

City of Neenah, Wisconsin

Annual Comprehensive Financial Report

Year Ended December 31, 2021

Prepared By:

Department of Finance
Michael K. Easker, CPA, Director
Andrew Kahl, CPA, Deputy Director of Finance

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June 24, 2022

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

The City of Neenah (the "City") 2021 Annual Comprehensive Financial Report 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 Annual Comprehensive Financial Report 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 2021 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 9.88 square mile area. Its current population is 27,525 based on 2021 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.

Neenah's downtown is home to the world headquarters of Plexus Corporation and Alta Resources, along with a significant presence from both ThedaCare and Bergstrom Corporation. The ongoing Downtown Riverwalk Zone Initiative has already generated over \$80.5 million in new projects and three projects that are underway will add more than \$30 million to this investment in the next year. 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 \$28 million in new construction.

Notable commercial projects in 2021 included The Plaza at Gateway Park – a \$7M gift to the city that will include a winter ice rink and a summer gathering space along with a community café and other amenities. The year also saw the completion of Solaris on Main – a \$12 million apartment building, Downtown Neenah's first in three decades, located at the corner of Millview and Main. Construction also began on the new \$9 million mixed-use building located at the corner of Wisconsin Ave. and Church St. 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 Nos. 5, 8 and 10 which are located in and adjacent to the City's downtown business and waterfront district. In the last year, TIF No. 8 has seen the redevelopment of the City's waterfront as well as the development of the aforementioned Solaris project, The Plaza at Gateway Park, and the third mixed-use project on Wisconsin Avenue. TIF No. 10 has leveraged the success of adjacent TID No. 8 in significant improvement to Arrowhead Park, including the hugely popular Loop the Lake Trail and associated amenities.

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 Menasha Corp's new Global Headquarters. TIF No. 11 is composed of a multi-family commercial development that was completed in 2020, adding more than \$14 million of value to the City's tax base.

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

<u>TIF No.</u>	<u>Creation Date</u>	<u>Max Exp Date</u>	<u>Max Close Date</u>	<u>Amended Base Value</u>	<u>1/1/21 Value</u>	<u>Increment</u>
5	1/1/93	4/21/15	4/22/30	\$13,458,200	\$27,287,500	\$13,829,300
6	1/1/97	3/9/15	3/20/30	2,869,600	31,300,600	28,431,000
7	1/1/00	7/4/22	7/05/37	39,226,900	144,569,300	105,342,400
8	1/1/01	9/4/23	9/05/38	14,743,600	75,970,100	61,226,500
9	1/1/15	3/17/36	3/18/42	15,959,100	25,974,900	10,015,800
10	1/1/15	8/4/36	8/05/42	3,681,600	19,907,700	16,226,100
11	1/1/17	2/1/33	2/1/38	117,700	16,946,500	16,828,800
						<u>\$251,899,900</u>

Neenah's future and economic development outlook remains strong and well positioned as the economy rebounds. Opportunities for major commercial and industrial projects are available in planned business centers and at prime development sites. Residential development has been limited by the number of available lots in the City. In order to help resolve this issue, the City acquired 130 acres of vacant property on its western boundary in 2019. The first two phases of the development are under construction which include over 35 new single-family residential lots.

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.

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. The Library provides high quality and varied programming for patrons of all ages, as well as research services and readers' advisory services. 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 and two new mid-sized rooms (funded by donations from the community); free legal clinics; free volunteer tax preparation assistance; sensory bags for children with autism; book clubs; a visiting book bike, and monthly Memory Café meetings for those with dementia and their care partners. The Library promotes and provides 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 one-on-one assistance.

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 US, 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, 2020. This was the 38th 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 annual comprehensive 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 2021 Annual Comprehensive 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 Comprehensive Annual Financial Report 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 Annual Comprehensive 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 US, 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
Reporting

Presented to

**City of Neenah
Wisconsin**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO

CITY OF NEENAH DIRECTORY OF OFFICIALS 2021 – 2022

MAYOR

Dean R. Kaufert

PRESIDENT OF THE COUNCIL

Todd Stevenson

COUNCIL MEMBERS

Aldermanic District 1:	Cari Lendrum
Aldermanic District 1:	John Skyrms
Aldermanic District 1:	Kathie Boyette
Aldermanic District 2:	Marge Bates
Aldermanic District 2:	Tami Erickson
Aldermanic District 2:	Brian Borchardt
Aldermanic District 3:	Todd Stevenson
Aldermanic District 3:	Lee Hillstrom
Aldermanic District 3:	Jane Lang

OFFICERS

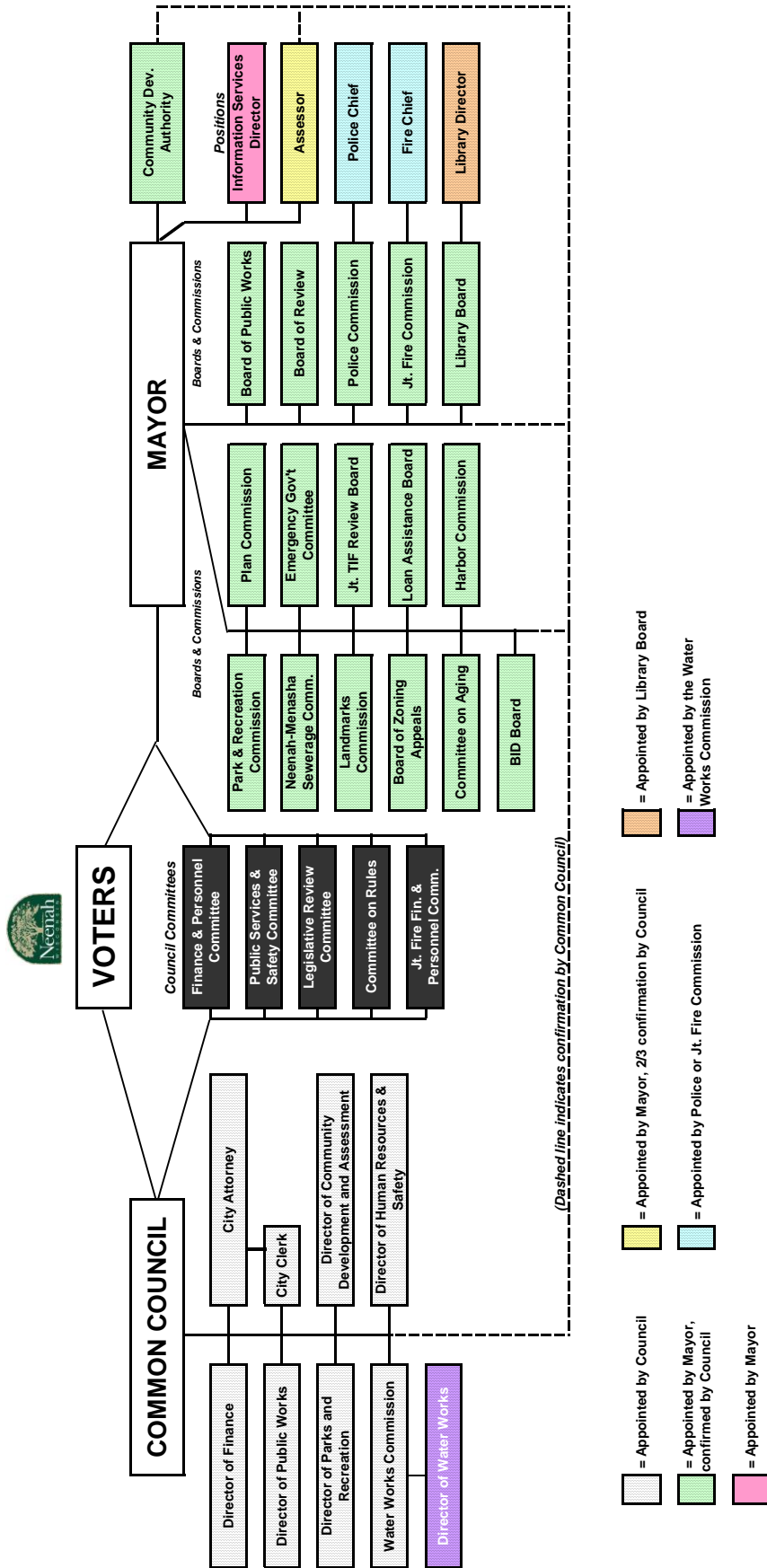
Director of Finance	Michael K. Easker
City Attorney	Adam J. Westbrook
City Clerk	Charlotte K. Nagel
Director of Human Resources and Safety	Lindsay Kehl
Police Chief	Aaron Olson
Fire Chief	Kevin Kloehn
Director of Public Works and Utilities	Gerry Kaiser
Director of Community Development and Assessment	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 John Skyrms
Aldersperson Brian Borchardt
Aldersperson Todd Stevenson

STANDING PUBLIC SERVICES AND SAFETY COMMITTEE

Aldersperson Marge Bates (Chairman)
Aldersperson Jane Lang (Vice Chairman)
Aldersperson Cari Lendrum
Aldersperson Lee Hillstrom
Aldersperson Todd Stevenson



Independent Auditors' Report

To the Mayor and Common Council of
City of Neenah

Opinions

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 (the City of Neenah), as of and for the year ended December 31, 2021, 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.

