-term debt issued	1,985,000	1,985,000	-
Transfers out	-	(45,255)	(45,255)
Total Other Financing Sources (Uses)	1,985,000	1,939,745	(45,255)
Net Change in Fund Balance	(814,534)	642,308	1,456,842
FUND BALANCE - Beginning	3,433,423	3,433,423	-
FUND BALANCE - Ending	\$ 2,618,889	\$ 4,075,731	\$ 1,456,842

**NONMAJOR GOVERNMENTAL FUNDS**

# CITY OF NEENAH

## COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS As of December 31, 2019

### Special Revenue Funds

	TIF District No. 5	TIF District No. 6	TIF District No. 7	TIF District No. 9	TIF District No. 10
<b>ASSETS</b>					
Cash and investments	\$ 336,350	\$ 17,304	\$ 1,475,030	\$ 231,432	\$ -
Taxes receivable	336,796	586,448	1,866,039	199,521	306,208
Loans	-	-	-	-	-
Other receivables	-	-	-	-	-
Due from component unit	-	-	-	-	-
Prepaid items	-	-	-	-	-
Advances to other funds	336,821	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 1,009,967</b>	<b>\$ 603,752</b>	<b>\$ 3,341,069</b>	<b>\$ 430,953</b>	<b>\$ 306,208</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ -	\$ -	\$ 30	\$ -	\$ -
Other liabilities	-	-	-	-	-
Advances from other funds	891,000	350,000	-	-	227,430
<b>Total Liabilities</b>	<b>891,000</b>	<b>350,000</b>	<b>30</b>	<b>-</b>	<b>227,430</b>
<b>Deferred Inflows of Resources</b>					
Property taxes levied for next period	336,796	586,448	1,866,039	199,521	306,208
<b>Total Deferred Inflows of Resources</b>	<b>336,796</b>	<b>586,448</b>	<b>1,866,039</b>	<b>199,521</b>	<b>306,208</b>
<b>Fund Balances</b>					
Nonspendable:					
Prepaid items	-	-	-	-	-
Restricted	-	-	1,475,000	231,432	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned (deficit)	(217,829)	(332,696)	-	-	(227,430)
<b>Total Fund Balances</b>	<b>(217,829)</b>	<b>(332,696)</b>	<b>1,475,000</b>	<b>231,432</b>	<b>(227,430)</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 1,009,967</b>	<b>\$ 603,752</b>	<b>\$ 3,341,069</b>	<b>\$ 430,953</b>	<b>\$ 306,208</b>

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Special Revenue Funds							
TIF District No. 11	Community Development Block Grant	Housing/ Business Loans	Industrial Development	Recycling	Health Grants	Parks and Recreation	Dial-A- Ride
\$ -	\$ 1	\$ 1	\$ 107,109	\$ 289,884	\$ 78,859	\$ 355,251	\$ 98,963
141,069	-	-	-	334,806	-	-	-
-	-	499,934	-	-	-	-	-
-	-	49,696	-	-	-	-	2,935
-	-	-	-	-	-	-	-
-	-	-	660	-	-	224	-
-	-	37,225	-	-	-	-	-
<u>\$ 141,069</u>	<u>\$ 1</u>	<u>\$ 586,856</u>	<u>\$ 107,769</u>	<u>\$ 624,690</u>	<u>\$ 78,859</u>	<u>\$ 355,475</u>	<u>\$ 101,898</u>
\$ -	\$ 23,092	\$ 195	\$ 1,295	\$ 6,381	\$ -	\$ -	\$ 5,896
-	-	49,547	-	6,007	-	-	-
98,653	120,232	-	-	-	-	-	-
<u>98,653</u>	<u>143,324</u>	<u>49,742</u>	<u>1,295</u>	<u>12,388</u>	<u>-</u>	<u>-</u>	<u>5,896</u>
141,069	-	-	-	334,806	-	-	-
<u>141,069</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>334,806</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	660	-	-	224	-
-	-	537,114	-	-	78,859	-	-
-	-	-	105,814	277,496	-	355,251	96,002
-	-	-	-	-	-	-	-
(98,653)	(143,323)	-	-	-	-	-	-
<u>(98,653)</u>	<u>(143,323)</u>	<u>537,114</u>	<u>106,474</u>	<u>277,496</u>	<u>78,859</u>	<u>355,475</u>	<u>96,002</u>
<u>\$ 141,069</u>	<u>\$ 1</u>	<u>\$ 586,856</u>	<u>\$ 107,769</u>	<u>\$ 624,690</u>	<u>\$ 78,859</u>	<u>\$ 355,475</u>	<u>\$ 101,898</u>

# CITY OF NEENAH

## COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS As of December 31, 2019

	Special Revenue Funds					
	Civic and Social	Library	Clock Tower Renovations	Other	Cemetery Perpetual Care	Cemetery Flowers
<b>ASSETS</b>						
Cash and investments	\$ 172,453	\$ 1,619,543	\$ -	\$ 246,491	\$ 1,435,445	\$ 167,962
Taxes receivable	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Other receivables	-	14	-	-	-	-
Due from component unit	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 172,453</b>	<b>\$ 1,619,557</b>	<b>\$ -</b>	<b>\$ 246,491</b>	<b>\$ 1,435,445</b>	<b>\$ 167,962</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable	\$ -	\$ 956	\$ -	\$ -	\$ -	\$ 385
Other liabilities	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>956</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>385</b>
<b>Deferred Inflows of Resources</b>						
Property taxes levied for next period	-	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>						
Nonspendable:						
Prepaid items	-	-	-	-	-	-
Restricted	-	1,618,601	-	-	1,435,445	-
Committed	172,453	-	-	246,491	-	167,577
Assigned	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b>172,453</b>	<b>1,618,601</b>	<b>-</b>	<b>246,491</b>	<b>1,435,445</b>	<b>167,577</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 172,453</b>	<b>\$ 1,619,557</b>	<b>\$ -</b>	<b>\$ 246,491</b>	<b>\$ 1,435,445</b>	<b>\$ 167,962</b>

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Special Revenue Funds	Capital Projects Funds						
Walnut	TIF District No. 5	TIF District No. 6	TIF District No. 7	TIF District No. 8	TIF District No. 9	TIF District No. 10	TIF District No. 11
\$ 1,680	\$ 222,164	\$ 94,039	\$ 680,172	\$ 306,362	\$ 283,957	\$ 459,478	\$ 45,144
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	2,159,226	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 1,680	\$ 222,164	\$ 94,039	\$ 680,172	\$ 2,465,588	\$ 283,957	\$ 459,478	\$ 45,144
\$ 1,680	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,107	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,680	-	-	-	-	-	8,107	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	222,164	94,039	680,172	2,465,588	283,957	451,371	45,144
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	222,164	94,039	680,172	2,465,588	283,957	451,371	45,144
\$ 1,680	\$ 222,164	\$ 94,039	\$ 680,172	\$ 2,465,588	\$ 283,957	\$ 459,478	\$ 45,144



**CITY OF NEENAH**

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS  
As of December 31, 2019

	Capital Projects Funds				Total Nonmajor Governmental Funds
	Redevelop- ment	Facilities	Capital Equipment	Equipment Replacement	
<b>ASSETS</b>					
Cash and investments	\$ -	\$ 546,218	\$ 991,604	\$ 10,938	\$ 10,273,834
Taxes receivable	-	-	-	-	3,770,887
Loans	-	-	-	-	499,934
Other receivables	-	-	-	-	52,645
Due from component unit	-	-	-	-	2,159,226
Prepaid items	-	-	-	-	884
Advances to other funds	-	-	-	-	374,046
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 546,218</b>	<b>\$ 991,604</b>	<b>\$ 10,938</b>	<b>\$ 17,131,456</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ -	\$ 53,763	\$ 82,592	\$ 630	\$ 185,002
Other liabilities	-	-	-	-	55,554
Advances from other funds	907	-	-	-	1,688,222
<b>Total Liabilities</b>	<b>907</b>	<b>53,763</b>	<b>82,592</b>	<b>630</b>	<b>1,928,778</b>
<b>Deferred Inflows of Resources</b>					
Property taxes levied for next period	-	-	-	-	3,770,887
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,770,887</b>
<b>Fund Balances</b>					
Nonspendable:					
Prepaid items	-	-	-	-	884
Restricted	-	-	909,012	-	10,527,898
Committed	-	-	-	-	1,421,084
Assigned	-	492,455	-	10,308	502,763
Unassigned (deficit)	(907)	-	-	-	(1,020,838)
<b>Total Fund Balances</b>	<b>(907)</b>	<b>492,455</b>	<b>909,012</b>	<b>10,308</b>	<b>11,431,791</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ -</b>	<b>\$ 546,218</b>	<b>\$ 991,604</b>	<b>\$ 10,938</b>	<b>\$ 17,131,456</b>

# CITY OF NEENAH

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS For the Year Ended December 31, 2019

	Special Revenue Funds				
	TIF District No. 5	TIF District No. 6	TIF District No. 7	TIF District No. 9	TIF District No. 10
<b>REVENUES</b>					
Taxes	\$ 370,038	\$ 621,051	\$ 2,099,135	\$ 221,925	\$ 313,079
Intergovernmental	156,234	83,993	70,180	49,187	545
Contributions	-	-	-	-	-
Investment income and miscellaneous	373	-	33,096	9,243	-
Total Revenues	<u>526,645</u>	<u>705,044</u>	<u>2,202,411</u>	<u>280,355</u>	<u>313,624</u>
<b>EXPENDITURES</b>					
Current					
Public safety	-	-	-	-	-
Recycling	-	-	-	-	-
Parks, recreation, and education	-	-	-	-	-
Health and welfare	-	-	-	-	-
Community development	11,650	149	95,181	95,442	112,902
Conservation and development	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service					
Interest and fiscal charges	151	519	37,121	1,265	3,386
Total Expenditures	<u>11,801</u>	<u>668</u>	<u>132,302</u>	<u>96,707</u>	<u>116,288</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>514,844</u>	<u>704,376</u>	<u>2,070,109</u>	<u>183,648</u>	<u>197,336</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Long-term debt issued	-	-	-	-	-
Refunding bonds issued	-	20,000	1,430,000	-	-
Premium on debt	-	1,119	79,974	5,090	13,613
Sale of city property	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	(397,042)	(304,276)	(2,105,083)	(119,593)	(194,188)
Total Other Financing Sources (Uses)	<u>(397,042)</u>	<u>(283,157)</u>	<u>(595,109)</u>	<u>(114,503)</u>	<u>(180,575)</u>
Net Change in Fund Balances	117,802	421,219	1,475,000	69,145	16,761
FUND BALANCES (DEFICIT) - Beginning	<u>(335,631)</u>	<u>(753,915)</u>	<u>-</u>	<u>162,287</u>	<u>(244,191)</u>
FUND BALANCES (DEFICIT) - ENDING	<u>\$ (217,829)</u>	<u>\$ (332,696)</u>	<u>\$ 1,475,000</u>	<u>\$ 231,432</u>	<u>\$ (227,430)</u>

Special Revenue Funds							
TIF District No. 11	Community Development Block Grant	Housing/ Business Loans	Industrial Development	Recycling	Health Grants	Parks and Recreation	Dial-A- Ride
\$ 56,840	\$ -	\$ -	\$ -	\$ 360,800	\$ -	\$ -	\$ -
-	151,826	-	29,273	208,575	-	-	30,935
-	-	-	-	-	-	44,164	8,500
-	1,338	2,089	-	16,814	-	7,740	1,063
56,840	153,164	2,089	29,273	586,189	-	51,904	40,498
-	-	-	-	-	-	-	-
-	-	-	-	460,640	-	-	-
-	-	-	-	-	-	25,713	-
-	-	-	-	-	-	-	-
-	418,826	21,353	5,009	-	-	-	39,918
37,459	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
736	-	-	-	-	-	-	-
38,195	418,826	21,353	5,009	460,640	-	25,713	39,918
18,645	(265,662)	(19,264)	24,264	125,549	-	26,191	580
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,959	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	45,255	61,507	-	-	-	-	12,000
(44,340)	(82,744)	(35,000)	(5,000)	(25,000)	(1,049)	-	(5,000)
(41,381)	(37,489)	26,507	(5,000)	(25,000)	(1,049)	-	7,000
(22,736)	(303,151)	7,243	19,264	100,549	(1,049)	26,191	7,580
(75,917)	159,828	529,871	87,210	176,947	79,908	329,284	88,422
\$ (98,653)	\$ (143,323)	\$ 537,114	\$ 106,474	\$ 277,496	\$ 78,859	\$ 355,475	\$ 96,002

# CITY OF NEENAH

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS (cont.) For the Year Ended December 31, 2019

	Special Revenue Funds				
	Civic and Social	Library	Clock Tower Renovations	Other	Cemetery Perpetual Care
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	6,240	-
Contributions	39,716	46,625	-	93,728	-
Investment income and miscellaneous	2,334	237,440	-	2,727	160,898
Total Revenues	<u>42,050</u>	<u>284,065</u>	<u>-</u>	<u>102,695</u>	<u>160,898</u>
<b>EXPENDITURES</b>					
Current					
Public safety	-	-	-	24,579	-
Recycling	-	-	-	-	-
Parks, recreation, and education	-	53,670	-	-	-
Health and welfare	-	-	-	-	-
Community development	37,522	-	-	-	-
Conservation and development	-	-	-	-	-
Capital Outlay	-	-	-	2,973	-
Debt Service	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total Expenditures	<u>37,522</u>	<u>53,670</u>	<u>-</u>	<u>27,552</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>4,528</u>	<u>230,395</u>	<u>-</u>	<u>75,143</u>	<u>160,898</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Long-term debt issued	-	-	-	-	-
Refunding bonds issued	-	-	-	-	-
Premium on debt	-	-	-	-	-
Sale of city property	7,279	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	(37)	(37,061)	(25)	(15,132)	(24,577)
Total Other Financing Sources (Uses)	<u>7,242</u>	<u>(37,061)</u>	<u>(25)</u>	<u>(15,132)</u>	<u>(24,577)</u>
Net Change in Fund Balances	11,770	193,334	(25)	60,011	136,321
FUND BALANCES (DEFICIT) - Beginning	<u>160,683</u>	<u>1,425,267</u>	<u>25</u>	<u>186,480</u>	<u>1,299,124</u>
FUND BALANCES (DEFICIT) - ENDING	<u>\$ 172,453</u>	<u>\$ 1,618,601</u>	<u>\$ -</u>	<u>\$ 246,491</u>	<u>\$ 1,435,445</u>