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, 2021 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Neenah and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Neenah's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Neenah's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

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 is the responsibility of management and, 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 supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory section and statistical section included in the annual comprehensive financial report but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

A handwritten signature in black ink that reads "Baker Tilly US, LLP". The signature is written in a cursive, flowing style.

Madison, Wisconsin
June 24, 2022

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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, 2021. 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 \$192,001,456 as of December 31, 2021. Net position from Governmental Activities account for \$109,533,166 of the total, an increase of \$12,421,815 from the previous year. Business-Type Activities net position was \$82,468,290, an increase of \$3,612,128 from 2020.
- > The City ended 2021 with a fund balance of \$27,145,833 for all Governmental Funds, an increase of \$4,259,174 from 2020. This total includes \$5,060,058, which is unassigned, in the City's General Fund. This fund balance is 19.63% of the City's 2021 actual General Fund expenditures/other financing uses of \$25,779,078.
- > In 2021, the City issued \$11,750,000 in General Obligation ("G.O.") Notes backed by the full faith and credit of the City. Of those amounts, \$8,715,000 was attributed to Governmental Activities while \$3,035,000 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, 2021. The Statement of Net Position and Statement of Activities (pages 1 and 2) 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 3 through 5 are fund financial statements that provide a more detailed summary of the Governmental Funds (nonbusiness-type activities).

The remaining statements on pages 6 through 12 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, 2021, we will try to answer some very basic questions. Is the City better or worse off financially than it was in 2020? 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 5. Following is a listing and description of the governmental funds reported by the City of Neenah in 2021:

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 2021, 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	Other
TIF District No. 11	Cemetery Perpetual Care
Community Development Block Grant	Cemetery Flowers
Housing/Business Loans	Developer Land Sales
Industrial Development	Alliant Energy PILOT
Recycling	American Rescue Plan Act

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 2021, 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 3 through 5 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 2021, 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 2021, 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 6 through 10 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, other governments. In 2021, the City of Neenah used custodial funds to account for:

Tax Collections
Neenah-Menasha Fire Rescue

Menasha-Neenah Municipal Court

The basic fiduciary fund financial statements can be found on pages 11-12 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As stated earlier, net position (assets/deferred outflows of resources less liabilities/deferred inflows of resources) total \$192,001,456 for the City of Neenah as of December 31, 2021. This includes total assets of \$321,700,952, deferred outflows of resources of \$13,524,300, total liabilities of \$101,689,832 and deferred inflows of resources of \$41,533,964. 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 69% 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 91% 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			
	CITY OF NEENAH NET POSITION					
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 72,394,904	\$ 60,944,066	\$ 26,278,213	\$ 25,529,030	\$ 98,673,117	\$ 86,473,096
Capital assets	140,687,713	132,746,348	82,340,122	80,264,734	223,027,835	213,011,082
Total assets	213,082,617	193,690,414	108,618,335	105,793,764	321,700,952	299,484,178
Deferred outflows of resources	12,511,720	9,025,434	1,012,580	751,755	13,524,300	9,777,189
Long-term liabilities	(69,273,820)	(67,264,583)	(22,588,894)	(23,191,276)	(91,862,714)	(90,455,859)
Other Liabilities	(6,551,959)	(3,001,981)	(3,275,159)	(3,575,511)	(9,827,118)	(6,577,492)
Total liabilities	(75,825,779)	(70,266,564)	(25,864,053)	(26,766,787)	(101,689,832)	(97,033,351)
Deferred inflows of resources	(40,235,392)	(35,337,933)	(1,298,572)	(922,570)	(41,533,964)	(36,260,503)
Net position:						
Net investment in capital assets	100,389,425	88,150,373	65,114,027	62,424,386	164,763,604	149,737,986
Restricted	21,367,146	16,264,632	1,909,107	1,676,640	23,276,253	17,941,272
Unrestricted (deficit)	(12,223,405)	(7,303,654)	15,445,156	14,755,136	3,961,599	8,288,255
Total net position	\$ 109,533,166	\$ 97,111,351	\$ 82,468,290	\$ 78,856,162	\$ 192,001,456	\$ 175,967,513

The total net position section includes an adjustment of \$739,848 for capital assets owned by the business-type activities column, but financed by debt of the governmental activities column (see Notes to Financial Statements – Equity Classifications on page 26).

Net position for governmental activities increased \$12,421,815 from 2020, while net position for business-type activities rose by \$3,612,128. The increase in governmental activity net position is primarily due to a \$7,000,000 ice-skating facility donated to the City and an increase in the net pension asset due to favorable market conditions. The net position for business-type activities benefited mainly from an increase in capital assets and a reduction in long-term liabilities. Specifically, Water Utility 2021 operating income was over \$3.7 million (before transfers), while the City's combined Sanitary and Storm Water Utilities operating income was in excess of \$1.2 million, again before transfers.

Management's Discussion and Analysis (Unaudited)

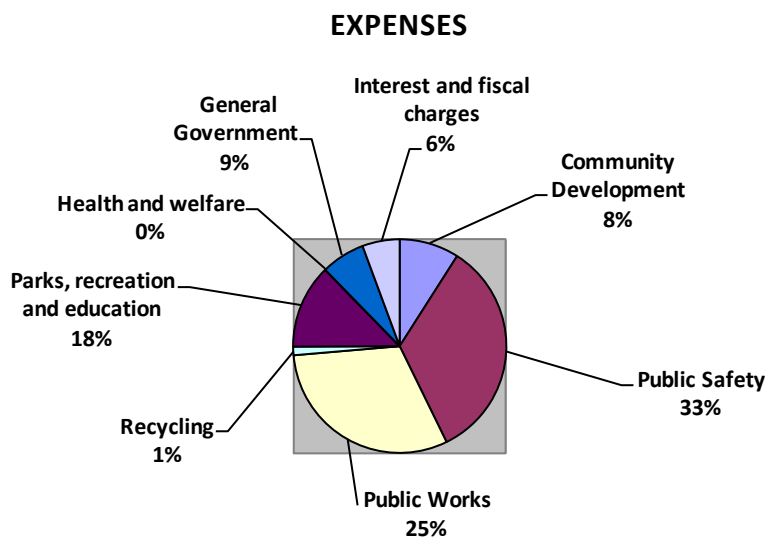
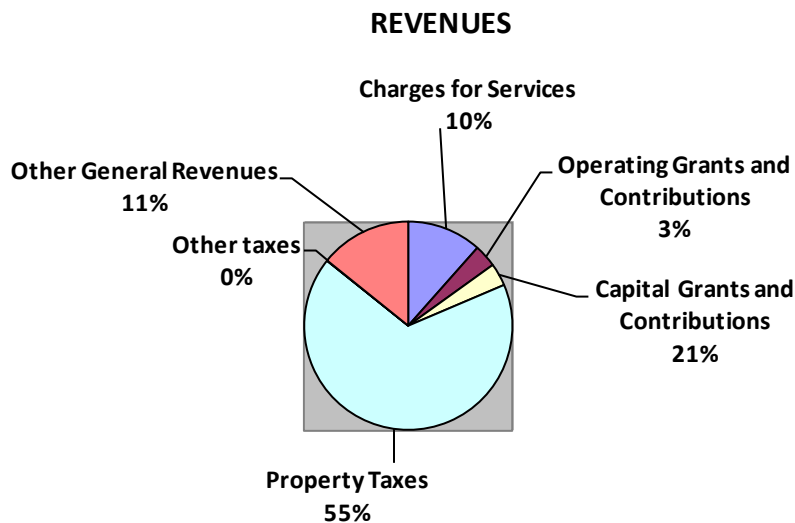
The following table provides a more detailed analysis of the City's change in net position:

CITY OF NEENAH CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
Program Revenues						
Charges for services	\$ 4,140,912	\$ 3,755,313	\$ 15,119,185	\$ 14,839,018	\$ 19,260,097	\$ 18,594,331
Operating grants and contributions	1,214,850	1,150,882	-	-	1,214,850	1,150,882
Capital grants and contributions	8,683,322	1,814,224	1,112,156	1,467,208	9,795,478	3,281,432
General revenues						
Property taxes	23,321,284	21,868,721	-	-	23,321,284	21,868,721
Other taxes	64,289	16,145	-	-	64,289	16,145
Other general revenues	4,573,882	4,629,033	65,922	105,641	4,639,804	4,734,674
Total revenues	41,998,539	33,234,318	16,297,263	16,411,867	58,295,802	49,646,185
Expenses						
General government	2,910,977	3,094,643	-	-	2,910,977	3,094,643
Public safety	10,689,734	11,544,084	-	-	10,689,734	11,544,084
Public works	8,094,930	10,565,662	-	-	8,094,930	10,565,662
Recycling	460,715	439,983	-	-	460,715	439,983
Parks, recreation and education	5,651,893	4,362,479	-	-	5,651,893	4,362,479
Health and welfare	-	6,377	-	-	-	6,377
Community development	2,504,816	2,272,604	-	-	2,504,816	2,272,604
Interest and fiscal charges	1,783,064	1,943,731	-	-	1,783,064	1,943,731
Water utility	-	-	4,592,685	5,011,226	4,592,685	5,011,226
Sewer disposal utility	-	-	4,107,432	3,940,328	4,107,432	3,940,328
Storm water utility	-	-	1,235,640	1,226,011	1,235,640	1,226,011
Other proprietary funds	-	-	229,973	236,414	229,973	236,414
Total expenses	32,096,129	34,229,563	10,165,730	10,413,979	42,261,859	44,643,542
Increase (decrease) in net position before transfers	9,902,410	(995,245)	6,131,533	5,997,888	16,033,943	5,002,643
Transfers	2,519,405	2,223,836	(2,519,405)	(2,223,836)	-	-
Change in net position	12,421,815	1,228,591	3,612,128	3,774,052	16,033,943	5,002,643
Net position-beginning	97,111,351	95,882,760	78,856,162	75,082,110	175,967,513	170,964,870
Net position-end of year	\$ 109,533,166	\$ 97,111,351	\$ 82,468,290	\$ 78,856,162	\$ 192,001,456	\$ 175,967,513

Management's Discussion and Analysis (Unaudited)

Property taxes in 2021 accounted for 55.53% of total governmental activities revenue, while charges for services accounted for 92.77% all of revenues generated by business-type activities. Expenses for public safety and public works were 58.53% of all governmental activities expenses. Business-type activities expenses were mostly due to the operations of the Water Utility (45.18%) and Sewerage Disposal Utility (40.40%). The following graphs provide a breakdown of all governmental activities revenues and expenses:



Management's Discussion and Analysis (Unaudited)

INDIVIDUAL FUND FINANCIAL ANALYSIS

Governmental Funds

The City of Neenah ended 2021 with a fund balance of \$27,145,833 in its governmental funds, an increase of \$4,259,174 (18.61%) from December 31, 2020.

General Fund

The City's General Fund realized a slight fund balance decrease of \$51,346 (.95%) from 2021 operations. Public Safety and Community Development operations was the main contributor to the positive expenditure budget variances, both of which were due to mainly to a delay in filling vacant staff positions. These helped offset negative expenditure variances in Public Works (mainly due to higher labor costs) and negative revenue variances in investment income, which was mainly due to a much lower interest rate environment.

Fund balance at year-end totaled \$5,342,546, of which \$5,060,058 is unassigned. This unassigned fund balance is 19.63% of the City's 2021 actual General Fund expenditures/other financing uses of \$25,779,078. 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 19.63% 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 \$22,449, which resulted in a fund balance deficit at year-end of \$7,684,049. This included a transfer of \$1,386,047 from donor TIF District No. 7. The primary reason for the slight 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 \$8,366,275. The net increase in fund balance during the year of \$332,434 was primarily due to the City's decision to continue the practice, which began in 2012, to annually levy excess funds for TIF-related Debt Service, funding that had previously been used to fund non-TIF debt service payments. That set aside, which now totals \$8.3 million and remains in the Debt Service 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.

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. Fund expenditures were somewhat in excess of revenues in 2021, leading to a minor decrease in fund balance of \$199,535. This resulted in a fund balance at year-end of \$3,822,354.

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 \$1,452,215. 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.

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. The use of 2020 unspent borrowed funds in 2021 contributed to a small decrease in fund balance of \$170,290. This resulted in a positive year-end balance of \$2,587,768. 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 use of 2020 unspent borrowed funds in 2021 led to a slight decrease in fund balance of \$15,317. This resulted in a positive fund balance at year-end of \$1,124,046.

Proprietary Funds

Water Utility

The water utility's operating income was \$3,850,210 in 2021, with net income before transfers and contributions of \$3,731,937. These positive operating results lead to an increase in net position of \$3,149,150. The water utility's 2021 rate of return is 8.52%, somewhat above the ROR from 2020 of 7.09%. Positive operating outcomes are the result of ongoing stable results in both operating revenues expenses within a currently positive budgetary structure.

Sewerage Disposal Utility

The sewerage disposal utility realized an operating gain, before transfers and contributions, of \$690,013. Overall net position increased by \$280,048. A low rate structure was the main contributing factor to the operating loss and decrease in net position in years prior to 2011. The

Management's Discussion and Analysis (Unaudited)

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 2021.

Storm Water Utility

In 2021, the utility had operating income of \$646,531 and an increase in net position of \$258,475. 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 2021 General Fund adopted expenditure budget totaled \$26,137,510. The Common Council approved departmental 2021 carryover requests of 2020 unspent operating funds totaling \$27,507, for an amended expenditure budget of \$26,165,017. The City's final adopted General Fund revenue budget totaled \$25,912,510. The 2021 adopted budget, before carryovers, also included the use of \$225,000 of reserves to balance the General Fund operating budget.

The City ended 2021 with a total fund balance decrease of \$51,346 and an unassigned fund balance increase of \$33,578 from 2020, continuing the very stable trend established over recent years.

Actual general fund revenue and other financing sources was \$25,727,732 (.7%) less than budget. The City experienced positive variances in revenue categories Taxes (\$49,731), and Licenses and Permits (\$36,818), with negative revenue variances in Intergovernmental Revenues (\$25,156), Fines, Forfeitures and Penalties (\$19,074), Charges for Services (\$5,820), Investment Income/Miscellaneous (\$189,670) and Other Financing Sources (\$31,412).

General fund expenditures and other financing sources finished 2021 with a favorable budget variance of \$385,939 (1.48%). The City experienced positive variances from Public Safety (\$313,171), Parks, Recreation and Education (\$30,926), Health and Welfare (\$225) and Community Development (\$138,365), with General Government (\$1,581), Public Works (\$87,094) and Other (\$8,073) experiencing a negative variance. Statements highlighting budget versus actual variances can be found on pages 68 through 71 of this report.

In summary, the City's combined negative revenue variance of \$184,778 and positive expenditure variance of \$385,939 led to a 2021 General Fund operating gain of \$201,161. This number, when reduced by the 2021 budgeted use of reserves of \$225,000 and by the 2021 carryovers of \$27,507, equals the total decrease in fund balance of \$51,346 for fiscal year 2021.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2021, the City of Neenah had a net investment in capital assets of \$223,027,835 for all governmental and business-type activities of the City. This is an increase of \$10,016,753 or 4.70%, from the end of 2020.

Management's Discussion and Analysis (Unaudited)

Major capital asset additions (before depreciation) that took place in the City's governmental activities include net additions to Land Improvements (\$556,363), Buildings (\$7,434,539), Equipment, Furniture and Fixtures (\$836,135) and Streets (\$1,953,119).