Special Revenue Funds		Capital Project Funds					
Cemetery Flowers	Walnut	TIF District No. 5	TIF District No. 6	TIF District No. 7	TIF District No. 8	TIF District No. 9	TIF District No. 10
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	460,453
-	-	-	-	-	-	-	-
3,774	715	-	-	-	35,750	-	114,499
3,774	715	-	-	-	35,750	-	574,952
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
3,338	-	-	-	-	-	-	-
-	2,128	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	25,000	24,115	29,403	18,638
-	-	-	-	-	-	-	-
3,338	2,128	-	-	25,000	24,115	29,403	18,638
436	(1,413)	-	-	(25,000)	11,635	(29,403)	556,314
-	-	-	-	-	170,000	215,000	575,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	170,000	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	340,000	215,000	575,000
436	(1,413)	-	-	(25,000)	351,635	185,597	1,131,314
167,141	1,413	222,164	94,039	705,172	2,113,953	98,360	(679,943)
\$ 167,577	\$ -	\$ 222,164	\$ 94,039	\$ 680,172	\$ 2,465,588	\$ 283,957	\$ 451,371

**CITY OF NEENAH**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2019

	Capital Project Funds					Total Nonmajor Governmental Funds
	TIF District No. 11	Redevelop- ment	Facilities	Capital Equipment	Equipment Replacement	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,042,868
Intergovernmental	-	-	-	-	-	1,247,441
Contributions	-	-	-	-	-	232,733
Investment income and miscellaneous	-	-	76,290	4,660	4,612	715,455
Total Revenues	-	-	76,290	4,660	4,612	6,238,497
<b>EXPENDITURES</b>						
Current						
Public safety	-	-	-	-	-	24,579
Recycling	-	-	-	-	-	460,640
Parks, recreation, and education	-	-	-	-	-	79,383
Health and welfare	-	-	-	-	-	3,338
Community development	-	-	-	-	-	840,080
Conservation and development	-	-	-	-	-	37,459
Capital Outlay	109,356	-	2,330,684	1,116,018	3,821	3,660,008
Debt Service	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	43,178
Total Expenditures	109,356	-	2,330,684	1,116,018	3,821	5,148,665
Excess (Deficiency) of Revenues Over Expenditures	(109,356)	-	(2,254,394)	(1,111,358)	791	1,089,832
<b>OTHER FINANCING SOURCES (USES)</b>						
Long-term debt issued	125,000	-	1,562,600	3,159,350	-	5,806,950
Refunding bonds issued	-	-	-	-	-	1,450,000
Premium on debt	-	-	-	-	-	102,755
Sale of city property	-	-	-	-	-	7,279
Transfers in	-	-	37,061	16,181	-	342,004
Transfers out	-	-	-	-	(156,631)	(3,551,778)
Total Other Financing Sources (Uses)	125,000	-	1,599,661	3,175,531	(156,631)	4,157,210
Net Change in Fund Balances	15,644	-	(654,733)	2,064,173	(155,840)	5,247,042
FUND BALANCES (DEFICIT) - Beginning	29,500	(907)	1,147,188	(1,155,161)	166,148	6,184,749
FUND BALANCES (DEFICIT) - ENDING	\$ 45,144	\$ (907)	\$ 492,455	\$ 909,012	\$ 10,308	\$ 11,431,791

# CITY OF NEENAH

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - TIF DISTRICT NO. 5 - SPECIAL REVENUE FUND For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Taxes	\$ 378,116	\$ 370,038	\$ (8,078)
Intergovernmental	153,745	156,234	2,489
Investment income and miscellaneous	<u>1,000</u>	<u>373</u>	<u>(627)</u>
Total Revenues	<u>532,861</u>	<u>526,645</u>	<u>(6,216)</u>
<b>EXPENDITURES</b>			
Current			
Community development	1,000	11,650	(10,650)
Debt Service			
Interest and fiscal charges	<u>-</u>	<u>151</u>	<u>(151)</u>
Total Expenditures	<u>1,000</u>	<u>11,801</u>	<u>(10,801)</u>
Excess of Revenues Over Expenditures	<u>531,861</u>	<u>514,844</u>	<u>(17,017)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(398,542)</u>	<u>(397,042)</u>	<u>1,500</u>
Net Change in Fund Balances	133,319	117,802	(15,517)
FUND BALANCES (DEFICIT) - Beginning	<u>(335,631)</u>	<u>(335,631)</u>	<u>-</u>
FUND BALANCES (DEFICIT) - ENDING	<u>\$ (202,312)</u>	<u>\$ (217,829)</u>	<u>\$ (15,517)</u>

# CITY OF NEENAH

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - TIF DISTRICT NO. 6 - SPECIAL REVENUE FUND For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Taxes	\$ 634,610	\$ 621,051	\$ (13,559)
Intergovernmental	80,080	83,993	3,913
Investment income and miscellaneous	1,000	-	(1,000)
Total Revenues	<u>715,690</u>	<u>705,044</u>	<u>(10,646)</u>
<b>EXPENDITURES</b>			
Current			
Community development	1,000	149	851
Debt Service			
Interest and fiscal charges	-	519	(519)
Total Expenditures	<u>1,000</u>	<u>668</u>	<u>332</u>
Excess of Revenues Over Expenditures	<u>714,690</u>	<u>704,376</u>	<u>(10,314)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Refunding bonds issued	-	20,000	20,000
Premium on debt	-	1,119	1,119
Transfers out	(310,148)	(304,276)	5,872
Total Other Financing Sources (Uses)	<u>(310,148)</u>	<u>(283,157)</u>	<u>26,991</u>
Net Change in Fund Balances	404,542	421,219	16,677
FUND BALANCES (DEFICIT) - Beginning	<u>(753,915)</u>	<u>(753,915)</u>	<u>-</u>
FUND BALANCES (DEFICIT) - ENDING	<u>\$ (349,373)</u>	<u>\$ (332,696)</u>	<u>\$ 16,677</u>



# CITY OF NEENAH

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - TIF DISTRICT NO. 7 - SPECIAL REVENUE FUND For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Taxes	\$ 2,144,963	\$ 2,099,135	\$ (45,828)
Intergovernmental	58,303	70,180	11,877
Investment income and miscellaneous	1,000	33,096	32,096
Total Revenues	<u>2,204,266</u>	<u>2,202,411</u>	<u>(1,855)</u>
<b>EXPENDITURES</b>			
Current			
Community development	96,000	95,181	819
Debt Service			
Interest and fiscal charges	-	37,121	(37,121)
Total Expenditures	<u>96,000</u>	<u>132,302</u>	<u>(36,302)</u>
Excess of Revenues Over Expenditures	<u>2,108,266</u>	<u>2,070,109</u>	<u>(38,157)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Refunding bonds issued	-	1,430,000	1,430,000
Premium on debt	-	79,974	79,974
Transfers out	<u>(2,108,266)</u>	<u>(2,105,083)</u>	<u>3,183</u>
Total Other Financing Sources (Uses)	<u>(2,108,266)</u>	<u>(595,109)</u>	<u>1,513,157</u>
Net Change in Fund Balances	-	1,475,000	1,475,000
FUND BALANCES - Beginning	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ 1,475,000</u>	<u>\$ 1,475,000</u>

# CITY OF NEENAH

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - TIF DISTRICT NO. 9 - SPECIAL REVENUE FUND For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Taxes	\$ 226,770	\$ 221,925	\$ (4,845)
Intergovernmental	47,654	49,187	1,533
Investment income and miscellaneous	1,000	9,243	8,243
Total Revenues	<u>275,424</u>	<u>280,355</u>	<u>4,931</u>
<b>EXPENDITURES</b>			
Current			
Community development	1,000	95,442	(94,442)
Debt Service			
Interest and fiscal charges	-	1,265	(1,265)
Total Expenditures	<u>1,000</u>	<u>96,707</u>	<u>(95,707)</u>
Excess of Revenues Over Expenditures	<u>274,424</u>	<u>183,648</u>	<u>(90,776)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Premium on debt	-	5,090	5,090
Transfers out	(116,630)	(119,593)	(2,963)
Total Other Financing Sources (Uses)	<u>(116,630)</u>	<u>(114,503)</u>	<u>2,127</u>
Net Change in Fund Balances	157,794	69,145	(88,649)
FUND BALANCES - Beginning	<u>162,287</u>	<u>162,287</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 320,081</u>	<u>\$ 231,432</u>	<u>\$ (88,649)</u>

# CITY OF NEENAH

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - TIF DISTRICT NO. 10 - SPECIAL REVENUE FUND For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Taxes	\$ 319,914	\$ 313,079	\$ (6,835)
Intergovernmental	30	545	515
Investment income and miscellaneous	1,000	-	(1,000)
Total Revenues	<u>320,944</u>	<u>313,624</u>	<u>(7,320)</u>
<b>EXPENDITURES</b>			
Current			
Community development	171,000	112,902	58,098
Debt Service			
Interest and fiscal charges	-	3,386	(3,386)
Total Expenditures	<u>171,000</u>	<u>116,288</u>	<u>54,712</u>
Excess of Revenues Over Expenditures	<u>149,944</u>	<u>197,336</u>	<u>47,392</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Premium on debt	-	13,613	13,613
Transfers out	(199,969)	(194,188)	5,781
Total Other Financing Sources (Uses)	<u>(199,969)</u>	<u>(180,575)</u>	<u>19,394</u>
Net Change in Fund Balances	(50,025)	16,761	66,786
FUND BALANCES (DEFICIT) - Beginning	<u>(244,191)</u>	<u>(244,191)</u>	<u>-</u>
FUND BALANCES (DEFICIT) - ENDING	<u>\$ (294,216)</u>	<u>\$ (227,430)</u>	<u>\$ 66,786</u>

# CITY OF NEENAH

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - TIF DISTRICT NO.11 - SPECIAL REVENUE FUND For the Year Ended December 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Taxes	\$ 58,080	\$ 56,840	\$ (1,240)
Intergovernmental	<u>30</u>	<u>-</u>	<u>(30)</u>
Total Revenues	<u>58,110</u>	<u>56,840</u>	<u>(1,270)</u>
<b>EXPENDITURES</b>			
Current			
Conservation and development	-	37,459	(37,459)
Debt Service			
Interest and fiscal charges	<u>-</u>	<u>736</u>	<u>(736)</u>
Total Expenditures	<u>-</u>	<u>38,195</u>	<u>(38,195)</u>
Excess of Revenues Over Expenditures	<u>58,110</u>	<u>18,645</u>	<u>(39,465)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Premium on debt	-	2,959	2,959
Transfers out	<u>(41,905)</u>	<u>(44,340)</u>	<u>(2,435)</u>
Total Other Financing Sources (Uses)	<u>(41,905)</u>	<u>(41,381)</u>	<u>524</u>
Net Change in Fund Balances	16,205	(22,736)	(38,941)
FUND BALANCES (DEFICIT) - Beginning	<u>(75,917)</u>	<u>(75,917)</u>	<u>-</u>
FUND BALANCES (DEFICIT) - ENDING	<u>\$ (59,712)</u>	<u>\$ (98,653)</u>	<u>\$ (38,941)</u>

# CITY OF NEENAH

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT BLOCK GRANT - SPECIAL REVENUE FUND For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental	\$ 200,000	\$ 151,826	\$ (48,174)
Investment income and miscellaneous	-	1,338	1,338
Total Revenues	<u>200,000</u>	<u>153,164</u>	<u>(46,836)</u>
<b>EXPENDITURES</b>			
Current			
Community development	<u>175,000</u>	<u>418,826</u>	<u>(243,826)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>25,000</u>	<u>(265,662)</u>	<u>(290,662)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	45,255	45,255
Transfers out	<u>(25,000)</u>	<u>(82,744)</u>	<u>(57,744)</u>
Total Other Financing Sources (Uses)	<u>(25,000)</u>	<u>(37,489)</u>	<u>(12,489)</u>
Net Change in Fund Balances	-	(303,151)	(303,151)
FUND BALANCES - Beginning	<u>159,828</u>	<u>159,828</u>	<u>-</u>
FUND BALANCES (DEFICIT) - ENDING	<u>\$ 159,828</u>	<u>\$ (143,323)</u>	<u>\$ (303,151)</u>

# CITY OF NEENAH

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - HOUSING AND BUSINESS LOANS - SPECIAL REVENUE FUND For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Investment income and miscellaneous	\$ 3,200	\$ 2,089	\$ (1,111)
<b>EXPENDITURES</b>			
Current			
Community development	4,200	21,353	(17,153)
Deficiency of Revenues Over Expenditures	(1,000)	(19,264)	(18,264)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	25,000	61,507	36,507
Transfers out	(40,000)	(35,000)	5,000
Total Other Financing Sources (Uses)	(15,000)	26,507	41,507
Net Change in Fund Balances	(16,000)	7,243	23,243
FUND BALANCES - Beginning	529,871	529,871	-
FUND BALANCES - ENDING	\$ 513,871	\$ 537,114	\$ 23,243

## CITY OF NEENAH

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - INDUSTRIAL DEVELOPMENT - SPECIAL REVENUE FUND For the Year Ended December 31, 2019

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Intergovernmental	<u>\$ 29,100</u>	<u>\$ 29,273</u>	<u>\$ 173</u>
<b>EXPENDITURES</b>			
Current			
Community development	<u>15,000</u>	<u>5,009</u>	<u>9,991</u>
Excess of Revenues Over Expenditures	<u>14,100</u>	<u>24,264</u>	<u>10,164</u>
<b>OTHER FINANCING USES</b>			
Transfers out	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>
Net Change in Fund Balances	9,100	19,264	10,164
FUND BALANCES - Beginning	<u>87,210</u>	<u>87,210</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 96,310</u>	<u>\$ 106,474</u>	<u>\$ 10,164</u>

# CITY OF NEENAH

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - RECYCLING - SPECIAL REVENUE FUND For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Taxes	\$ 358,000	\$ 360,800	\$ 2,800
Intergovernmental	215,000	208,575	(6,425)
Investment income and miscellaneous	25,000	16,814	(8,186)
Total Revenues	<u>598,000</u>	<u>586,189</u>	<u>(11,811)</u>
<b>EXPENDITURES</b>			
Current			
Recycling	<u>600,570</u>	<u>460,640</u>	<u>139,930</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(2,570)</u>	<u>125,549</u>	<u>128,119</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
Net Change in Fund Balances	(27,570)	100,549	128,119
FUND BALANCES - Beginning	<u>176,947</u>	<u>176,947</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 149,377</u>	<u>\$ 277,496</u>	<u>\$ 128,119</u>



## CITY OF NEENAH

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
HEALTH GRANTS - SPECIAL REVENUE FUND  
For the Year Ended December 31, 2019

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>	-	-	-
Excess of Revenues Over Expenditures	-	-	-
<b>OTHER FINANCING USES</b>			
Transfers out	-	(1,049)	(1,049)
Net Change in Fund Balances	-	(1,049)	(1,049)
FUND BALANCES - Beginning	<u>79,908</u>	<u>79,908</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 79,908</u>	<u>\$ 78,859</u>	<u>\$ (1,049)</u>

## CITY OF NEENAH

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
PARKS AND RECREATION - SPECIAL REVENUE FUND  
For the Year Ended December 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Contributions	\$ 40,000	\$ 44,164	\$ 4,164
Investment income and miscellaneous	<u>5,000</u>	<u>7,740</u>	<u>2,740</u>
Total Revenues	<u>45,000</u>	<u>51,904</u>	<u>6,904</u>
<b>EXPENDITURES</b>			
Current			
Parks, recreation, and education	<u>40,000</u>	<u>25,713</u>	<u>14,287</u>
Net Change in Fund Balances	5,000	26,191	21,191
FUND BALANCES - Beginning	<u>329,284</u>	<u>329,284</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 334,284</u>	<u>\$ 355,475</u>	<u>\$ 21,191</u>

# CITY OF NEENAH

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - DIAL-A-RIDE - SPECIAL REVENUE FUND For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ 30,935	\$ 30,935
Contributions	53,000	8,500	(44,500)
Investment income and miscellaneous	-	1,063	1,063
Total Revenues	<u>53,000</u>	<u>40,498</u>	<u>(12,502)</u>
<b>EXPENDITURES</b>			
Current			
Community development	<u>46,250</u>	<u>39,918</u>	<u>6,332</u>
Excess of Revenues Over Expenditures	<u>6,750</u>	<u>580</u>	<u>(6,170)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	12,000	12,000
Transfers out	<u>-</u>	<u>(5,000)</u>	<u>(5,000)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>7,000</u>	<u>7,000</u>
Net Change in Fund Balances	6,750	7,580	830
FUND BALANCES - Beginning	<u>88,422</u>	<u>88,422</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 95,172</u>	<u>\$ 96,002</u>	<u>\$ 830</u>

# CITY OF NEENAH

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CIVIC AND SOCIAL - SPECIAL REVENUE FUND For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Contributions	\$ 44,000	\$ 39,716	\$ (4,284)
Investment income and miscellaneous	<u>-</u>	<u>2,334</u>	<u>2,334</u>
Total Revenues	<u>44,000</u>	<u>42,050</u>	<u>(1,950)</u>
<b>EXPENDITURES</b>			
Current			
Community development	<u>40,000</u>	<u>37,522</u>	<u>2,478</u>
Excess of Revenues Over Expenditures	<u>4,000</u>	<u>4,528</u>	<u>528</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Sale of city property	-	7,279	7,279
Transfers out	<u>-</u>	<u>(37)</u>	<u>(37)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>7,242</u>	<u>7,242</u>
Net Change in Fund Balances	4,000	11,770	7,770
FUND BALANCES - Beginning	<u>160,683</u>	<u>160,683</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 164,683</u>	<u>\$ 172,453</u>	<u>\$ 7,770</u>

# CITY OF NEENAH

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - LIBRARY - SPECIAL REVENUE FUND For the Year Ended December 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Contributions	\$ 90,000	\$ 46,625	\$ (43,375)
Investment income and miscellaneous	<u>-</u>	<u>237,440</u>	<u>237,440</u>
Total Revenues	<u>90,000</u>	<u>284,065</u>	<u>194,065</u>
<b>EXPENDITURES</b>			
Current			
Parks, recreation, and education	<u>55,000</u>	<u>53,670</u>	<u>1,330</u>
Excess Deficiency of Revenues Over Expenditures	<u>35,000</u>	<u>230,395</u>	<u>195,395</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>-</u>	<u>(37,061)</u>	<u>(37,061)</u>
Net Change in Fund Balances	35,000	193,334	158,334
FUND BALANCES - Beginning	<u>1,425,267</u>	<u>1,425,267</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 1,460,267</u>	<u>\$ 1,618,601</u>	<u>\$ 158,334</u>

## CITY OF NEENAH

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
CLOCK TOWER RENOVATIONS - SPECIAL REVENUE FUND  
For the Year Ended December 31, 2019

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>	-	-	-
Excess Deficiency of Revenues Over Expenditures	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	-	(25)	(25)
Net Change in Fund Balances	-	(25)	(25)
FUND BALANCES - Beginning	25	25	-
FUND BALANCES - ENDING	<u>\$ 25</u>	<u>\$ -</u>	<u>\$ (25)</u>

# CITY OF NEENAH

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - OTHER - SPECIAL REVENUE FUND For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ 6,240	\$ 6,240
Contributions	50,000	93,728	43,728
Investment income and miscellaneous	-	2,727	2,727
Total Revenues	<u>50,000</u>	<u>102,695</u>	<u>52,695</u>
<b>EXPENDITURES</b>			
Current			
Public safety	50,000	24,579	25,421
Capital Outlay	-	2,973	(2,973)
Total Expenditures	<u>50,000</u>	<u>27,552</u>	<u>22,448</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>75,143</u>	<u>75,143</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>-</u>	<u>(15,132)</u>	<u>(15,132)</u>
Net Change in Fund Balances	-	60,011	60,011
FUND BALANCES - Beginning	<u>186,480</u>	<u>186,480</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 186,480</u>	<u>\$ 246,491</u>	<u>\$ 60,011</u>

## CITY OF NEENAH

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
CEMETERY PERPETUAL CARE - SPECIAL REVENUE FUND  
For the Year Ended December 31, 2019

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Investment income and miscellaneous	\$ 30,000	\$ 160,898	\$ 130,898
<b>EXPENDITURES</b>			
Capital Outlay	20,000	-	20,000
Excess (Deficiency) of Revenues Over Expenditures	10,000	160,898	150,898
<b>OTHER FINANCING USES</b>			
Transfers out	-	(24,577)	(24,577)
Net Change in Fund Balances	10,000	136,321	126,321
FUND BALANCES - Beginning	1,299,124	1,299,124	-
FUND BALANCES - ENDING	<u>\$ 1,309,124</u>	<u>\$ 1,435,445</u>	<u>\$ 126,321</u>



## CITY OF NEENAH

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
CEMETERY FLOWERS - SPECIAL REVENUE FUND  
For the Year Ended December 31, 2019

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Investment income and miscellaneous	<u>\$ 3,500</u>	<u>\$ 3,774</u>	<u>\$ 274</u>
<b>EXPENDITURES</b>			
Current			
Health and welfare	<u>3,500</u>	<u>3,338</u>	<u>162</u>
Net Change in Fund Balances	-	436	436
FUND BALANCES - Beginning	<u>167,141</u>	<u>167,141</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 167,141</u>	<u>\$ 167,577</u>	<u>\$ 436</u>

## CITY OF NEENAH

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
TIF DISTRICT NO. 5 - CAPITAL PROJECTS FUND  
For the Year Ended December 31, 2019

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>	-	-	-
Net Change in Fund Balances	-	-	-
FUND BALANCES - Beginning	<u>222,164</u>	<u>222,164</u>	-
FUND BALANCES - ENDING	<u>\$ 222,164</u>	<u>\$ 222,164</u>	<u>\$ -</u>

## CITY OF NEENAH

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
TIF DISTRICT NO. 6 - CAPITAL PROJECTS FUND  
For the Year Ended December 31, 2019

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>	-	-	-
Net Change in Fund Balances	-	-	-
FUND BALANCES - Beginning	<u>94,039</u>	<u>94,039</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 94,039</u>	<u>\$ 94,039</u>	<u>\$ -</u>

## CITY OF NEENAH

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
TIF DISTRICT NO. 7 - CAPITAL PROJECTS FUND  
For the Year Ended December 31, 2019

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>EXPENDITURES</b>			
Capital Outlay	<u>35,000</u>	<u>25,000</u>	<u>10,000</u>
Net Change in Fund Balances	(35,000)	(25,000)	10,000
FUND BALANCES - Beginning	<u>705,172</u>	<u>705,172</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 670,172</u>	<u>\$ 680,172</u>	<u>\$ 10,000</u>

## CITY OF NEENAH

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
TIF DISTRICT NO. 8 - CAPITAL PROJECTS FUND  
For the Year Ended December 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Investment income and miscellaneous	\$ -	\$ 35,750	\$ 35,750
<b>EXPENDITURES</b>			
Capital Outlay	<u>878,692</u>	<u>24,115</u>	<u>854,577</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(878,692)</u>	<u>11,635</u>	<u>(890,327)</u>
<b>OTHER FINANCING SOURCES</b>			
Long-term debt issued	170,000	170,000	-
Transfers in	<u>-</u>	<u>170,000</u>	<u>170,000</u>
Total Other Financing Sources	<u>170,000</u>	<u>340,000</u>	<u>170,000</u>
Net Change in Fund Balances	(708,692)	351,635	1,060,327
FUND BALANCES - Beginning	<u>2,113,953</u>	<u>2,113,953</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 1,405,261</u>	<u>\$ 2,465,588</u>	<u>\$ 1,060,327</u>

## CITY OF NEENAH

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL -  
TIF DISTRICT NO. 9 - CAPITAL PROJECTS FUND  
For the Year Ended December 31, 2019

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>EXPENDITURES</b>			
Capital Outlay	<u>984,002</u>	<u>29,403</u>	<u>954,599</u>
Deficiency of Revenues Over Expenditures	<u>(984,002)</u>	<u>(29,403)</u>	<u>954,599</u>
<b>OTHER FINANCING SOURCES</b>			
Long-term debt issued	<u>215,000</u>	<u>215,000</u>	<u>-</u>
Net Change in Fund Balances	<u>(769,002)</u>	<u>185,597</u>	<u>954,599</u>
FUND BALANCES - Beginning	<u>98,360</u>	<u>98,360</u>	<u>-</u>
FUND BALANCES (DEFICIT) - ENDING	<u>\$ (670,642)</u>	<u>\$ 283,957</u>	<u>\$ 954,599</u>

# CITY OF NEENAH

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - TIF DISTRICT NO. 10 - CAPITAL PROJECTS FUND For the Year Ended December 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ 460,453	\$ 460,453
Investment income and miscellaneous	-	114,499	114,499
Total Revenues	-	574,952	574,952
<b>EXPENDITURES</b>			
Capital Outlay	1,510,123	18,638	1,491,485
Deficiency of Revenues Over Expenditures	(1,510,123)	556,314	2,066,437
<b>OTHER FINANCING SOURCES</b>			
Long-term debt issued	568,000	575,000	7,000
Net Change in Fund Balances	(942,123)	1,131,314	2,073,437
FUND BALANCES (DEFICIT) - Beginning	(679,943)	(679,943)	-
FUND BALANCES (DEFICIT) - ENDING	<u>\$ (1,622,066)</u>	<u>\$ 451,371</u>	<u>\$ 2,073,437</u>

## CITY OF NEENAH

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
TIF DISTRICT NO. 11 - CAPITAL PROJECTS FUND  
For the Year Ended December 31, 2019

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>			
Capital Outlay	<u>125,000</u>	<u>109,356</u>	<u>15,644</u>
Deficiency of Revenues Over Expenditures	<u>(125,000)</u>	<u>(109,356)</u>	<u>15,644</u>
<b>OTHER FINANCING SOURCES</b>			
Long-term debt issued	<u>125,000</u>	<u>125,000</u>	<u>-</u>
Net Change in Fund Balances	-	15,644	15,644
FUND BALANCES - Beginning	<u>29,500</u>	<u>29,500</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 29,500</u>	<u>\$ 45,144</u>	<u>\$ 15,644</u>



## CITY OF NEENAH

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL -  
REDEVELOPMENT - CAPITAL PROJECTS FUND  
For the Year Ended December 31, 2019

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>	-	-	-
Net Change in Fund Balances	-	-	-
FUND BALANCES (DEFICIT) - Beginning	(907)	(907)	-
FUND BALANCES (DEFICIT) - ENDING	<u>\$ (907)</u>	<u>\$ (907)</u>	<u>\$ -</u>

# CITY OF NEENAH

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - FACILITIES - CAPITAL PROJECTS FUND For the Year Ended December 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Investment income and miscellaneous	\$ -	\$ 76,290	\$ 76,290
<b>EXPENDITURES</b>			
Capital Outlay	<u>2,724,247</u>	<u>2,330,684</u>	<u>393,563</u>
Deficiency of Revenues Over Expenditures	<u>(2,724,247)</u>	<u>(2,254,394)</u>	<u>469,853</u>
<b>OTHER FINANCING SOURCES</b>			
Long-term debt issued	1,562,600	1,562,600	-
Transfers in	<u>-</u>	<u>37,061</u>	<u>37,061</u>
Total Other Financing Sources	<u>1,562,600</u>	<u>1,599,661</u>	<u>37,061</u>
Net Change in Fund Balances	(1,161,647)	(654,733)	506,914
FUND BALANCES - Beginning	<u>1,147,188</u>	<u>1,147,188</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ (14,459)</u>	<u>\$ 492,455</u>	<u>\$ 506,914</u>

# CITY OF NEENAH

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - CAPITAL EQUIPMENT - CAPITAL PROJECTS FUND For the Year Ended December 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Investment income and miscellaneous	\$ -	\$ 4,660	\$ 4,660
<b>EXPENDITURES</b>			
Capital Outlay	4,045,416	1,116,018	2,929,398
Deficiency of Revenues Over Expenditures	(4,045,416)	(1,111,358)	2,934,058
<b>OTHER FINANCING SOURCES</b>			
Long-term debt issued	3,159,350	3,159,350	-
Transfers in	87,680	16,181	(71,499)
Total Other Financing Sources	3,247,030	3,175,531	(71,499)
Net Change in Fund Balances	(798,386)	2,064,173	2,862,559
FUND BALANCES (DEFICIT) - Beginning	(1,155,161)	(1,155,161)	-
FUND BALANCES (DEFICIT) - ENDING	\$ (1,953,547)	\$ 909,012	\$ 2,862,559

## CITY OF NEENAH

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
EQUIPMENT REPLACEMENT - CAPITAL PROJECTS FUND  
For the Year Ended December 31, 2019

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Investment income and miscellaneous	\$ -	\$ 4,612	\$ 4,612
<b>EXPENDITURES</b>			
Capital Outlay	-	3,821	(3,821)
Excess (Deficiency) of Revenues Over Expenditures	-	791	791
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	-	(156,631)	(156,631)
Total Other Financing Sources (Uses)	-	(156,631)	(156,631)
Net Change in Fund Balances	-	(155,840)	(155,840)
FUND BALANCES - Beginning	166,148	166,148	-
FUND BALANCES - ENDING	<u>\$ 166,148</u>	<u>\$ 10,308</u>	<u>\$ (155,840)</u>