In the City's business-type activities, the Water Utility experienced a net increase (before accumulated depreciation) in Treatment (\$262,432) and Transmission and Distribution (\$1,740,407), with a net decrease in Administrative and general assets (\$77,860). The City's Sewerage Disposal Utility saw a net increase in Collection System (\$807,198), while the Storm Water Utility also had a net addition in Collection System (\$527,474) and Equipment (\$143,815). The City's Parking Utility saw no major reduction in any categories in 2021. The following table provides a summary of the City's change in capital assets:

CITY OF NEENAH CAPITAL ASSETS

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 15,694,850	\$ 15,694,850	\$ 280,447	\$ 280,447	\$ 15,975,297	\$ 15,975,297
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	10,553,643	10,553,643	-	-	10,553,643	10,553,643
Depreciable Capital Assets	170,949,000	160,184,027	121,896,586	118,508,983	292,845,586	278,693,010
Construction in progress	281,932	102,401	717,763	164,399	999,695	266,800
Total capital assets	210,593,933	199,649,429	126,394,511	122,453,544	336,988,444	322,102,973
Less accumulated depreciation	(69,906,220)	(66,903,081)	(44,054,389)	(42,188,810)	(113,960,609)	(109,091,891)
Capital assets net of depreciation	\$ 140,687,713	\$ 132,746,348	\$ 82,340,122	\$ 80,264,734	\$ 223,027,835	\$ 213,011,082

More detail regarding the City's capital assets can be found in Notes to Financial Statements on pages 36 to 40 of this report.

Outstanding Debt

The City's outstanding general obligation debt (backed by the full faith and credit of City taxpayers) as of December 31, 2021 totaled \$59,783,489. The City also had a revenue debt outstanding of \$13,377,169 backed by revenues generated from the Neenah Water Utility (\$5,954,247) and Storm Water Utility (\$232,502). The revenue debt total also includes \$7,190,420 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 \$14,960,357 owed to the City's Community Development Authority (CDA).

In 2021, the City issued \$11,750,000 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:

Management's Discussion and Analysis (Unaudited)

City Capital Improvements Projects	\$ 7,185,000
Tax Incremental Financing Districts	1,530,000
Sanitary Sewer Utility	1,820,000
Storm Water Utility	<u>1,215,000</u>
 Total	 <u><u>\$11,750,000</u></u>

City outstanding G.O. notes and bonds carry an AA/stable rating from Standard & Poor's. Moody's rating for all outstanding water utility revenue debt was Aa3 as of 12/31/21.

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 2021 equalized value of \$2,547,115,400, the City's statutory debt limit totaled \$127,355,770. Excluding excess funds available in the Debt Service Fund, the City was at 46.9% of its legal debt limit as of December 31, 2021.

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

CITY OF NEENAH OUTSTANDING DEBT							
	Governmental Activities		Business-Type Activities		Total		
	2021	2020	2021	2020	2021	2020	
General obligation bonds and notes	\$ 48,743,000	\$ 45,834,580	\$ 11,040,489	\$ 9,473,554	\$ 59,783,489	\$ 55,308,134	
Note anticipation notes	-	-	-	-	-	-	
Capital Leases	14,960,357	16,041,536	-	-	14,960,357	16,041,536	
Revenue bonds	-	-	13,377,169	16,208,605	13,377,169	16,208,605	
Total	<u>\$ 63,703,357</u>	<u>\$ 61,876,116</u>	<u>\$ 24,417,658</u>	<u>\$ 25,682,159</u>	<u>\$ 88,121,015</u>	<u>\$ 87,558,275</u>	

More detail regarding the City's outstanding debt can be found in Notes to Financial Statements on pages 45 through 51 of this report.

Management's Discussion and Analysis (Unaudited)

ECONOMIC FACTORS, 2021 TAX RATES AND THE 2022 BUDGET

As we enter 2022, the City of Neenah continues to experience relative stability in city government and ongoing signs of positive growth in the community as a whole. Obviously, COVID-19 was a significant event that has affected all communities, big and small. Fortunately, the previously strong national, state and regional economy as well as ongoing strength locally had put the City in a healthy position to weather the storm and prepare us for the next season of growth and prosperity. While challenges still exist, the City believes it is well positioned to meet ongoing and future issues as they arise.

Regarding housing, commercial and industrial property values in 2021, which are based upon values as of January 1, 2021, the City again showed solid growth, as reflected by a 4.38% increase in equalized value from 2020. Entering 2021, 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 2022 budget provided for an operating tax levy increase of 2.65% (before TIF), with a 1.63% increase after TIF. Regarding the assessed tax rate, the City had completed in 2020 a property revaluation to bring assessed property values in line with market values. Two years after those new values were in place, the 2022 budget provided for an assessed tax rate (after TIF) for City services of \$8.5410 per \$1,000 of assessed valuation (a 1.73% increase). The corresponding equalized tax rate is \$7.877 per \$1,000 of equalized value (a 2.64% decrease). Based upon recent surveys, those rates position the City at approximately the median for all full-service communities located within Northeast Wisconsin. In addition, the City implemented the third year of a Transportation Assessment Replacement Fee (TARF) on all property owners. 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 five years and is expected to generate approximately \$400,000 in revenue annually.

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 2021 and beyond. The Utility's rate of return for 2021 was 8.52%, an increase of 1.43% from 2020. The Sanitary Sewer Utility experienced five rate increases from 2009-2014, with no changes implemented for 2015-2020. 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 2021 or early 2022. The City's Stormwater Utility have remained unchanged for the past nine 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. Throughout 2020 and into 2021, the virus, SARS-CoV-2, and resulting disease, COVID-19, spread to the United States, including to areas impacting the City of Neenah. While the immediate economic effects of COVID-19 have somewhat subsided, the City of Neenah's evaluation of these effects as well as secondary effects continues, including the impact of the following:

- Investment valuations and decreased investment income;
- Severely heightened inflation on goods and services necessary for the City to fulfill its obligations to its citizens, businesses and taxpayers.
- Continued labor shortages affecting the City's ability to attract the best and brightest employees that provide vital city services.

In 2020 and 2021, the City was able to benefit financially from both austerity measures implemented at the local level as well as CARES funding provided by the federal government. The City is receiving approximately \$5.5 million from the American Rescue Plan Act (ARPA) to address the economic effects of the COVID-19 pandemic. The City continues to plan and coordinate the best potential uses of the funds based upon updated guidance from the Department of Treasury.

Management's Discussion and Analysis (Unaudited)

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.

City of Neenah

Statement of Net Position
December 31, 2021

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Unit
Assets				
Cash and investments	\$ 30,775,617	\$ 14,389,350	\$ 45,164,967	\$ -
Receivables (net):				
Taxes	23,948,730	-	23,948,730	-
Delinquent personal property	14,460	-	14,460	-
Special assessments	1,019,867	375,636	1,395,503	-
Loans	479,349	-	479,349	-
Accrued interest	242,618	6,060	248,678	46,039
Accounts	21,112	1,559,204	1,580,316	-
Unbilled revenues	-	1,546,156	1,546,156	-
Other	792,954	14,127	807,081	-
Internal balances	1,178,529	(1,178,529)	-	-
Due from component unit	2,161,068	-	2,161,068	-
Due from other governments	377,118	7,190,420	7,567,538	-
Lease receivable from primary government	-	-	-	14,960,357
Inventories	224,031	118,852	342,883	-
Prepaid items	595,877	4,999	600,876	-
Restricted assets:				
Cash and investments	-	1,674,954	1,674,954	2,161,068
Net pension asset	7,572,709	576,984	8,149,693	-
Deposit with risk pool	1,117,155	-	1,117,155	-
Land held for resale	1,873,710	-	1,873,710	-
Capital assets:				
Land	15,694,850	280,447	15,975,297	-
Detention ponds	-	3,499,715	3,499,715	-
Right-of-way	13,114,508	-	13,114,508	-
Land improvements	10,553,643	-	10,553,643	-
Construction in progress	281,932	717,763	999,695	-
Depreciable capital assets, net	101,042,780	77,842,197	178,884,977	-
Total assets	213,082,617	108,618,335	321,700,952	17,167,464
Deferred Outflows of Resources				
Unamortized loss on advance refunding	-	-	-	549,643
Pension related amounts	12,511,720	1,012,580	13,524,300	-
Total deferred outflows of resources	12,511,720	1,012,580	13,524,300	549,643
Liabilities				
Accounts payable	2,049,517	736,309	2,785,826	-
Other accrued liabilities	966,092	139,590	1,105,682	46,039
Claims payable	20,000	-	20,000	-
Due to other governmental units	1,065	-	1,065	-
Due to primary government	-	-	-	2,161,068
Other liabilities	472,080	61,269	533,349	-
Unearned revenue	3,043,205	40,550	3,083,755	-
Liabilities payable from restricted assets:				
Current maturities of revenue debt	-	2,273,610	2,273,610	-
Accrued interest	-	23,831	23,831	-
Noncurrent liabilities:				
Due within one year	8,853,545	1,825,981	10,679,526	1,220,000
Due in more than one year	60,420,275	20,762,913	81,183,188	14,290,000
Total liabilities	75,825,779	25,864,053	101,689,832	17,717,107
Deferred Inflows of Resources				
Property taxes levied for next period	23,681,922	-	23,681,922	-
Pension related amounts	16,553,470	1,298,572	17,852,042	-
Total deferred inflows of resources	40,235,392	1,298,572	41,533,964	-
Net Position				
Net investment in capital assets	100,389,425	65,114,027	164,763,604	-
Restricted for:				
Debt service	8,412,170	1,082,123	9,494,293	-
TIF Districts	1,367,660	-	1,367,660	-
Loans	377,361	-	377,361	-
Grant programs	58,859	-	58,859	-
Library	1,953,228	-	1,953,228	-
Cemetery (nonexpendable)	1,625,159	-	1,625,159	-
Net pension asset	7,572,709	576,984	8,149,693	-
Depreciation	-	250,000	250,000	-
Unrestricted (deficit)	(12,223,405)	15,445,156	3,961,599	-
Total net position	\$ 109,533,166	\$ 82,468,290	\$ 192,001,456	\$ -