# CITY OF NEENAH

## COMBINING STATEMENT OF NET POSITION - INTERNAL SERVICE FUNDS

As of December 31, 2019

	<u>Fleet Management</u>	<u>Benefit Accrual</u>	<u>Insurance</u>	<u>Information Systems</u>	<u>Totals</u>
<b>ASSETS</b>					
Current Assets					
Cash and investments	\$ 105,203	\$ 4,458,365	\$ 165,195	\$ 54,123	\$ 4,782,886
Accounts receivable	3,184	313,892	-	11,860	328,936
Inventories	219,503	-	-	-	219,503
Prepaid items	1,527	41,361	-	49,423	92,311
Total Current Assets	<u>329,417</u>	<u>4,813,618</u>	<u>165,195</u>	<u>115,406</u>	<u>5,423,636</u>
Noncurrent Assets					
Deposit with risk pool	-	-	1,117,155	-	1,117,155
Total Assets	<u>329,417</u>	<u>4,813,618</u>	<u>1,282,350</u>	<u>115,406</u>	<u>6,540,791</u>
<b>LIABILITIES AND NET POSITION</b>					
Current Liabilities					
Accounts payable	33,674	273,921	34,363	4,445	346,403
Claims payable	-	20,000	47,028	-	67,028
Other accrued liabilities	10,604	-	-	13,469	24,073
Unearned revenue	-	20,454	-	-	20,454
Compensated absences payable	-	1,622,158	-	-	1,622,158
Total Current Liabilities	<u>44,278</u>	<u>1,936,533</u>	<u>81,391</u>	<u>17,914</u>	<u>2,080,116</u>
Noncurrent Liabilities					
Compensated absences payable	-	1,124,734	-	-	1,124,734
Total Liabilities	<u>44,278</u>	<u>3,061,267</u>	<u>81,391</u>	<u>17,914</u>	<u>3,204,850</u>
<b>NET POSITION</b>					
Unrestricted	<u>285,139</u>	<u>1,752,351</u>	<u>1,200,959</u>	<u>97,492</u>	<u>3,335,941</u>
TOTAL NET POSITION	<u>\$ 285,139</u>	<u>\$ 1,752,351</u>	<u>\$ 1,200,959</u>	<u>\$ 97,492</u>	<u>\$ 3,335,941</u>

# CITY OF NEENAH

## COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - INTERNAL SERVICE FUNDS For the Year Ended December 31, 2019

	Fleet Management	Benefit Accrual	Insurance	Information Systems	Totals
<b>OPERATING REVENUES</b>					
Charges for services	\$ 639,563	\$ 7,677,713	\$ 70,000	\$ 922,710	\$ 9,309,986
Total Revenues	<u>639,563</u>	<u>7,677,713</u>	<u>70,000</u>	<u>922,710</u>	<u>9,309,986</u>
<b>OPERATING EXPENSES</b>					
Information technology	-	-	-	829,107	829,107
Retirement system expense	-	3,673,535	-	-	3,673,535
Public works	647,716	-	-	-	647,716
Health claims and other employee benefits	-	3,406,915	-	-	3,406,915
Contractual services	-	-	79,608	-	79,608
Total Operating Expenses	<u>647,716</u>	<u>7,080,450</u>	<u>79,608</u>	<u>829,107</u>	<u>8,636,881</u>
Operating Income (Loss)	(8,153)	597,263	(9,608)	93,603	673,105
Transfers out	<u>-</u>	<u>(100,000)</u>	<u>-</u>	<u>(120,000)</u>	<u>(220,000)</u>
Change in Net Position	(8,153)	497,263	(9,608)	(26,397)	453,105
TOTAL NET POSITION - Beginning	<u>293,292</u>	<u>1,255,088</u>	<u>1,210,567</u>	<u>123,889</u>	<u>2,882,836</u>
TOTAL NET POSITION - ENDING	<u>\$ 285,139</u>	<u>\$ 1,752,351</u>	<u>\$ 1,200,959</u>	<u>\$ 97,492</u>	<u>\$ 3,335,941</u>

# CITY OF NEENAH

## COMBINING STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS For the Year Ended December 31, 2019

	Fleet Management	Benefit Accrual	Insurance	Information Systems	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Received from other funds of the city	\$ 640,358	\$ 7,642,873	\$ 70,000	\$ 922,733	\$ 9,275,964
Paid to suppliers for goods and services	(158,751)	(6,942,826)	(53,901)	(201,168)	(7,356,646)
Paid to employees	(467,531)	-	-	(608,117)	(1,075,648)
Net Cash Provided (Used) by Operating Activities	<u>14,076</u>	<u>700,047</u>	<u>16,099</u>	<u>113,448</u>	<u>843,670</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Transfers out	-	(100,000)	-	(120,000)	(220,000)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>(100,000)</u>	<u>-</u>	<u>(120,000)</u>	<u>(220,000)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	14,076	600,047	16,099	(6,552)	623,670
CASH AND CASH EQUIVALENTS - Beginning	<u>91,127</u>	<u>3,858,318</u>	<u>149,096</u>	<u>60,675</u>	<u>4,159,216</u>
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 105,203</u>	<u>\$ 4,458,365</u>	<u>\$ 165,195</u>	<u>\$ 54,123</u>	<u>\$ 4,782,886</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES</b>					
Operating income (loss)	\$ (8,153)	\$ 597,263	\$ (9,608)	\$ 93,603	\$ 673,105
Adjustments to operating income to net cash flows from operating activities:					
Change in assets and liabilities:					
Accounts receivable	795	(38,642)	-	23	(37,824)
Inventories	(5,574)	-	-	-	(5,574)
Prepaid items	(1,503)	(1,231)	-	26,368	23,634
Accounts payable	26,963	14,886	28,484	(8,700)	61,633
Claims payable	-	-	(2,777)	-	(2,777)
Compensated absences	1,548	123,969	-	2,154	127,671
Unearned revenue	-	3,802	-	-	3,802
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 14,076</u>	<u>\$ 700,047</u>	<u>\$ 16,099</u>	<u>\$ 113,448</u>	<u>\$ 843,670</u>
<b>NONCASH ACTIVITIES</b>					
None					

# CITY OF NEENAH

## COMBINING STATEMENT OF FIDUCIARY NET POSITION CUSTODIAL FUNDS As of December 31, 2019

	Custodial Funds			Totals
	Tax Collection	Municipal Court	Neenah-Menasha Fire Rescue	
<b>ASSETS</b>				
Cash and investments	\$ 23,150,350	\$ 100	\$ 1,910,332	\$ 25,060,782
Property taxes receivable	4,420,968	-	-	4,420,968
Accounts receivable	-	42	14,562	14,604
<b>TOTAL ASSETS</b>	<b>\$ 27,571,318</b>	<b>\$ 142</b>	<b>\$ 1,924,894</b>	<b>\$ 29,496,354</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 14,087	\$ 13,006	\$ 43,826	\$ 70,919
Accrued liabilities	-	2,110	1,821,148	1,823,258
Deposits	-	-	29,346	29,346
Due to other governmental units	27,557,231	282,402	30,575	27,870,208
<b>TOTAL LIABILITIES</b>	<b>\$ 27,571,318</b>	<b>\$ 297,518</b>	<b>\$ 1,924,895</b>	<b>\$ 29,793,731</b>
<b>NET POSITION (DEFICIT)</b>	<b>\$ -</b>	<b>\$ (297,376)</b>	<b>\$ (1)</b>	<b>\$ (297,377)</b>



# CITY OF NEENAH

## COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION CUSTODIAL FUNDS As of December 31, 2019

	Custodial Funds			
	Tax Collection	Municipal Court	Neenah-Menasha Fire Rescue	Totals
<b>ADDITIONS</b>				
Property taxes collected for other governments				
County	\$ 9,953,244	\$ -	\$ -	\$ 9,953,244
School District	14,266,227	-	-	14,266,227
Technical College	2,069,809	-	-	2,069,809
Court fines and penalties	-	406,544	-	406,544
Neenah subsidy	-	10,000	-	10,000
Neenah fire protection fees collected	-	-	5,043,514	5,043,514
Menasha fire protection fees collected	-	-	3,443,630	3,443,630
Investment income	-	-	34,748	34,748
Sale of property	-	-	21,148	21,148
Other fees collected	-	-	1,105	1,105
<b>TOTAL ADDITIONS</b>	<u>26,289,280</u>	<u>416,544</u>	<u>8,544,145</u>	<u>35,249,969</u>
<b>DEDUCTIONS</b>				
Property taxes distributed to other governments				
County	9,953,244	-	-	9,953,244
School District	14,266,227	-	-	14,266,227
Technical College	2,069,809	-	-	2,069,809
Municipal court fines and penalties distributed	-	435,858	-	435,858
Fire protection fees distributed	-	-	8,513,572	8,513,572
<b>TOTAL DEDUCTIONS</b>	<u>26,289,280</u>	<u>435,858</u>	<u>8,513,572</u>	<u>35,238,710</u>
<b>Change in Fiduciary Net Position</b>	-	(19,314)	30,573	11,259
NET POSITION (DEFICIT) - Beginning of Year, as restated	-	(278,062)	(30,574)	(308,636)
<b>NET POSITION (DEFICIT) - END OF YEAR</b>	<u>\$ -</u>	<u>\$ (297,376)</u>	<u>\$ (1)</u>	<u>\$ (297,377)</u>

## MENASHA-NEENAH MUNICIPAL COURT

OPERATING FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE  
For the Year Ended December 31, 2019

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### REVENUES

Court Fines and Penalties	
City of Neenah	\$ 237,860
City of Menasha	168,684
Subtotal	<u>406,544</u>
Reduction of deficit	
City of Neenah	10,000
Total Revenues	<u>416,544</u>

### EXPENDITURES

Salaries	81,700
Fringes	27,690
Employee Recognition Awards	100
Postage and Printing	1,529
Audit services	1,500
Telephone	419
Dues and memberships	845
Translator	85
Debit card services	789
Office supplies	799
I/S services	9,620
Software maintenance	5,681
Witness fees	96
Transfers	4,555
City of Menasha	64,802
State of Wisconsin	108,235
Winnebago County	43,931
City of Neenah	<u>83,482</u>
Total Expenditures	<u>435,858</u>
Expenditures Over (Under) Revenues	(19,314)
FUND BALANCE (DEFICIT) - Beginning of Year	<u>(278,062)</u>
FUND BALANCE (DEFICIT) - END OF YEAR	<u>\$ (297,376)</u>

The transactions of the Menasha-Neenah Municipal Court are audited as a part of the City of Neenah. The municipal court fund is accounted for as a custodial fund in the City of Neenah's financial statements. The above schedule of revenues, expenditures and changes in fund balance is included for purposes of the Menasha-Neenah Municipal Court.

# NEENAH-MENASHA FIRE RESCUE

## OPERATING FUND SCHEDULE OF CASH COLLECTIONS, DISBURSEMENTS, AND CHANGES IN THE CASH BALANCE For the Year Ended December 31, 2019

CASH BALANCE - BEGINNING OF YEAR	\$ 1,871,722
<b>CASH COLLECTIONS</b>	
Fire protection fees	
City of Neenah	5,043,514
City of Menasha	3,443,630
Subtotal	8,487,144
Interest on investments	34,748
Boat launch fee	1,105
Sale of property	21,148
Total Cash Collections	8,544,145
<b>CASH DISBURSEMENTS</b>	
Salaries	5,603,229
Fringes	2,202,188
School/seminars/training	27,066
Dues and memberships	1,294
Employee recognition awards	600
Conferences and meetings	692
Clothing allowance	32,680
Postage	269
Insurance	52,523
Office supplies	3,375
Safety and other supplies	5,125
Protective equipment	49,407
All other equipment	55,638
Maintenance of software and hardware	13,043
Maintenance of PPE/SCBA	2,564
Computer hardware and software and printers/copiers	7,042
Electricity	49,497
Natural gas	18,055
Telephone and cell phone	15,160
Utilities	14,686
Outside services	24,079
Professional services	16,962
Gasoline and oil	31,853
Vehicles	43,146
Training	2,566
Equipment maintenance and rental	9,511
Other facility outlay	4,415
Cleaning	11,891
Finance services	24,400
I/S services	128,760
HR services	51,500
Miscellaneous	10,356
Total Cash Disbursements	8,513,572
Collections over Disbursements	30,573
Reconciling items to account for conversion from modified accrual to cash basis:	
Change in accounts receivable and prepaid items	24,559
Change in accounts payable and prepaid items	(1,569)
Change in accrued liabilities	99,695
Change in deposits	14,020
Change in due to other governments	(128,668)
Total reconciling items	8,037
CASH BALANCE - END OF YEAR	1,910,332
Cash assigned for:	
Distribution back to Neenah	
2019 Operating Funds Not Spent	18,200
Distribution back to Menasha	
2019 Operating Funds Not Spent	12,373
Distribution of future benefits	1,835,933
Payment of outstanding vendor invoices	43,826
	\$ 1,910,332

The transactions of the Neenah-Menasha Fire Rescue are audited as a part of the City of Neenah. The Fire Rescue is accounted for as a custodial fund in the City of Neenah's financial statements. The above schedule of cash collections, disbursements, and changes in cash balances is included for purposes of the Neenah-Menasha Fire Rescue.

## CITY OF NEENAH

### PROJECT-LENGTH SCHEDULE OF CONSTRUCTION PROJECTS Beginning of Project to December 31, 2019

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#### ***TIF DISTRICT NO. 5 FUND***

<b>TOTAL AUTHORIZATIONS</b>	<b>\$ 7,872,808</b>
<b>REVENUES AND OTHER FINANCING SOURCES</b>	
Intergovernmental	\$ 83,745
Special assessments	25,000
Contributions	18,986
Investment income and miscellaneous	877
Long-term debt issued	6,221,700
Transfers in	1,902,871
Sale of city properties	<u>150,000</u>
Total Revenues and Other Financing Sources	<b>\$ 8,403,179</b>
<b>EXPENDITURES AND OTHER FINANCING USES</b>	
Capital improvements	\$ 8,100,202
Transfers out	<u>80,813</u>
Total Expenditures and Other Financing Uses	<b>\$ 8,181,015</b>
FUND BALANCE - December 31, 2019	<b>\$ 222,164</b>

#### ***TIF DISTRICT NO. 6 FUND***

<b>TOTAL AUTHORIZATIONS</b>	<b>\$ 4,738,836</b>
<b>REVENUES AND OTHER FINANCING SOURCES</b>	
Intergovernmental	\$ 72,597
Long-term debt issued	5,807,041
Sales of city properties	<u>216,648</u>
Total Revenues and Other Financing Sources	<b>\$ 6,096,286</b>
<b>EXPENDITURES AND OTHER FINANCING USES</b>	
Capital improvements	\$ 4,249,271
Transfers out	<u>1,752,976</u>
Total Expenditures and Other Financing Uses	<b>\$ 6,002,247</b>
FUND BALANCE - December 31, 2019	<b>\$ 94,039</b>

## CITY OF NEENAH

### PROJECT-LENGTH SCHEDULE OF CONSTRUCTION PROJECTS Beginning of Project to December 31, 2019

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#### ***TIF DISTRICT NO. 7 FUND***

<b>TOTAL AUTHORIZATIONS</b>	<b>\$ 13,385,000</b>
<b>REVENUES AND OTHER FINANCING SOURCES</b>	
Intergovernmental	\$ 147,236
Special assessments	58,049
Contributions	2,510
Investment income and miscellaneous	47,693
Long-term debt issued	18,735,900
Sales of city properties	<u>42,678</u>
Total Revenues and Other Financing Sources	<b><u>\$ 19,034,066</u></b>
<b>EXPENDITURES</b>	
Capital improvements	\$ 18,253,894
Transfers out	<u>100,000</u>
Total Expenditures and Other Financing Uses	<b><u>\$ 18,353,894</u></b>
FUND BALANCE - December 31, 2019	<b><u>\$ 680,172</u></b>

#### ***TIF DISTRICT NO. 8 FUND***

<b>TOTAL AUTHORIZATIONS</b>	<b>\$ 35,218,850</b>
<b>REVENUES AND OTHER FINANCING SOURCES</b>	
Intergovernmental	\$ 2,510,578
Contributions	336,414
Investment income and miscellaneous	762,008
Capital lease issued	22,475,000
Long-term debt issued	11,985,556
Transfers in	<u>1,693,813</u>
Total Revenues and Other Financing Sources	<b><u>\$ 39,763,369</u></b>
<b>EXPENDITURES AND OTHER FINANCING USES</b>	
Capital improvements	\$ 33,310,762
Transfers out	<u>3,987,019</u>
Total Expenditures and Other Financing Uses	<b><u>\$ 37,297,781</u></b>
FUND BALANCE - December 31, 2019	<b><u>\$ 2,465,588</u></b>

## CITY OF NEENAH

### PROJECT-LENGTH SCHEDULE OF CONSTRUCTION PROJECTS Beginning of Project to December 31, 2019

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#### ***TIF DISTRICT NO. 9 FUND***

<b>TOTAL AUTHORIZATIONS</b>	<b>\$ 768,000</b>
<b>OTHER FINANCING SOURCES</b>	
Long-term debt issued	\$ 815,000
Transfers in	<u>100,000</u>
Total Revenues and Other Financing Sources	<u>\$ 915,000</u>
<b>EXPENDITURES</b>	
Capital improvements	<u>\$ 631,043</u>
FUND BALANCE - December 31, 2019	<u>\$ 283,957</u>

#### ***TIF DISTRICT NO. 10 FUND***

<b>TOTAL AUTHORIZATIONS</b>	<b>\$ 1,533,000</b>
<b>REVENUES AND OTHER FINANCING SOURCES</b>	
Intergovernmental	\$ 465,953
Contributions	544,272
Investment income and miscellaneous	112,193
Long-term debt issued	3,450,000
Transfers in	<u>416,000</u>
Total Revenues and Other Financing Sources	<u>\$ 4,988,418</u>
<b>EXPENDITURES</b>	
Capital improvements	<u>\$ 4,537,047</u>
FUND BALANCE - December 31, 2019	<u>\$ 451,371</u>

## CITY OF NEENAH

### PROJECT-LENGTH SCHEDULE OF CONSTRUCTION PROJECTS Beginning of Project to December 31, 2019

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<b><i>TIF DISTRICT NO. 11 FUND</i></b>	
<b>TOTAL AUTHORIZATIONS</b>	<b>\$ <u>486,000</u></b>
<b>REVENUES AND OTHER FINANCING SOURCES</b>	
Long-term debt issued	<b>\$ <u>155,000</u></b>
<b>EXPENDITURES</b>	
Capital improvements	<b>\$ <u>109,856</u></b>
<b>FUND BALANCE - December 31, 2019</b>	<b>\$ <u>45,144</u></b>

**COMMUNITY DEVELOPMENT AUTHORITY  
OF THE CITY OF NEENAH**

STATEMENT OF CASH FLOWS  
COMPONENT UNIT  
For the Year Ended December 31, 2019

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**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Principal received on lease receivable from primary government	\$ 968,427
Principal paid on lease revenue bonds	(1,085,000)
Interest and fiscal charges paid on lease revenue bonds	<u>(752,933)</u>
Net Cash Flows From Capital and Related Financing Activities	<u>(869,506)</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Investment income	<u>869,506</u>
Net Cash Flows From Investing Activities	<u>869,506</u>

Net Increase (decrease) in Cash and Cash Equivalents	-
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CASH AND CASH EQUIVALENTS - Beginning of Year	<u>2,159,226</u>
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CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 2,159,226</u>
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**RECONCILIATION OF CASH AND CASH EQUIVALENTS TO  
THE STATEMENT OF NET POSITION**

Restricted cash and investments	<u>\$ 2,159,226</u>
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CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 2,159,226</u>
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**NONCASH FINANCING ACTIVITY**

Amortization of loss on advance refunding	<u>\$ (116,573)</u>
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**CITY OF NEENAH, WISCONSIN**  
**Introduction to the Statistical Section**  
**December 31, 2019**

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**STATISTICAL SECTION**

This part of the City's Comprehensive Annual Finance Report presents detailed information as a context for understanding what the information in the financial statements, notes to financial statements, and required supplementary information indicate about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends – Schedules 1 - 5 These schedules contain trends information to help the reader understand how the City's financial performance and well being have changed over time.	139 – 144
Revenue Capacity – Schedules 6 - 9 These schedules contain information to help the reader assess the factors affecting the City's ability to generate the City's most significant one-source revenue, property taxes.	145 – 148
Debt Capacity – Schedules 10 - 14 These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	149 – 153
Demographic and Economic Information – Schedules 15 - 17 These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	154 – 156
Operating Information – Schedules 18 - 19 These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	157 – 158

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

**Schedule 1**

**City of Neenah, Wisconsin  
Net Position by Component  
Last Ten Fiscal Years  
(accrual basis of accounting)**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Governmental Activities</b>										
Net investment in capital assets	\$ 70,932,949	\$ 81,655,241	\$ 81,646,601	\$ 81,134,838	\$ 83,027,527	\$ 82,609,149	\$ 81,963,772	\$ 82,299,995	\$ 84,936,057	\$ 85,413,763
Restricted	2,964,224	3,209,959	4,075,167	4,122,877	7,827,128	12,061,179	8,897,303	10,184,992	13,961,930	11,453,332
Unrestricted (deficit)	(1,668,489)	(8,326,135)	(7,911,929)	(5,474,461)	(9,643,670)	(6,549,356)	(1,252,548)	(1,049,629)	(6,491,992)	(984,335)
Total governmental activities net position	72,228,684	76,539,065	77,809,839	79,783,254	81,210,985	88,120,972	89,608,527	91,435,358	92,405,995	95,882,760
<b>Business-Type Activities</b>										
Net investment in capital assets	42,233,174	42,668,356	44,548,856	46,259,804	47,296,614	48,640,340	50,651,559	52,210,224	55,269,145	59,349,147
Restricted	1,164,805	1,314,505	1,431,753	1,232,260	1,273,145	1,696,318	1,284,674	1,282,390	1,580,378	1,332,408
Unrestricted	7,083,762	9,291,469	10,063,882	9,984,282	11,025,769	12,437,647	12,954,279	14,476,652	14,567,970	14,400,555
Total business-type activities net position	50,481,741	53,274,330	56,044,491	57,476,346	59,595,528	62,774,305	64,890,512	67,969,266	71,417,493	75,082,110
<b>Primary Government</b>										
Net investment in capital assets	113,166,123	124,323,597	124,804,227	126,159,388	129,212,427	130,261,286	131,750,638	133,769,037	139,563,761	144,221,208
Restricted	4,129,029	4,524,464	5,506,920	5,355,137	9,100,273	13,757,497	10,181,977	11,467,382	15,542,308	12,785,740
Unrestricted	5,415,273	965,334	3,543,183	5,745,075	2,493,813	6,876,494	12,566,424	14,168,205	8,717,419	13,957,922
Total primary government activities net position	\$122,710,425	\$129,813,395	\$133,854,330	\$137,259,600	\$140,806,513	\$150,895,277	\$154,499,039	\$159,404,624	\$163,823,488	\$170,964,870

**Schedule 2**

**City of Neenah, Wisconsin  
Change in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)**

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
<b>Expenses</b>				
Governmental activities:				
General government	\$2,466,994	\$2,365,644	\$2,362,306	\$2,648,878
Public safety	10,700,825	11,334,171	10,970,949	10,522,364
Public works	7,232,170	6,444,805	7,491,434	7,785,260
Recycling	507,448	536,598	477,741	510,705
Parks, recreation & education	4,444,400	4,712,367	4,312,726	3,984,727
Health & welfare	566,791	592,293	365,020	34,679
Community development	1,741,830	1,720,365	1,622,521	1,511,981
Interest & fiscal charges	2,607,949	2,575,218	2,768,349	3,074,953
Total Governmental Activities Expenses	<u>30,268,407</u>	<u>30,281,461</u>	<u>30,371,046</u>	<u>30,073,547</u>
Business-type activities:				
Water utility	5,664,153	5,515,427	5,729,773	5,977,085
Sewerage disposal utility	2,834,696	3,062,907	2,567,948	3,340,100
Stormwater utility	1,151,825	1,072,497	1,038,419	1,276,294
Other proprietary fund	192,469	224,971	218,765	250,744
Total Business-type Activities Expenses	<u>9,843,143</u>	<u>9,875,802</u>	<u>9,554,905</u>	<u>10,844,223</u>
Total Primary Government Expenses	<u>\$40,111,550</u>	<u>\$40,157,263</u>	<u>\$39,925,951</u>	<u>\$40,917,770</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:	\$2,715,534	\$3,072,815	\$3,337,909	\$3,131,765
Operating grants and contributions	1,488,315	900,733	721,953	984,782
Capital grants and contributions	1,023,596	5,341,773	1,773,195	946,701
Total Governmental Activities Program Revenues	<u>5,227,445</u>	<u>9,315,321</u>	<u>5,833,057</u>	<u>5,063,248</u>
Business-type activities:				
Charges for services:				
Water utility	6,654,836	8,798,241	9,143,821	8,343,050
Sewerage disposal utility	3,076,452	3,778,864	3,669,835	3,999,498
Stormwater utility	1,648,620	1,676,896	1,680,337	1,693,528
Other proprietary fund	202,106	260,162	260,027	290,886
Total Charges for Services	<u>11,582,014</u>	<u>14,514,163</u>	<u>14,754,020</u>	<u>14,326,962</u>
Operating grants and contributions	-	-	-	-
Capital grants and contributions	820,333	238,508	(245,447)	157,112
Total Business-type Activities Program Revenues	<u>12,402,347</u>	<u>14,752,671</u>	<u>14,508,573</u>	<u>14,484,074</u>
Total Primary Government Program Revenues	<u>\$17,629,792</u>	<u>\$24,067,992</u>	<u>\$20,341,630</u>	<u>\$19,547,322</u>
<b>Net (Expenses)/Revenue</b>				
Governmental activities	(\$25,040,962)	(\$20,966,140)	(\$24,537,989)	(\$25,010,299)
Business-type activities	2,559,204	4,876,869	4,953,668	3,639,851
Total primary government net expense	<u>(\$22,481,758)</u>	<u>(\$16,089,271)</u>	<u>(\$19,584,321)</u>	<u>(\$21,370,448)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
Property taxes	\$17,782,554	\$18,160,266	\$18,706,015	\$19,658,906
Other taxes	38,015	40,008	32,021	11,925
Intergovernmental revenues not restricted to specific programs	4,108,302	3,985,219	3,605,254	3,915,415
Public gifts and/or grants	-	-	-	-
Investment income	535,483	348,909	405,024	226,475
Miscellaneous	594,088	544,059	765,047	883,270
Transfers	2,108,826	2,198,060	2,295,402	2,287,723
Total Governmental Activities	<u>25,167,268</u>	<u>25,276,521</u>	<u>25,808,763</u>	<u>26,983,714</u>
Business-type Activities:				
Other taxes	75,000	40,000	71,800	50,000
Investment income	90,897	44,819	31,566	26,120
Gain on sale of capital asset/miscellaneous	9,135	28,961	8,529	3,607
Miscellaneous	-	-	-	-
Transfers	(2,108,826)	(2,198,060)	(2,295,402)	(2,287,723)
Total Business-type Activities	<u>(1,933,794)</u>	<u>(2,084,280)</u>	<u>(2,183,507)</u>	<u>(2,207,996)</u>
Total Primary Government	<u>\$23,233,474</u>	<u>\$23,192,241</u>	<u>\$23,625,256</u>	<u>\$24,775,718</u>
<b>Change in Net Position</b>				
Governmental activities	\$126,306	\$4,310,381	\$1,270,774	\$1,973,415
Business-type activities	625,410	2,792,589	2,770,161	1,431,855
Total Primary Government Change in Net Position	<u>\$751,716</u>	<u>\$7,102,970</u>	<u>\$4,040,935</u>	<u>\$3,405,270</u>