See notes to financial statements

City of Neenah

Statement of Activities

Year Ended December 31, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit
					Governmental Activities	Business-Type Activities	Total	
Primary Government								
Governmental activities:								
General government	\$ 2,910,977	\$ 910,075	\$ -	\$ -	\$ (2,000,902)	\$ -	\$ (2,000,902)	\$ -
Public safety	10,689,734	296,228	114,201	-	(10,279,305)	-	(10,279,305)	-
Public works	8,094,930	635,335	24,660	1,255,243	(6,179,692)	-	(6,179,692)	-
Recycling	460,715	362,760	202,899	-	104,944	-	104,944	-
Parks, recreation and education	5,651,893	1,543,614	130,292	7,428,079	3,450,092	-	3,450,092	-
Health and welfare	-	141,370	-	-	141,370	-	141,370	-
Community development	2,504,816	251,530	742,798	-	(1,510,488)	-	(1,510,488)	-
Interest and fiscal charges	1,783,064	-	-	-	(1,783,064)	-	(1,783,064)	-
Total governmental activities	32,096,129	4,140,912	1,214,850	8,683,322	(18,057,045)	-	(18,057,045)	-
Business-type activities:								
Water utility	4,592,685	8,270,528	-	429,678	-	4,107,521	4,107,521	-
Sewerage disposal utility	4,107,432	4,787,493	-	507,645	-	1,187,706	1,187,706	-
Stormwater utility	1,235,640	1,770,016	-	174,833	-	709,209	709,209	-
Parking utility	229,973	291,148	-	-	-	61,175	61,175	-
Total business-type activities	10,165,730	15,119,185	-	1,112,156	-	6,065,611	6,065,611	-
Total primary government	\$ 42,261,859	\$ 19,260,097	\$ 1,214,850	\$ 9,795,478	-	6,065,611	(11,991,434)	-
Component Unit, Business-Type Activities								
Community Development Authority	\$ 674,177	\$ -	\$ -	\$ -				(674,177)
General Revenues								
Taxes:								
					14,012,868	-	14,012,868	-
					3,600,000	-	3,600,000	-
					5,708,416	-	5,708,416	-
					64,289	-	64,289	-
Intergovernmental revenues not restricted to								
					3,477,124	-	3,477,124	-
					95,343	-	95,343	-
					719,406	32,642	752,048	674,177
					282,009	33,280	315,289	-
					2,519,405	(2,519,405)	-	-
Transfers								
					30,478,860	(2,453,483)	28,025,377	674,177
Total general revenues and transfers								
Change in net position								
					12,421,815	3,612,128	16,033,943	-
Net Position, Beginning								
					97,111,351	78,856,162	175,967,513	-
Net Position, Ending								
					\$ 109,533,166	\$ 82,468,290	\$ 192,001,456	\$ -

See notes to financial statements

City of Neenah
Balance Sheet - Governmental Funds

December 31, 2021

	General	Special Revenue - TIF District No. 8	Debt Service	Capital Projects - Public Infrastructure	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash and investments	\$ 4,402,532	\$ 210,062	\$ -	\$ 3,430,478	\$ 17,073,648	\$ 25,116,720
Receivables (net):						
Taxes	14,437,989	1,270,632	3,945,011	-	4,295,098	23,948,730
Delinquent personal property	14,460	-	-	-	-	14,460
Special assessments	16,857	-	529,376	473,634	-	1,019,867
Loans	-	-	-	-	479,349	479,349
Accrued interest	242,618	-	-	-	-	242,618
Other	406,497	114,817	73,321	4,473	193,846	792,954
Due from other funds	1,012,465	-	-	216,332	-	1,228,797
Due from component unit	-	-	-	-	2,161,068	2,161,068
Due from other governments	15,012	-	-	362,106	-	377,118
Prepaid items	12,521	-	-	-	541,056	553,577
Land held for resale	-	-	-	-	1,100,710	1,100,710
Advances to other funds	-	41,072	8,350,000	381,545	-	8,772,617
Total assets	\$ 20,560,951	\$ 1,636,583	\$ 12,897,708	\$ 4,868,568	\$ 25,844,775	\$ 65,808,585
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities:						
Accounts payable	\$ 324,283	\$ -	\$ 68	\$ 593,673	\$ 746,394	\$ 1,664,418
Other accrued liabilities	438,063	-	-	-	-	438,063
Due to other governmental units	1,065	-	-	-	-	1,065
Due to other funds	103,711	-	216,332	-	-	320,043
Other liabilities	-	-	-	452,541	28,768	481,309
Unearned revenue	-	-	-	-	3,023,006	3,023,006
Advances from other funds	-	8,050,000	-	-	452,842	8,502,842
Total liabilities	867,122	8,050,000	216,400	1,046,214	4,251,010	14,430,746
Deferred inflows of resources:						
Property tax levied for next period	14,316,232	1,270,632	3,800,000	-	4,295,058	23,681,922
Unavailable revenue	35,051	-	515,033	-	-	550,084
Total deferred inflows of resources	14,351,283	1,270,632	4,315,033	-	4,295,058	24,232,006
Fund balances:						
Nonspendable:						
Prepaid items	12,521	-	-	-	541,056	553,577
Restricted	-	-	8,366,275	-	14,573,694	22,939,969
Committed	-	-	-	-	2,303,779	2,303,779
Assigned	269,967	-	-	3,822,354	78,499	4,170,820
Unassigned (deficit)	5,060,058	(7,684,049)	-	-	(198,321)	(2,822,312)
Total fund balances	5,342,546	(7,684,049)	8,366,275	3,822,354	17,298,707	27,145,833
Total liabilities, deferred inflows of resources and fund balances	\$ 20,560,951	\$ 1,636,583	\$ 12,897,708	\$ 4,868,568	\$ 25,844,775	

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 4.	140,687,713
Some assets held for resale are not reported in the funds.	773,000
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 4.	550,084
Internal service funds are reported in the statement of net position as governmental funds.	3,805,930
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 2	(66,960,353)
The net pension asset does not relate to current financial resources and is not reported in governmental funds.	7,572,709
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	12,511,720
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	(16,553,470)
Net position of governmental activities	\$ 109,533,166

See notes to financial statements

City of Neenah

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
Year Ended December 31, 2021

	General	Special Revenue - TIF District No. 8	Debt Service	Capital Projects - Public Infrastructure	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 14,090,591	\$ 1,410,639	\$ 3,600,000	\$ -	\$ 4,662,892	\$ 23,764,122
Intergovernmental	3,859,134	242,750	14,758	63,807	1,814,371	5,994,820
Licenses and permits	324,818	-	-	-	-	324,818
Fines, forfeitures and penalties	81,426	-	-	-	-	81,426
Special assessments	-	-	161,016	-	-	161,016
Charges for services	2,908,155	-	405,912	-	-	3,314,067
Contributions	-	-	-	92,509	184,330	276,839
Investment income and miscellaneous	462,930	39,954	-	-	710,158	1,213,042
Total revenues	21,727,054	1,693,343	4,181,686	156,316	7,371,751	35,130,150
Expenditures						
Current:						
General government	2,598,711	-	573	-	2,679	2,601,963
Public safety	12,234,445	-	-	-	25,302	12,259,747
Public works	4,550,790	-	-	-	-	4,550,790
Recycling	-	-	-	-	521,274	521,274
Parks, recreation, and education	4,457,204	-	-	-	69,905	4,527,109
Health and welfare	25	-	-	-	3,615	3,640
Community development	1,623,500	10,952	-	-	604,406	2,238,858
Conservation and development	-	-	-	-	248,455	248,455
Other	302,403	-	-	-	-	302,403
Capital outlay	-	-	-	3,094,351	3,712,986	6,807,337
Debt service:						
Principal retirement	-	1,170,000	5,806,580	-	-	6,976,580
Interest and fiscal charges	-	585,438	1,354,728	-	8,558	1,948,724
Total expenditures	25,767,078	1,766,390	7,161,881	3,094,351	5,197,180	42,986,880
Excess (deficiency) of revenues over expenditures	(4,040,024)	(73,047)	(2,980,195)	(2,938,035)	2,174,571	(7,856,730)
Other Financing Sources (Uses)						
Long-term debt issued	-	-	33,570	2,738,500	5,942,930	8,715,000
Premium on debt	-	740	354,474	-	74,744	429,958
Sale of city property	17,191	-	-	-	9,350	26,541
Transfers in	3,983,487	1,452,215	2,924,585	-	1,490,749	9,851,036
Transfers out	(12,000)	(1,402,407)	-	-	(5,492,224)	(6,906,631)
Total other financing sources (uses)	3,988,678	50,548	3,312,629	2,738,500	2,025,549	12,115,904
Net change in fund balance	(51,346)	(22,499)	332,434	(199,535)	4,200,120	4,259,174
Fund Balances (Deficit), Beginning	5,393,892	(7,661,550)	8,033,841	4,021,889	13,098,587	22,886,659
Fund Balances (Deficit), Ending	\$ 5,342,546	\$ (7,684,049)	\$ 8,366,275	\$ 3,822,354	\$ 17,298,707	\$ 27,145,833

See 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
Year Ended December 31, 2021

Net Change in Fund Balances, Total Governmental Funds \$ 4,259,174

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	6,807,337
Some items are reported as capital outlay but are not capitalized	(1,564,136)
Depreciation is reported in the government-wide statements	(4,272,657)
Net book value of assets retired	(29,179)
Contributed capital assets are reported as revenues in the government-wide financial statements	7,000,000

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. (158,007)

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 (\$8,715,000 for general obligation debt and \$88,821 for the
change in the unamortized loss on the CDA refunding) were less than the payments
(\$5,806,580 for principal of general obligation debt and \$1,170,000 for
principal of capital lease). (1,827,241)

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. (272,133)

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	53,981
Accrued interest on debt	96,656
Net pension liability (asset)	3,708,598
Deferred outflow of resources related to pensions	3,486,286
Deferred inflow of resources related to pensions	(4,934,912)

Internal service funds are used by management to charge the costs of self insurance
and central equipment agency costs to individual funds. The increase in net
position of the internal service funds is reported with governmental activities. 68,048

Change in Net Position of Governmental Activities \$ 12,421,815

City of Neenah

Statement of Net Position - Proprietary Funds
December 31, 2021

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds	Governmental Activities - Internal Service Funds
	Water Utility	Sewerage Disposal Utility	Stormwater Utility	Nonmajor (Parking Utility)		
Assets and Deferred Outflows of Resources						
Current assets:						
Cash and investments	\$ 7,744,113	\$ 3,577,699	\$ 3,067,538	\$ -	\$ 14,389,350	\$ 5,658,897
Accounts receivable	766,958	604,736	153,027	34,483	1,559,204	21,112
Interest receivable	6,060	-	-	-	6,060	-
Unbilled revenues	868,390	529,314	148,452	-	1,546,156	-
Other accounts receivable	14,127	-	-	-	14,127	-
Due from other funds	96	102,904	711	-	103,711	-
Inventories	118,852	-	-	-	118,852	224,031
Prepaid items	4,999	-	-	-	4,999	42,300
Current portion of due from other governments	-	571,704	-	-	571,704	-
Restricted assets:						
Bond redemption account	1,087,376	-	18,578	-	1,105,954	-
Total current assets	10,610,971	5,386,357	3,388,306	34,483	19,420,117	5,946,340
Noncurrent assets:						
Restricted assets:						
Bond depreciation account	250,000	-	-	-	250,000	-
Bond reserve account	319,000	-	-	-	319,000	-
Net pension asset	424,231	45,513	98,923	8,317	576,984	-
Deposit with risk pool	-	-	-	-	-	1,117,155
Capital assets:						
Land	122,180	-	-	158,267	280,447	-
Construction in progress	-	-	717,763	-	717,763	-
Detention ponds	-	-	3,499,715	-	3,499,715	-
Plant in service	68,476,948	31,163,759	22,224,162	31,717	121,896,586	-
Accumulated depreciation	(24,660,626)	(11,730,978)	(7,631,068)	(31,717)	(44,054,389)	-
Due from other governments	-	6,618,716	-	-	6,618,716	-
Other assets:						
Special assessments	-	277,329	98,307	-	375,636	-
Total noncurrent assets	44,931,733	26,374,339	19,007,802	166,584	90,480,458	1,117,155
Total assets	55,542,704	31,760,696	22,396,108	201,067	109,900,575	7,063,495
Deferred outflows of resources:						
Pension related amounts	734,333	76,255	171,101	30,891	1,012,580	-
Total deferred outflows of resources	734,333	76,255	171,101	30,891	1,012,580	-
Total assets and deferred outflows of resources	\$ 56,277,037	\$ 31,836,951	\$ 22,567,209	\$ 231,958	\$ 110,913,155	\$ 7,063,495

See notes to financial statements

City of Neenah

Statement of Net Position - Proprietary Funds
December 31, 2021

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds	Governmental Activities - Internal Service Funds
	Water Utility	Sewerage Disposal Utility	Stormwater Utility	Nonmajor (Parking Utility)		
Liabilities, Deferred Inflows of Resources and Net Position						
Current liabilities:						
Accounts payable	\$ 483,590	\$ 118,615	\$ 90,276	\$ 43,828	\$ 736,309	\$ 385,099
Other accrued liabilities	-	63,860	42,156	33,574	139,590	35,317
Claims payable	-	-	-	-	-	20,000
Due to other funds	1,012,465	-	-	-	1,012,465	-
Other current liabilities	61,269	-	-	-	61,269	-
Unearned revenue	40,550	-	-	-	40,550	20,199
Compensated absences	30,822	-	-	-	30,822	1,856,042
General obligation debt	-	1,145,099	650,060	-	1,795,159	-
Current liabilities payable from restricted assets:						
Current maturities of revenue debt	1,675,901	571,704	26,005	-	2,273,610	-
Accrued interest	22,609	-	1,222	-	23,831	-
Total current liabilities	3,327,206	1,899,278	809,719	77,402	6,113,605	2,316,657
Noncurrent liabilities:						
General obligation debt payable (including unamortized premium)	-	5,899,625	3,653,689	-	9,553,314	-
Revenue debt (including unamortized premium)	4,288,219	6,618,716	206,497	-	11,113,432	-
Compensated absences	96,167	-	-	-	96,167	940,908
Advances from other funds	-	-	-	269,775	269,775	-
Total noncurrent liabilities	4,384,386	12,518,341	3,860,186	269,775	21,032,688	940,908
Total liabilities	7,711,592	14,417,619	4,669,905	347,177	27,146,293	3,257,565
Deferred inflows of resources:						
Pension related amounts	940,650	92,387	234,237	31,298	1,298,572	-
Net position:						
Net investment in capital assets	38,293,382	12,388,057	14,274,321	158,267	65,114,027	-
Restricted for debt service	1,064,767	-	17,356	-	1,082,123	-
Restricted for depreciation	250,000	-	-	-	250,000	-
Restricted for pension	424,231	45,513	98,923	8,317	576,984	-
Unrestricted (deficit)	7,592,415	4,893,375	3,272,467	(313,101)	15,445,156	3,805,930
Total net position (deficit)	47,624,795	17,326,945	17,663,067	(146,517)	82,468,290	3,805,930
Total liabilities, deferred inflows of resources and net position	\$ 56,277,037	\$ 31,836,951	\$ 22,567,209	\$ 231,958	\$ 110,913,155	\$ 7,063,495

See notes to financial statements

City of Neenah

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds
Year Ended December 31, 2021