## Schedule 2

**City of Neenah, Wisconsin**  
**Change in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	2014	2015	2016	2017	2018	2019
<b>Expenses</b>						
Governmental activities:						
General government	\$2,630,760	\$2,570,344	\$2,217,050	\$2,344,268	\$2,585,411	\$2,916,181
Public safety	11,754,383	11,031,978	11,928,496	11,970,148	11,526,125	12,309,336
Public works	6,956,331	8,195,235	8,566,701	9,407,358	10,333,099	10,283,291
Recycling	549,003	513,724	454,962	486,056	503,160	397,067
Parks, recreation & education	4,813,270	4,904,368	4,576,920	3,297,219	3,500,210	3,603,682
Health & welfare	10,335	7,345	14,016	15,338	5,657	16,347
Community development	1,867,479	2,037,299	2,083,869	2,979,032	3,426,866	2,690,558
Interest & fiscal charges	1,934,432	2,052,080	1,853,374	1,988,522	1,830,239	1,837,708
Total Governmental Activities Expenses	30,515,993	31,312,373	31,695,388	32,487,941	33,710,767	34,054,170
Business-type activities:						
Water utility	5,640,643	5,227,739	5,294,514	4,994,625	4,675,013	4,606,222
Sewerage disposal utility	2,982,985	3,172,687	3,476,331	3,248,365	3,457,713	3,526,473
Stormwater utility	1,143,761	1,079,751	1,239,923	1,206,662	1,166,081	1,317,053
Other proprietary fund	283,933	260,187	210,091	242,587	241,988	259,697
Total Business-type Activities Expenses	10,051,322	9,740,364	10,220,859	9,692,239	9,540,795	9,709,445
Total Primary Government Expenses	<u>\$40,567,315</u>	<u>\$41,052,737</u>	<u>\$41,916,247</u>	<u>\$42,180,180</u>	<u>\$43,251,562</u>	<u>\$43,763,615</u>
<b>Program Revenues</b>						
Governmental activities:						
Charges for services:	\$3,134,271	\$3,284,555	\$3,374,019	\$3,602,489	\$3,763,445	\$4,083,934
Operating grants and contributions	1,482,908	907,845	1,039,892	1,116,518	1,282,215	1,185,457
Capital grants and contributions	247,080	824,983	762,455	898,998	1,968,844	3,376,570
Total Governmental Activities Program Revenues	4,864,259	5,017,383	5,176,366	5,618,005	7,014,504	8,645,961
Business-type activities:						
Charges for services:						
Water utility	8,000,288	7,986,324	7,968,827	7,982,137	8,088,402	8,011,790
Sewerage disposal utility	4,127,959	4,319,189	4,390,824	4,498,152	4,483,909	4,650,553
Stormwater utility	1,690,301	1,720,630	1,725,929	1,725,792	1,731,216	1,756,995
Other proprietary fund	341,840	305,570	261,478	292,694	328,537	277,133
Total Charges for Services	14,160,388	14,331,713	14,347,058	14,498,775	14,632,064	14,696,471
Operating grants and contributions	63,340	-	-	-	-	-
Capital grants and contributions	129,041	322,480	521,783	581,956	417,035	705,528
Total Business-type Activities Program Revenues	14,352,769	14,654,193	14,868,841	15,080,731	15,049,099	15,401,999
Total Primary Government Program Revenues	<u>\$19,217,028</u>	<u>\$19,671,576</u>	<u>\$20,045,207</u>	<u>\$20,698,736</u>	<u>\$22,063,603</u>	<u>\$24,047,960</u>
<b>Net (Expenses)/Revenue</b>						
Governmental activities	(\$25,651,734)	(\$26,294,990)	(\$26,519,022)	(\$26,869,936)	(\$26,696,263)	(\$25,408,209)
Business-type activities	4,301,447	4,913,829	4,647,982	5,388,492	5,508,304	5,692,554
Total primary government net expense	<u>(\$21,350,287)</u>	<u>(\$21,381,161)</u>	<u>(\$21,871,040)</u>	<u>(\$21,481,444)</u>	<u>(\$21,187,959)</u>	<u>(\$19,715,655)</u>
<b>General Revenues and Other Changes in Net Position</b>						
Governmental activities:						
Property taxes	\$19,655,740	\$20,244,744	\$20,452,731	\$20,893,503	\$21,559,906	\$21,940,607
Other taxes	11,741	13,082	13,467	5,323	11,215	7,518
Intergovernmental revenues not restricted to specific program	3,947,213	3,962,895	4,044,741	3,998,979	2,824,481	2,948,962
Public gifts and/or grants	-	-	-	-	-	-
Investment income	367,437	197,483	406,271	504,920	385,998	1,280,603
Miscellaneous	841,591	647,320	488,256	829,687	550,608	351,116
Transfers	2,255,743	2,338,365	2,601,111	2,464,355	2,334,692	2,356,168
Total Governmental Activities	27,079,465	27,403,889	28,006,577	28,696,767	27,666,900	28,884,974
Business-type Activities:						
Other taxes	20,000	20,000	-	-	-	-
Investment income	45,315	40,773	79,072	133,913	239,922	283,506
Gain on sale of capital asset/miscellaneous	8,163	1,282	(9,736)	2,245	3,300	8,000
Miscellaneous	-	-	-	18,459	31,393	36,725
Transfers	(2,255,743)	(2,338,365)	(2,601,111)	(2,464,355)	(2,334,692)	(2,356,168)
Total Business-type Activities	(2,182,265)	(2,276,310)	(2,531,775)	(2,309,738)	(2,060,077)	(2,027,937)
Total Primary Government	<u>\$24,897,200</u>	<u>\$25,127,579</u>	<u>\$25,474,802</u>	<u>\$26,387,029</u>	<u>\$25,606,823</u>	<u>\$26,857,037</u>
<b>Change in Net Position</b>						
Governmental activities	\$1,427,731	\$1,108,899	\$1,487,555	\$1,826,831	\$970,637	\$3,476,765
Business-type activities	2,119,182	2,637,519	2,116,207	3,078,754	3,448,227	3,664,617
Total Primary Government Change in Net Position	<u>\$3,546,913</u>	<u>\$3,746,418</u>	<u>\$3,603,762</u>	<u>\$4,905,585</u>	<u>\$4,418,864</u>	<u>\$7,141,382</u>

**Schedule 3**

**City of Neenah, Wisconsin  
Program Revenues by Function/Program  
Last Ten Fiscal Years  
(accrual basis of accounting)**

<b>Function/Program</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Governmental activities:</b>										
General government	\$686,787	\$729,751	\$739,512	\$729,554	\$773,523	\$786,360	\$834,436	\$833,056	\$937,286	\$954,771
Public safety	534,162	473,636	470,230	476,169	548,888	425,738	492,683	523,093	660,514	599,764
Public works	658,687	4,901,668	505,609	677,605	304,100	538,767	883,295	668,789	1,960,556	3,890,704
Recycling	405,181	254,650	341,024	496,902	477,051	507,510	526,148	555,042	571,193	569,375
Parks, recreation & education	1,432,587	1,573,637	1,962,575	1,515,604	1,723,505	2,005,106	1,578,062	2,093,642	1,906,401	1,774,085
Health & welfare	301,664	366,466	195,917	79,282	67,525	70,320	79,442	85,141	89,046	60,698
Community development	1,208,377	1,015,513	1,618,190	1,088,132	969,667	683,582	782,300	859,242	889,508	796,564
<b>Total Governmental Activities Program Revenues</b>	<b>5,227,445</b>	<b>9,315,321</b>	<b>5,833,057</b>	<b>5,063,248</b>	<b>4,864,259</b>	<b>5,017,383</b>	<b>5,176,366</b>	<b>5,618,005</b>	<b>7,014,504</b>	<b>8,645,961</b>
<b>Business-type activities:</b>										
Water utility	7,198,503	8,825,597	8,856,374	8,360,827	8,015,556	8,064,463	8,061,895	8,109,132	8,203,327	8,229,192
Sewerage disposal utility	3,077,464	3,778,864	3,709,635	4,137,075	4,240,051	4,518,612	4,730,345	4,821,540	4,767,627	4,950,477
Stormwater utility	1,924,274	1,888,048	1,682,537	1,695,286	1,755,322	1,765,548	1,815,123	1,857,365	1,749,608	1,945,197
Other proprietary fund	202,106	260,162	260,027	290,886	341,840	305,570	261,478	292,694	328,537	277,133
<b>Total Business-type Activities Program Revenues</b>	<b>12,402,347</b>	<b>14,752,671</b>	<b>14,508,573</b>	<b>14,484,074</b>	<b>14,352,769</b>	<b>14,654,193</b>	<b>14,868,841</b>	<b>15,080,731</b>	<b>15,049,099</b>	<b>15,401,999</b>
<b>Total Primary Government Program Revenues</b>	<b>\$17,629,792</b>	<b>\$24,067,992</b>	<b>\$20,341,630</b>	<b>\$19,547,322</b>	<b>\$19,217,028</b>	<b>\$19,671,576</b>	<b>\$20,045,207</b>	<b>\$20,698,736</b>	<b>\$22,063,603</b>	<b>\$24,047,960</b>

Schedule 4

**City of Neenah, Wisconsin**  
**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
(Modified Accrual Basis of Accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>General Fund</b>										
Reserved	\$ 89,377	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	4,044,338	-	-	-	-	-	-	-	-	-
Nonspendable	-	196,731	213,867	100,257	131,047	162,307	69,083	49,991	44,317	49,844
Assigned	-	226,579	117,790	74,421	134,959	286,201	292,010	361,836	337,019	359,735
Unassigned	-	3,290,715	3,621,301	3,782,035	3,747,098	3,692,608	3,825,574	3,978,169	4,220,834	4,579,334
Total General Fund	4,133,715	3,714,025	3,952,958	3,956,713	4,013,104	4,141,116	4,186,667	4,389,996	4,602,170	4,988,913
<b>Other Governmental Funds</b>										
Reserved	9,140,146	-	-	-	-	-	-	-	-	-
Unreserved:										
Special Revenue Funds	(4,260,324)	-	-	-	-	-	-	-	-	-
Capital Project Funds	(10,667)	-	-	-	-	-	-	-	-	-
Nonspendable	-	5,110,108	4,403,864	892,229	1,300,465	2,211	21,805	113,987	2,181	884
Restricted	-	4,703,138	6,815,761	8,318,015	10,270,257	13,200,197	12,821,308	12,676,160	13,057,710	17,924,259
Committed	-	1,191,730	998,859	1,135,457	1,057,197	1,098,278	1,064,595	1,093,222	1,197,580	1,421,084
Assigned	-	658,364	658,786	4,119,924	3,242,555	4,791,949	4,970,016	5,008,135	4,746,759	4,578,494
Unassigned (deficit)	-	(7,704,171)	(8,030,941)	(6,019,537)	(7,388,808)	(7,985,646)	(6,355,929)	(7,368,254)	(9,252,739)	(7,626,671)
Total Other Governmental Funds	4,869,155	3,959,169	4,846,329	8,446,088	8,481,666	11,106,989	12,521,795	11,523,250	9,751,491	16,298,050
Total All Governmental Funds	\$ 9,002,870	\$ 7,673,194	\$ 8,799,287	\$ 12,402,801	\$ 12,494,770	\$ 15,248,105	\$ 16,708,462	\$ 15,913,246	\$ 14,353,661	\$ 21,286,963

Note: The City implemented GASB Statement No. 54-Fund Balance Reporting and Governmental Fund Type Definitions in 2011. This statement established new fund balance classifications, which are based primarily on the extent to which the City is bound to observe constraints on the use of the resources reported in governmental funds. As a result of implementing this standard, the fund balance categories used beginning in 2011 are not directly comparable to the fund balance categories used prior to 2011.

## Schedule 5

**City of Neenah, Wisconsin**  
**Change in Fund Balances, Governmental Funds**  
 Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Revenues</b>										
Taxes	\$ 17,463,554	\$ 18,038,420	\$ 18,593,242	\$ 19,897,356	\$ 19,929,065	\$ 20,551,635	\$ 20,807,131	\$ 21,241,305	\$ 21,907,266	\$ 22,322,910
Intergovernmental	5,927,091	5,268,396	5,739,668	5,311,539	5,250,974	5,261,598	5,015,672	5,315,423	5,341,364	5,508,860
Licenses and permits	236,438	272,417	381,135	277,171	243,559	338,491	283,649	322,829	326,303	303,965
Fines, forfeitures and penalties	126,060	114,095	130,272	108,058	92,372	83,306	83,922	86,218	103,068	99,141
Special assessments	485,784	292,000	391,991	339,146	244,090	255,338	471,314	438,901	360,132	978,828
Charges for services	2,394,063	2,455,719	2,501,628	2,534,198	2,590,284	2,676,479	2,706,577	2,742,980	2,774,532	3,168,221
Contributions	146,667	277,420	365,507	211,523	315,592	160,646	124,951	114,844	275,439	638,996
Investment income and miscellaneous	1,024,057	722,474	1,238,270	965,633	1,116,355	709,376	812,239	1,314,997	1,091,813	1,792,595
Total revenues	27,803,714	27,440,941	29,341,731	29,644,624	29,782,291	30,036,869	30,305,455	31,577,497	32,179,917	34,813,516
<b>Expenditures by Function</b>										
General government	2,064,590	2,049,477	2,076,328	2,133,309	2,257,794	2,177,819	2,333,870	2,470,604	2,537,061	2,553,422
Public safety	10,228,844	10,724,329	10,921,135	10,951,421	10,930,803	10,962,282	11,088,765	11,286,286	11,411,822	11,574,740
Public works	4,006,233	4,045,034	4,078,836	4,198,844	4,189,970	4,147,828	4,140,075	4,084,921	4,274,872	4,499,385
Recycling	521,270	569,995	519,326	546,489	583,230	544,038	511,733	553,674	609,632	460,640
Parks, recreation and education	3,868,301	3,868,201	3,804,729	3,901,458	4,065,487	4,094,752	4,226,671	4,138,797	4,295,038	4,393,453
Health and welfare	584,687	602,295	386,549	33,752	9,208	3,328	3,291	3,276	3,435	3,388
Community development	1,669,208	1,674,582	1,612,638	1,465,685	1,820,963	1,981,612	2,020,743	2,136,509	2,503,688	2,569,447
Conservation and development	-	-	-	-	-	7,466	263	780,289	150	37,459
Other	299,390	307,525	289,815	276,819	291,005	251,698	292,909	291,559	293,484	298,611
Capital Outlay	6,624,826	2,932,671	5,888,869	3,262,846	3,901,278	3,692,981	4,979,179	5,727,550	9,082,437	5,363,708
Debt service	-	-	-	-	-	-	-	-	-	-
Principal retirement	5,300,816	5,296,152	3,834,466	20,841,286 a)	5,414,820	5,249,257	8,209,835	7,234,808	6,513,075	6,490,620
Interest and fiscal charges	2,677,616	2,597,537	2,571,987	3,723,662	2,037,422	1,988,386	2,253,996	1,880,291	1,930,556	1,865,071
Total expenditures	37,845,781	34,667,798	35,984,678	51,335,571	35,501,980	35,101,427	40,041,330	40,588,564	43,455,250	40,109,944
<b>Excess of Revenues Over(Under) Expenditures</b>	(10,042,067)	(7,226,857)	(6,642,947)	(21,690,947)	(5,719,689)	(5,064,558)	(9,735,875)	(9,011,067)	(11,275,333)	(5,296,428)
<b>Other Financing Sources (Uses)</b>										
Long-term debt issued	4,280,000	3,335,000	4,200,000	3,765,000	3,230,000	6,430,000	4,975,000	3,990,000	6,830,200	7,835,000
Refunding debt issued (principal paid)	(4,025,000)	-	4,186,092	7,177,826	-	-	-	5,135,000	-	1,450,000
Premium (discount) on debt	70,686	19,362	113,622	365,525	45,318	130,295	97,954	494,332	125,767	266,589
Payment to escrow agent	-	-	(3,485,965)	(6,358,607)	-	(1,259,854)	-	(4,007,580)	-	-
Proceeds from capital lease issued	-	-	-	17,620,000	-	-	3,500,000	-	-	-
Sale of city property	65,218	19,759	16,630	70,588	10,597	14,087	22,167	59,789	180,041	101,973
Transfers in	11,707,906	6,231,780	5,802,172	5,616,339	6,417,060	8,017,935	8,345,209	7,914,195	7,657,377	7,649,363
Transfers out	(9,236,677)	(3,708,720)	(3,063,511)	(2,962,210)	(3,891,317)	(5,514,570)	(5,744,098)	(5,369,885)	(5,077,637)	(5,073,195)
Total other financing sources (uses)	2,862,133	5,897,181	7,769,040	25,294,461	5,811,658	7,817,893	11,196,232	8,215,851	9,715,748	12,229,730
<b>Net change in fund balances</b>	(7,179,934)	(1,329,676)	1,126,093	3,603,514	91,969	2,753,335	1,460,357	(795,216)	(1,559,585)	6,933,302
Fund Balance, January 1	16,182,804	9,002,870	7,673,194	8,799,287	12,402,801	12,494,770	15,248,105	16,708,462	15,913,246	14,353,661
Fund Balance, December 31	\$ 9,002,870	\$ 7,673,194	\$ 8,799,287	\$ 12,402,801	\$ 12,494,770	\$ 15,248,105	\$ 16,708,462	\$ 15,913,246	\$ 14,353,661	\$ 21,286,963

\*\* Ratio of Total Debt Service Expenditures to Total Noncapital Expenditures

\*\* Total noncapital expenditures includes reconciling items found on page 8 of CAFR.

a). For 2013, total Debt Service Principal Retirement and corresponding calculation of Ratio of Total Debt Service Expenditures to Non Capital Expenditures includes a one-time Capital Lease refunding of \$16,190,000. If that amount is excluded, Debt Service Principal Retirement totals \$4,651,286, with the corresponding Ratio of Total Debt Service Expenditures to Non Capital Expenditures recalculated to 25.92%.

Schedule 6

CITY OF NEENAH, WISCONSIN

**ASSESSED AND EQUALIZED VALUE OF TAXABLE PROPERTY**

Last Ten Fiscal Years<sup>1</sup>

(Dollars in Thousands)

Levy	Fiscal	Real Property			Personal Property		Total	Percent of Total
		<u>Equalized Values</u>			<u>Equalized Value</u>			
					Combined	Equalized (Actual)	Assessed	Assessed to Total
<u>Year</u>	<u>Year</u>	<u>Residential</u>	<u>Commercial</u>	<u>Manufacturing</u>	<u>Commercial &amp; Mfg.</u>	<u>Value</u>	<u>Value</u> <sup>2</sup>	<u>Equalized Value</u>
2010	2011	1,253,720	415,681	162,550	86,894	1,918,845	1,922,975	100.21
2011	2012	1,256,796	416,071	162,351	81,551	1,916,769	1,854,866	96.77
2012	2013	1,223,562	403,408	155,476	81,448	1,840,563	1,863,894	101.27
2013	2014	1,200,957	403,624	159,953	88,374	1,852,908	1,899,744	102.53
2014	2015	1,235,121	418,411	172,767	92,044	1,918,343	1,918,934	100.03
2015	2016	1,248,470	420,132	166,506	97,947	1,933,055	1,937,527	100.23
2016	2017	1,287,210	435,160	172,050	97,240	1,991,660	1,956,029	98.21
2017	2018	1,362,628	466,680	166,631	99,346	2,095,285	1,964,662	93.77
2018	2019	1,452,270	502,586	171,531	83,275	2,209,662	1,961,250	88.76
2019	2020	1,563,953	546,230	174,404	89,573	2,374,160	2,331,327	98.20

<sup>1</sup> Per Wisconsin Department of Revenue/Winnebago County Statistical Report.

<sup>2</sup> Assessed values are established by the City Assessor on all property except manufacturing property as of January 1 of each year. The Wisconsin Department of Revenue determines manufacturing property assessed values as of January 1 of each year. A revaluation of all property was completed in 2011 and 2019.



## Schedule 7

## CITY OF NEENAH, WISCONSIN

**PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING GOVERNMENTS**

Last Ten Fiscal Years

Per \$1,000 of Equalized Value

Levy Year	Budget Year	Debt			Capital		TIF			Neenah		Fox Valley		County		Total		State		Total	
		General	Service	Recycling	Projects	Parking	IS Fund	Districts	Fund	City	School	Technical	College	& State	Gross	Credit	Net	Credit	Net	Gross	Net
2010	2011	6.18	1.67	0.10		0.02	0.08	0.49	8.54	8.54	8.81	1.78		5.87	25.00	1.36	23.64			25.00	23.64
2011	2012	6.37	1.67	0.05		0.04		0.55	8.68	8.68	8.57	1.79		5.84	24.88	1.34	23.54			24.88	23.54
2012	2013	6.63	1.74			0.03		0.80	9.20	9.20	8.94	1.97		6.02	26.13	1.38	24.75			26.13	24.75
2013	2014	6.75	1.73			0.01		0.78	9.27	9.27	8.60	1.97		5.74	25.58	1.33	24.25			25.58	24.25
2014	2015	6.68	1.67			0.01		0.83	9.19	9.19	8.55	1.12		5.76	24.62	1.25	23.37			24.62	23.37
2015	2016	6.71	1.70					0.82	9.23	9.23	8.57	1.12		5.61	24.53	1.39	23.14			24.53	23.14
2016	2017	6.64	1.69					0.83	9.16	9.16	8.05	1.11		5.58	23.90	1.33	22.57			23.90	22.57
2017	2018	6.40	1.62					0.88	8.90	8.90	7.75	1.08		5.27	23.00	1.38	21.62			23.00	21.62
2018	2019	6.18	1.49					0.88	8.55	8.55	7.28	1.06		5.07	21.96	1.28	20.68			21.96	20.68
2019	2020	5.86	1.45					0.73	8.04	8.04	6.86	1.02		4.89	20.81	1.17	19.64			20.81	19.64

Per \$1,000 of Assessed Value

Levy Year	Budget Year	Debt			Capital		TIF			Neenah		Fox Valley		County		Total		State		Total	
		General	Service	Recycling	Projects	Parking	IS Fund	Districts	Fund	City	School	Technical	College	& State	Gross	Credit	Net	Credit	Net	Gross	Net
2010	2011	6.16	1.67	0.10		0.02	0.08	0.49	8.52	8.52	8.79	1.78		5.85	24.94	1.36	23.58			24.94	23.58
2011	2012	6.58	1.73	0.05		0.04		0.57	8.97	8.97	8.85	1.85		6.03	25.70	1.38	24.32			25.70	24.32
2012	2013	6.55	1.72			0.03		0.79	9.09	9.09	8.82	2.11		5.78	25.80	1.36	24.42			25.80	24.42
2013	2014	6.59	1.69			0.01		0.75	9.04	9.04	8.39	1.92		5.60	24.95	1.30	23.65			24.95	23.65
2014	2015	6.68	1.67			0.01		0.83	9.19	9.19	8.55	1.12		5.75	24.61	1.25	23.36			24.61	23.36
2015	2016	6.70	1.69					0.82	9.21	9.21	8.55	1.12		5.60	24.48	1.39	23.09			24.48	23.09
2016	2017	6.76	1.72					0.85	9.33	9.33	8.19	1.14		5.68	24.34	1.36	22.98			24.34	22.98
2017	2018	6.83	1.72					0.94	9.49	9.49	8.26	1.16		5.62	24.53	1.47	23.06			24.53	23.06
2018	2019	6.97	1.67					0.99	9.63	9.63	8.20	1.19		5.72	24.74	1.44	23.30			24.74	23.30
2019	2020	5.97	1.48					0.75	8.20	8.20	6.98	1.04		4.98	21.20	1.19	20.01			21.20	20.01

## Schedule 8

## CITY OF NEENAH, WISCONSIN

**PRINCIPAL TAXPAYERS**  
**2019 AND NINE YEARS PRIOR**
**December 31, 2019**

	<b><u>Name</u></b>	<b><u>Nature of Business</u></b>	<b>Percent of Total</b>	<b>2019</b>	<b>2019</b>
			<b><u>Assessed Value (A)</u></b>	<b><u>Assessed Value</u></b>	<b><u>Equalized Value</u></b>
1.	Plexus Corporation	Computer Products and Service	1.71%	\$33,491,500	\$34,105,397
2.	Bergstrom Consortio Inc	Auto Sales & Service	1.32%	25,972,500	26,448,574
3.	Wright Residential Properties	Rentals	1.25%	24,428,000	24,875,764
4.	Menasha Corporation	Printing & Container Mfg	1.24%	24,304,600	24,750,102
5.	Alta Resources	Telemarketing & Fulfillment	1.07%	21,069,500	21,455,703
6.	Ireit Neenah Fox Point LLC	Grocery/Commercial	0.82%	16,145,000	16,440,937
7.	Jewelers Mutual Insurance Co.	Insurance	0.70%	13,742,000	13,993,890
8.	Kimberly-Clark	Paper Products	0.67%	13,053,700	13,292,974
9.	WISL Investments (Island Shores)	Residential Housing	0.64%	12,625,000	12,856,415
10.	Curwood Wisconsin LLC	Flexible Packaging & Carton Mfg.	0.64%	12,582,900	12,813,544
<b>Total</b>			<b>10.06%</b>	<b><u>\$197,414,700</u></b>	<b><u>\$201,033,300</u></b>

(A) Based on the City's total 2019 assessed valuation of \$2,331,327,200 (established January 1, 2019 for the 2019 levy).

**December 31, 2010**

	<b><u>Name</u></b>	<b><u>Nature of Business</u></b>	<b>Percent of Total</b>	<b>2010</b>	<b>2010</b>
			<b><u>Assessed Value (B)</u></b>	<b><u>Assessed Value</u></b>	<b><u>Equalized Value</u></b>
1.	Alta Resources	Telemarketing & Fulfillment	1.16%	\$22,304,100	\$22,259,581
2.	Plexus Corporation	Computer Products & Service	0.99%	19,030,300	18,992,315
3.	Kimberly-Clark	Paper Products	0.84%	16,116,700	16,084,531
4.	Fox Point of Appleton	Retail Sales	0.83%	15,970,400	15,938,523
5.	Neenah Foundry	Cast Metal Products	0.83%	15,932,300	15,900,499
6.	Wal-Mart	Retail Sales	0.79%	15,185,700	15,155,389
7.	Menasha Corporation	Printing & Container Mfg.	0.78%	15,015,300	14,985,329
8.	Jewelers Mutual Insurance Co.	Insurance	0.68%	13,100,000	13,073,852
9.	Bergstrom Consortio Inc.	Auto Sales & Service	0.63%	12,031,500	12,007,485
10.	Curwood Wisconsin LLC	Flexible Packaging & Carton Mfg.	0.52%	10,021,500	10,001,497
<b>Total</b>			<b>8.05%</b>	<b><u>\$154,707,800</u></b>	<b><u>\$154,399,001</u></b>

(B) Based on the City's total 2010 assessed valuation of \$1,922,974,901 (established January 1, 2010 for the 2010 levy).

Schedule 9

CITY OF NEENAH, WISCONSIN

**PROPERTY TAX LEVIES AND COLLECTIONS**

Last Ten Fiscal Years

Collection Year	Total Tax Levy	Collections Prior to Transfer of Roll on		Percent of Levy Collected	Total Tax Collections		Total as Percent of Current Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as Percent of Current Levy
		August 1 <sup>1</sup>	August 1 <sup>1</sup>		As of 12/31	As of 12/31			
2010	47,659,333	46,781,439	46,781,439	98.16	47,634,231	47,634,231	99.95	25,102	0.05
2011	47,967,870	46,501,895	46,501,895	96.94	47,944,797	47,944,797	99.95	23,073	0.05
2012	47,683,352	46,841,224	46,841,224	98.23	47,653,038	47,653,038	99.94	30,314	0.06
2013	48,093,781	47,333,417	47,333,417	98.42	48,069,844	48,069,844	99.95	23,937	0.05
2014	47,403,198	46,808,084	46,808,084	98.74	47,371,911	47,371,911	99.93	31,287	0.07
2015	47,224,136	46,672,262	46,672,262	98.83	47,174,518	47,174,518	99.90	49,618	0.10
2016	47,423,113	46,909,803	46,909,803	98.92	47,415,136	47,415,136	99.98	7,977	0.02
2017	47,608,458	47,155,717	47,155,717	99.05	47,605,347	47,605,347	99.99	3,111	0.01
2018	48,191,460	47,686,048	47,686,048	98.95	48,187,194	48,187,194	99.99	4,266	0.01
2019	48,531,244	47,967,020	47,967,020	98.84	48,529,056	48,529,056	99.99	2,188	0.01

<sup>1</sup> The County settles delinquent real estate taxes in full 30 days after transfer of tax roll.

**Schedule 10**

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

Fiscal Year	Governmental Activities					Business-Type Activities										Total		City Population	Total Debt Per Capita
	G.O. Notes/Bonds	Note Anticipation	Notes	Premiums	Capital Leases	G.O. Notes for Business-Type Activities		Water		Sanitary Sewer		Storm Water		Primary Government					
						Revenue	Bonds	Revenue	Bonds	System Clean	Water Loan	Revenue	Bonds		Premiums				
2010	39,713,409	-	-	120,430	22,475,000	6,521,137	32,147,812	-	446,223	-	-	-	116,368	101,540,379	25,501	3,981.82			
2011	37,777,257	-	-	111,892	22,450,000	7,525,650	29,926,476	-	452,605	-	-	-	113,622	98,357,502	25,612	3,840.29			
2012	39,273,910	-	-	103,330	22,425,000	8,181,034	27,141,137	-	433,540	-	-	-	152,457	97,710,408	25,723	3,798.56			
2013	39,562,952	-	-	419,010	22,987,673	8,400,430	24,686,109	-	413,874	-	9,620,219	-	296,442	106,386,709	25,750	4,131.52			
2014	37,821,664	-	-	329,973	22,544,141	8,686,334	22,270,691	-	393,588	-	10,529,720	-	272,514	102,848,625	25,833	3,981.29			
2015	36,925,947	1,350,000	-	378,086	22,090,611	8,518,933	19,739,162	-	372,662	-	10,102,648	-	251,601	99,729,650	25,871	3,854.88			
2016	37,291,112	1,350,000	-	400,068	21,726,251	8,560,252	17,445,789	-	351,077	-	9,635,215	-	231,822	96,991,586	26,050	3,723.29			
2017	39,557,791	-	-	777,977	19,046,197	9,167,919	14,718,970	-	328,811	-	9,334,328	-	234,447	93,166,440	25,976	3,586.64			
2018	40,171,940	-	-	656,280	18,046,143	8,686,160	12,545,475	-	305,843	-	8,818,618	-	205,641	89,436,100	26,137	3,421.82			
2019	44,051,320	-	-	701,531	17,077,715	8,002,014	10,401,974	-	282,151	-	8,289,996	-	175,725	88,982,426	26,436	3,365.96			

**Schedule 11**

**CITY OF NEENAH, WISCONSIN**

**RATIO OF OUTSTANDING DEBT TO EQUALIZED VALUATION  
AND DEBT PER CAPITA  
Last Ten Fiscal Years**

<b>Calendar Year Ending 12/31</b>	<b>General Outstanding Debt <sup>1</sup></b>	<b>Equalized Valuation <sup>2</sup></b>	<b>Percent of Debt to Eq. Valuation</b>	<b>Estimated Population</b>	<b>Debt Per Capita</b>
2010	46,419,016	1,918,845,500	2.42%	25,501	1,820.28
2011	45,282,898	1,916,768,500	2.36%	25,612 *	1,768.03
2012	47,626,106	1,840,562,900	2.59%	25,723 *	1,851.50
2013	48,518,165	1,852,907,500	2.62%	25,750 *	1,884.20
2014	46,969,145	1,918,342,200	2.45%	25,833 *	1,818.18
2015	46,073,617	1,933,055,000	2.38%	25,871 *	1,780.90
2016	46,499,827	1,991,660,100	2.33%	26,050 *	1,785.02
2017	49,753,343	2,095,284,800	2.37%	25,976 *	1,915.36
2018	49,758,893	2,209,662,100	2.25%	26,137 *	1,903.77
2019	52,887,084	2,374,159,900	2.23%	26,436 *	2,000.57

\* Estimate

<sup>1</sup> This amount does not include debt of the Neenah Joint School District.