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds	Governmental Activities - Internal Service Fund
	Water Utility	Sewerage Disposal Utility	Stormwater Utility	Nonmajor (Parking Utility)		
Operating Revenues						
Fees, fines and forfeitures	\$ -	\$ -	\$ -	\$ 291,148	\$ 291,148	\$ -
Charges for services	8,062,391	4,772,697	1,757,437	-	14,592,525	10,247,487
Miscellaneous operating income	208,137	14,796	12,579	-	235,512	-
Total operating revenues	8,270,528	4,787,493	1,770,016	291,148	15,119,185	10,247,487
Operating Expenses						
Utility operations	2,829,624	3,474,877	806,222	229,973	7,340,696	-
Depreciation	1,590,694	458,097	317,263	-	2,366,054	-
Other	-	-	-	-	-	9,775,353
Total operating expenses	4,420,318	3,932,974	1,123,485	229,973	9,706,750	9,775,353
Operating income	3,850,210	854,519	646,531	61,175	5,412,435	472,134
Nonoperating Revenues (Expenses)						
Investment income	20,814	9,952	1,876	-	32,642	-
Intergovernmental grant	-	-	-	-	-	20,914
Miscellaneous nonoperating income	17,471	-	-	-	17,471	-
Interest expense	(169,326)	(164,359)	(105,413)	-	(439,098)	-
Amortization of loss on advance refunding	(3,041)	-	(6,742)	-	(9,783)	-
Debt issuance costs	-	(10,099)	-	-	(10,099)	-
Amortization of premium	15,809	-	-	-	15,809	-
Total nonoperating revenues (expenses)	(118,273)	(164,506)	(110,279)	-	(393,058)	20,914
Income before contributions and transfers	3,731,937	690,013	536,252	61,175	5,019,377	493,048
Capital contributions	429,678	507,645	174,833	-	1,112,156	-
Transfers out	-	(917,610)	(452,610)	(136,720)	(1,506,940)	(425,000)
Transfers, tax equivalent	(1,012,465)	-	-	-	(1,012,465)	-
Change in net position	3,149,150	280,048	258,475	(75,545)	3,612,128	68,048
Total Net Position, Beginning	44,475,645	17,046,897	17,404,592	(70,972)	78,856,162	3,737,882
Total Net Position (Deficit), Ending	\$ 47,624,795	\$ 17,326,945	\$ 17,663,067	\$ (146,517)	\$ 82,468,290	\$ 3,805,930

See notes to financial statements

City of Neenah

Statement of Cash Flows -
Proprietary Funds
Year Ended December 31, 2021

	Business-Type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Water Utility	Sewerage Disposal Utility	Stormwater Utility	Nonmajor (Parking Utility)	Total Enterprise Funds	
Cash Flows From Operating Activities						
Received from customers	\$ 8,458,137	\$ 4,846,775	\$ 1,789,965	\$ 275,463	\$ 15,370,340	\$ 10,251,018
Paid to suppliers for good and services	(1,354,561)	(3,386,835)	(587,611)	(149,299)	(5,478,306)	(8,602,363)
Paid to employees	(1,202,665)	(120,266)	(211,761)	(43,969)	(1,578,661)	(1,141,044)
Net cash provided (used) by operating activities	5,900,911	1,339,674	990,593	82,195	8,313,373	507,611
Cash Flows From Noncapital Financing Activities						
Paid to municipality for tax equivalent	(1,029,298)	-	-	-	(1,029,298)	-
Intergovernmental	-	-	-	-	-	20,914
Transfers out	-	(917,610)	(452,610)	(136,720)	(1,506,940)	(425,000)
Net cash provided (used) by noncapital financing activities	(1,029,298)	(917,610)	(452,610)	(136,720)	(2,536,238)	(404,086)
Cash Flows From Capital and Related Financing Activities						
Additions to capital assets	(2,345,908)	(635,796)	(1,125,616)	-	(4,107,320)	-
Capital contributed by customers	144,433	13,858	107,266	-	265,557	-
Special assessments received	-	269,709	30,856	-	300,565	-
Advances from other funds	-	-	-	54,525	54,525	-
Long-term debt issued	-	1,820,000	1,215,000	-	3,035,000	-
Debt issuance costs and premiums	-	79,691	53,200	-	132,891	-
Principal paid on long-term debt	(2,249,260)	(944,144)	(549,130)	-	(3,742,534)	-
Interest paid on long-term debt	(176,800)	(185,955)	(118,333)	-	(481,088)	-
Net cash used by capital and related financing activities	(4,627,535)	417,363	(386,757)	54,525	(4,542,404)	-
Cash Flows From Investing Activities						
Investment income	14,770	9,952	1,876	-	26,598	-
Investments sold and matured	10,310	-	-	-	10,310	-
Investments purchased	(1,254,525)	-	-	-	(1,254,525)	-
Net cash provided by investing activities	(1,229,445)	9,952	1,876	-	(1,217,617)	-
Net increase (decrease) in cash and cash equivalents	(985,367)	849,379	153,102	-	17,114	103,525
Cash and Cash Equivalents, Beginning	9,129,308	2,728,320	2,933,014	-	14,790,642	5,555,372
Cash and Cash Equivalents, Ending	<u>\$ 8,143,941</u>	<u>\$ 3,577,699</u>	<u>\$ 3,086,116</u>	<u>\$ -</u>	<u>\$ 14,807,756</u>	<u>\$ 5,658,897</u>

See notes to financial statements

City of Neenah

Statement of Cash Flows -
Proprietary Funds
Year Ended December 31, 2021

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds	Governmental Activities- Internal Service Funds
	Water Utility	Sewerage Disposal Utility	Stormwater Utility	Nonmajor (Parking Utility)		
Reconciliation of Operating Income to Net Cash From Operating Activities						
Operating income	\$ 3,850,210	\$ 854,519	\$ 646,531	\$ 61,175	\$ 5,412,435	\$ 472,134
Adjustments to reconcile operating income to net cash provided from operating activities:						
Nonoperating income	17,471	-	-	-	17,471	-
Depreciation expense	1,590,694	458,097	317,263	-	2,366,054	-
Depreciation charged to sewer utility	301,466	-	-	-	301,466	-
Changes in assets, liabilities and deferred inflows and outflows:						
Accounts receivable	50,102	59,282	19,949	(15,685)	113,648	8,309
Other accounts receivable	(2,914)	-	-	-	(2,914)	-
Inventories	(23,005)	-	-	-	(23,005)	(27,622)
Prepaid items	2,595	-	-	1,988	4,583	23,461
Accounts payable	181,471	(20,850)	25,869	32,425	218,915	70,025
Other current liabilities	4,628	-	(1,280)	-	3,348	-
Unearned revenues	32,686	-	-	-	32,686	(4,778)
Pension related deferrals and liabilities	(118,544)	(11,374)	(17,739)	1,462	(146,195)	-
Compensated absences	14,051	-	-	830	14,881	(33,918)
Net cash flows from operating activities	<u>\$ 5,900,911</u>	<u>\$ 1,339,674</u>	<u>\$ 990,593</u>	<u>\$ 82,195</u>	<u>\$ 8,313,373</u>	<u>\$ 507,611</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position - Proprietary Funds						
Cash and investments	\$ 7,744,113	\$ 3,577,699	\$ 3,067,538	\$ -	\$ 14,389,350	\$ 5,658,897
Restricted cash and investments:						
Bond redemption account	1,087,376	-	18,578	-	1,105,954	-
Bond depreciation account	250,000	-	-	-	250,000	-
Bond reserve account	319,000	-	-	-	319,000	-
Total cash and investments	9,400,489	3,577,699	3,086,116	-	16,064,304	5,658,897
Less noncash equivalents	(1,256,548)	-	-	-	(1,256,548)	-
Cash and Cash Equivalents, Ending	<u>\$ 8,143,941</u>	<u>\$ 3,577,699</u>	<u>\$ 3,086,116</u>	<u>\$ -</u>	<u>\$ 14,807,756</u>	<u>\$ 5,658,897</u>
Noncash Investing, Capital and Financing Activities						
Developer and customer financed additions to utility plant	\$ 285,245	\$ 201,668	\$ 148,673	\$ -	\$ 635,586	\$ -
Capital costs special assessed to customers, net with adjustments	\$ -	\$ 291,754	\$ 23,460	\$ -	\$ 315,214	\$ -
Principal paid by NMSC	\$ -	\$ (556,967)	\$ -	\$ -	\$ (556,967)	\$ -