<sup>2</sup> Set January 1 of the calendar year.

The following issues have been excluded from the calculations shown above: \$4,210,000 Refunding Bonds in 2004, \$16,666,667 Safe Drinking Water Loan Revenue Bonds in 2005/06, \$8,788,354 Safe Drinking Water Loan Revenue Bonds in 2006/08, \$2,345,000 Revenue Bonds in 2008 and \$446,233 in Storm Water Clean Water Loan Revenue Bonds in 2009, \$1,350,000 Water Utility Revenue Refunding Bonds in 2012, \$3,545,000 Water Utility Revenue Refunding Bonds in 2013 and \$835,000 Water Utility Revenue Refunding Bonds in 2017.

In addition, the Community Development Authority of the City of Neenah (CDA) issued \$17,620,000 in Lease Revenue Refunding Bonds in 2013 and \$3,500,000 Lease Revenue Refunding Bonds in 2016. These amounts are also excluded from the calculations shown above.

Schedule 12

**CITY OF NEENAH, WISCONSIN**

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT**

December 31, 2019

<b><u>Jurisdiction</u></b>	<b><u>Debt Outstanding<sup>1</sup></u></b>	<b><u>Percent Applicable to City of Neenah</u></b>	<b><u>Amount Applicable to City of Neenah</u></b>
<b><u>Direct Debt</u></b>			
City of Neenah <sup>2</sup>	<u>\$61,830,566</u>	100.00	<u>\$61,830,566</u>
<b><u>Overlapping Debt</u></b>			
Neenah Joint School District	-	49.49	-
Fox Valley Technical College	63,415,000	5.71	3,620,997
Winnebago County	<u>26,674,040</u>	16.72	<u>4,459,900</u>
Total Overlapping Debt	<u>\$90,089,040</u>		<u>\$8,080,897</u>
<b>Total Direct and Overlapping Debt</b>	<b><u>\$151,919,606</u></b>		<b><u>\$69,911,463</u></b>

<sup>1</sup> Includes outstanding debt for long-term lease purchase agreements and Note Anticipation Notes. Does not include assets in Debt Service Funds.

<sup>2</sup> This amount excludes general obligation debt for business-type activities.

Schedule 13

CITY OF NEENAH, WISCONSIN

**COMPUTATION OF LEGAL DEBT MARGIN**

December 31, 2019

Equalized Value of Real and Personal Property	<u>\$2,374,159,900</u>	
Debt Limit, Five (5) Percent of Equalized Valuation (Wisconsin Statutory Limitation)	<u>\$118,707,995</u>	100.00%
Total General Obligation Debt	<u>\$52,053,334</u>	
Amount of Debt Applicable to Debt Limitation:		
Total Obligation Bonds and Loans Applicable to Debt Limit at December 31, 2019	\$52,053,334	43.85%
Less: Assets in Debt Service Fund Available for Payment of Principal	\$396,361	
Net Amount of Debt Applicable to Debt Limit	\$51,656,973	43.52%
Remaining Legal Debt Margin	\$67,051,022	56.48%

**Schedule 14**

**CITY OF NEENAH, WISCONSIN**

**REVENUE BOND COVERAGE**

**Water Utility**

**Last Ten Fiscal Years**

<b><u>Fiscal Year</u></b>	<b><u>Direct Operating Revenues</u></b>	<b><u>Direct Operating Expenses</u></b> <sup>2</sup>	<b><u>Net Revenue Available for Debt Service</u></b>	<b><u>Debt Service Requirements</u></b> <sup>1</sup>			<b><u>Coverage</u></b>
				<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>	
2010	6,654,836	3,144,405	3,510,431	2,464,633	727,594	3,192,227	1.10
2011	8,798,241	3,051,506	5,746,735	2,445,418	715,537	3,160,955	1.82
2012	9,143,821	3,176,012	5,967,809	2,481,529	600,395	3,081,924	1.94
2013	8,343,050	3,304,263	5,038,787	2,531,529	544,463	3,075,992	1.64
2014	8,000,288	3,289,327	4,710,961	2,531,529	544,463	3,075,992	1.53
2015	7,986,324	2,995,535	4,990,789	2,360,972	420,181	2,781,153	1.79
2016	7,968,827	3,120,136	4,848,691	2,360,972	420,181	2,781,153	1.74
2017	7,982,137	2,936,341	5,045,796	2,198,467	229,066	2,427,533	2.08
2018	8,088,402	2,875,825	5,212,577	2,143,501	277,746	2,421,247	2.15
2019	8,011,790	2,808,196	5,203,594	2,198,467	229,066	2,427,533	2.14

<sup>1</sup> Includes principal and interest of revenue bonds only. It does not include the general obligation notes reported in the Water Utility Enterprise Fund. Amount calculated by using the highest total annual debt service owed (year 2020) on all outstanding bond issues as of December 31, 2019.

<sup>2</sup> Includes total operating expenses less depreciation.



**Schedule 15**

**CITY OF NEENAH, WISCONSIN**

**WATER UTILITY DATA**

**TEN LARGEST WATER USERS**

**Year Ending December 31, 2019**

<b><u>Name</u></b>	<b><u>Nature of Business</u></b>	<b><u>Thousands of Gallons (000)</u></b>	<b><u>Water Billing<sup>1</sup></u></b>
1. Galloway	Dairy Products	96,684	\$449,389
2. Neenah Foundry	Castings	66,385	321,402
3. Kimberly Clark Corporation	Paper Research/Paper & Hygiene Products	41,252	208,720
4. Neenah Paper	High Quality Bond Paper	39,419	196,717
5. Theda Clark Regional Medical Center	Healthcare	29,802	156,229
6. Georgia Pacific	Paper Research	13,327	71,315
7. Industrial Towel & Uniform	Commercial Laundry	12,731	68,546
8. Bemis	Packaging	7,687	42,032
9. Menasha Packaging	Packaging	7,660	42,736
10. Plexus	Electronic Components/Corporate Offices	6,992	38,704
Total of Ten Largest Retail Users		321,939	\$1,595,790
Total Water Utility		892,089	\$7,746,628
Ten Largest as Percent of Total Water Utility		36%	21%

<sup>1</sup> Total water revenue only.

**HISTORICAL WATER USAGE**  
(millions of gallons)  
Last Five Fiscal Years

<b>Calendar</b>	<b>Gallons</b>	<b>Gallons</b>
<b><u>Year</u></b>	<b><u>Billed</u></b>	<b><u>Pumped</u></b>
2015	888	1,069
2016	885	1,069
2017	890	1,032
2018	910	1,084
2019	892	1,042

**DAILY DEMAND STATISTICS**  
(millions of gallons per day)  
Last Five Fiscal Years

<b>Calendar</b>	<b>Average Daily</b>	<b>Maximum Daily</b>	<b>Maximum Rated System</b>
<b><u>Year</u></b>	<b><u>Demand</u></b>	<b><u>Demand</u></b>	<b><u>Capacity</u></b>
2015	2.93	4.91	12.00
2016	2.93	4.44	12.00
2017	2.83	4.07	12.00
2018	2.97	4.8	12.00
2019	2.86	3.98	12.00

**Schedule 16**

**CITY OF NEENAH, WISCONSIN**

**DEMOGRAPHIC & ECONOMIC STATISTICS**  
**Last Ten Fiscal Years**

<u>Adjusted Gross Income per Return<sup>2</sup></u>					
<u>Year</u>	<u>Population<sup>1</sup></u>	<u>City of Neenah</u>	<u>State of Wisconsin</u>	<u>City as % of State</u>	<u>Unemployment Rate<sup>3</sup></u>
2010	25,501	55,830	46,958	118	10.0
2011	25,612	57,680	47,640	121	8.8
2012	25,723	59,870	49,900	120	8.7
2013	25,750	60,070	50,670	119	8.0
2014	25,833	61,320	52,050	118	4.6
2015	25,871	63,798	54,227	118	3.8
2016	26,050	63,075	55,267	115	3.2
2017	25,951	65,052	56,698	115	3.0
2018	26,137	66,027	59,423	111	3.0
2019	26,300	63,798	54,227	99	3.0

Source: <sup>1</sup> U.S. Census Bureau

<sup>2</sup> Wisconsin Department of Revenue, Division of Research and Policy

<sup>3</sup> Wisconsin Department of Workforce Development

**Schedule 17**

**CITY OF NEENAH, WISCONSIN**

**PRINCIPAL INDUSTRIAL & COMMERCIAL EMPLOYERS**

**2019 and Nine Years Prior**

<b><u>2019 Company Name</u></b>	<b><u>2019 Product or Service</u></b>	<b><u>2019 Number of Employees</u></b>
Kimberly-Clark Corporation	Paper Products	2,000
Plexus Corporation	Computer Products & Services	1,930
J.J. Keller & Associates	Commercial Printing & Misc. Publishing	1,200
Neenah Foundry, Inc.	Cast Metal Products	1,000
Theda Clark Medical Center	Healthcare	820
N & M Transfer Co. Inc.	Local Trucking	800
Neenah Joint School District	Education	725
Alta Resources	Telemarketing & Fulfillment	600
Starshow Presents Inc.	Marketing	500
Walmart Supercenter	Department Store	350

Source: [www.salesgenie.com](http://www.salesgenie.com) and direct employer contacts.

<b><u>2010 Company Name</u></b>	<b><u>2010 Product or Service</u></b>	<b><u>2010 Number of Employees</u></b>
Plexus Corporation	Computer Products Mfg.	3,000
Kimberly-Clark Corporation	Paper Products	2,592
Theda Clark Medical Center	Healthcare	1,330
SCA Tissue North America LLC	Paper Napkin Stock	860
Neenah Foundry Inc.	Cast Metal Products	850
J. J. Keller & Associates	Publisher & Printer Services for Tech and Regulatory Information	800
XSYS Print Solutions Inks LLC	Lithographic Ink & Chemical Products Mfg.	800
Neenah Joint School District	Education	740
N & M Transfer	Trucking	600
Alta Resources	Outsourced Customer Care Solutions	550

Source: [2011 Wisconsin Business Services](#); [2011 Wisconsin Manufacturing Directories](#).

**Schedule 18**

**CITY OF NEENAH, WISCONSIN**

**SCHEDULE OF INSURANCE IN FORCE**

**December 31, 2019**

<b><u>Type of Coverage</u></b>	<b><u>Carrier</u></b>	<b><u>Limits of Coverage</u></b>	<b><u>Premium</u></b>
Boiler and Machinery	XL Insurance America	\$500,000,000	\$3,661
Buildings, Personal Property & Property in the Open	Municipal Property Insurance Company	\$160,580,680	\$59,329
Contractors Equipment	Municipal Property Insurance Company	\$3,229,746	\$5,613
Pier and Wharf	Municipal Property Insurance Company	\$1,836,792	\$12,858
Monies and Securities	Municipal Property Insurance Company	\$25,000	\$125
Fine Arts	Municipal Property Insurance Company	\$814,500	\$733
Auto Physical Damage	Cities & Villages Mutual Insurance Company	\$13,619,380	\$57,398
Workers Compensation	Cities & Villages Mutual Insurance Company	Each E/ee for Disease \$100,000 Each Accident \$100,000	\$365,738
Liability Coverage (General, Law Enforcement, Public Officials)	Cities & Villages Mutual Insurance Company	\$5,000,000	\$84,013
Excess Public Entity Liability (General, Law Enforcement, Public Officials)	Berkley Insurance Company	\$5,000,000	\$5,626
Employment Practice Liability	Ironshore Specialty Insurance Company	\$1,000,000	\$20,553
Crime Coverage	Hanover Insurance Company	\$5,000,000	\$1,550
Privacy & Network Liability	Illinois Union Insurance Company	\$2,000,000	\$0
Pollution Liability Coverage	XL Insurance America	\$1,000,000	\$2,626
Volunteer Insurance	Berkley Life & Health Insurance Company	\$500,000	\$1,425

**Schedule 19**

**CITY OF NEENAH, WISCONSIN**

**MISCELLANEOUS STATISTICS**

**December 31, 2019**

**Date of Incorporation: March 13, 1873**

**Form of Government: Mayor/Aldermanic (9)**

	<u>2019</u>	<u>2018</u>		<u>2019</u>	<u>2018</u>
<b>Population</b>	26,436	26,137	<b>Municipal Industrial Park</b>		
<b>Area Square Miles</b>			Acres	370.3	370.3
Acres – Land	9.6	9.6	Public R-O-W Acres	49.5	49.5
Acres - Water	6,250.00	5,984.66	Sold/Developed Acres	16.5	16.5
	198.34	198.34	Sold/Undeveloped Acres	0	0
			Optioned	0	0
<b>Altitude (in feet)</b>	754	754	Available-City	92.8	92.8
<b>Miles of Streets</b>			Available-Private	6.34	6.34
Local Streets	89.94	99.68	Stormwater/Wetland	12.5	12.5
Arterial/Collector Highways	<u>38.7</u>	<u>36.33</u>			
<b>TOTAL</b>	128.64	136.01			
<b>Number of Street Lights</b>	3,346	3,346	<b>Fire Protection</b>		
			Number of Stations	4	4
<b>Municipal Water Utility</b>			Number of Firefighters	63	63
Average Number of Customers	10,743	10,723			
Average Daily Consumption	2,444,079	2,493,573	<b>Police Protection</b>		
Miles of Water Mains	139.27	139.27	Number of Stations	1	1
			Number of Sworn Police Officers	35	41
<b>Miles of Sewers</b>					
Storm	97.8	97.8	<b>Parks and Recreation</b>		
Sanitary	128.2	127.54	Acres of Developed/Undeveloped	383	383
			Number of Parks	25	25
<b>Building Permits</b>			Number of Swimming Pools	1	1
Permits Issued	741	1243			
Estimated Cost of Construction	\$31,339,218	\$31,564,989	<b>Public Library</b>		
			Collection	220,448	376,640
<b>Permanent City Employees</b>			Circulation	788,430	821,418
Full Time	235	236			
Part Time	28	31			