See notes to financial statements

City of Neenah

Statement of Fiduciary Net Position

Custodial Funds

December 31, 2021

	Custodial Funds
Assets	
Cash and investments	\$ 26,265,431
Property taxes receivable	4,453,394
Accounts receivable	18,521
Total assets	30,737,346
Liabilities	
Accounts payable	56,292
Accrued liabilities	1,209,916
Deposits	58,081
Due to other governmental units	29,917,005
Total liabilities	31,241,294
Net Position (Deficit)	\$ (503,948)

See notes to financial statements

City of Neenah

Statement of Changes in Fiduciary Net Position

Custodial Funds

Year Ended December 31, 2021

	Custodial Funds
Additions	
Property taxes collected for other governments:	
County	\$ 10,304,903
School district	16,917,147
Technical college	2,144,306
Court fines and penalties	345,408
Neenah subsidy	10,000
Neenah fire protection fees collected	5,264,811
Menasha fire protection fees collected	3,546,503
Investment income	753
Sale of property	122
	<hr/>
Total additions	38,533,953
	<hr/>
Deductions	
Property taxes distributed to other governments:	
County	10,304,903
School district	16,917,147
Technical college	2,144,306
Municipal court fines and penalties distributed	381,806
Fire protection fees distributed	8,925,915
	<hr/>
Total deductions	38,674,077
	<hr/>
Change in fiduciary net position	(140,124)
Net Position (Deficit), Beginning	<hr/> (363,824)
Net Position (Deficit), Ending	<hr/> <hr/> \$ (503,948)

See notes to financial statements

City of Neenah

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December 31, 2021

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1. Summary of Significant Accounting Policies

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).

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.

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 4. 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, 2021. Separate financial statements of the Neenah Community Development Authority are not issued.

Government-Wide and Fund 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.

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

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

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

Debt Service Fund is 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

Capital Projects - Public Infrastructure is used to account for and report financial resources that are restricted, committed or assigned to expenditures for the acquisition or construction of infrastructure.

Enterprise Funds

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

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).

- 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
- Other
- Cemetery Perpetual Care
- Cemetery Flowers
- Developer Land Sales
- Alliant Energy PILOT
- American Rescue Plan Act

Capital Projects Funds

Capital Projects Funds are 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

Enterprise Fund

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

- Parking Utility

In addition, the City reports the following fund types:

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.

Fleet Management
Benefit Accrual
Insurance
Information Systems

Custodial Funds

Custodial funds are 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

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.

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, 2021, there were \$404,154 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.

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.

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

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.

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 4, 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; prequalifying 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.

City of Neenah

Notes to Financial Statements

December 31, 2021

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.

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 4. 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, 2021, 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 4 for further information.

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 - 2021 tax roll:

Lien date and levy date	December 2021
Tax bills mailed	December 2021
Payment in full or	January 31, 2022
First installment due	January 31, 2022
Second installment due	March 31, 2022
Third installment due	May 31, 2022
Fourth installment due	July 31, 2022
Personal property taxes in full	January 31, 2022
Tax sale - 2021 delinquent real estate taxes	October 2024

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 \$53,261 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, 2021, 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.

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.

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.

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. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation 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:

	<u>Years</u>
Buildings	40
Land improvements	30
Machinery and equipment	3 - 20
Library collection	2 - 10
Utility system	4 - 77
Infrastructure	40 - 70

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.

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.

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.

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.

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, 2021 are determined on the basis of current salary rates and include salary related payments.

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.

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. Five series of IRB's issued from 2001 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 \$23,348,000.

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.

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.

City of Neenah

Notes to Financial Statements
December 31, 2021

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	\$ 100,389,425	\$ 65,114,027	\$ (739,848)	\$ 164,763,604
Unrestricted (deficit)	(12,223,405)	15,445,156	739,848	3,961,599

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 4 for further information.

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.

2. Reconciliation of Government-Wide and Fund Financial Statements**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 \$66,960,353 difference in liabilities are as follows:

Bonds and notes payable	\$ 48,743,000
Capital lease obligations	14,960,357
Compensated absences	1,685,536
Accrued interest*	483,483
Unamortized debt premiums	<u>1,087,977</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$ 66,960,353</u>

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

3. Stewardship, Compliance and Accountability**Budgetary Information**

A budget has been adopted for all of the governmental funds. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

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, 2021.

	Excess
Special Revenue - TIF District No. 7	\$ 144,088
Special Revenue - TIF District No. 9	54,316
Special Revenue - TIF District No. 10	603
Special Revenue - TIF District No. 11	68,144
Special Revenue - Civic and Social	36,139
Special Revenue - Land Sales	1,188
Special Revenue - Alliant Energy PILOT	240,534
Special Revenue - American rescue plan act	2,679
Special Revenue - Library	3,895
Special Revenue - Cemetery flowers	115
Special Revenue - Cemetery Perpetual Care	14,962
Capital Projects - TIF District No. 5	222,164
Capital Projects - TIF District No. 6	94,039
Capital Projects - Redevelopment	810,182
Capital Projects - Equipment replacement	10,475

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.

Deficit Balances

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

As of December 31, 2021, the following nonmajor individual funds held a deficit balance:

Fund	Amount	Reason
Special Revenue Funds:		
TIF District No. 10	\$ 42,218	Costs exceed accumulated increments
TIF District No. 11	41,072	Costs exceed accumulated increments
CDBG	115,031	Costs exceed intergovernmental revenues

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.

City of Neenah

Notes to Financial Statements
December 31, 2021

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.

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, 2021:

Type	Coverage	Expiration Date
<i>Cities and Villages Mutual Insurance Company</i>		
General liability	\$ 5,000,000	01/01/2022
Automobile	20,000,000	01/01/2022
<i>Municipal Property Insurance Company</i>		
Property (entire City)	190,878,774	01/01/2022

Refer to Note 5. for additional insurance information.

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	\$ 8,270,528	\$ 1,770,016
Investment income	20,814	1,876
Miscellaneous nonoperating income	17,471	-
Less operation and maintenance expenses	(2,829,624)	(806,222)
Net defined earnings	<u>\$ 5,479,189</u>	<u>\$ 965,670</u>
Minimum required earnings per resolution:		
Debt service	\$ 1,799,227	\$ 32,926
Coverage factor	<u>1.25</u>	<u>1.10</u>
Minimum required earnings	<u>\$ 2,249,034</u>	<u>\$ 36,219</u>

City of Neenah

Notes to Financial Statements
December 31, 2021

Number of Customers and Billed Volumes - Water Utility

The water utility has the following number of customers and billed volumes for 2021.

	Customers	Sales (000 gals)
	2021	2021
Residential	10,359	412,643
Commercial	681	139,029
Industrial	79	341,577
Public authority	56	24,912
Multifamily residential	92	23,702
Total	<u>11,267</u>	<u>941,863</u>

Utility Budget

The 2021 utility budget was prepared and approved as required by the bond resolutions.

4. Detailed Notes on All Funds

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.

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

	Carrying Value	Bank and Investment Balances	Associated Risk
Deposits and cash on hand	\$ 34,588,836	\$ 29,189,561	Custodial credit
U.S. agencies implicitly guaranteed	14,934,846	14,934,846	Custodial credit, credit, interest rate and highly sensitive to interest rate changes, concentration of credit risk
U.S. agencies explicitly guaranteed	459,436	459,436	Custodial credit, interest rate and highly sensitive to interest rate changes
U.S. treasuries	1,393,418	1,393,418	Custodial credit and interest rate
Corporate bonds and notes	4,867,963	4,867,963	Custodial credit, credit and interest rate
Common stock	741,601	741,601	Custodial credit
State and local bonds	5,320,250	5,308,867	Custodial credit, credit and interest rate
LGIP	9,554,157	9,554,157	Credit
Mutual funds	1,236,576	1,236,576	Credit and interest rate
Petty cash	8,269	8,269	
Total cash and investments	<u>\$ 73,105,352</u>	<u>\$ 67,694,694</u>	

City of Neenah

Notes to Financial Statements
December 31, 2021

Reconciliation to financial statements:

Per statement of net position:

Unrestricted cash and investments	\$ 45,164,967
Restricted cash and investments	1,674,954

Per statement of fiduciary net position:

Custodial funds	26,265,431
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Total cash and investments	<u>\$ 73,105,352</u>
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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.

The City maintains a \$40,000,000 letter of credit with one of its banks to secure the City's deposits.

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, 2021			
	Level 1	Level 2	Level 3	Total
U.S. agencies, implicitly guaranteed	\$ -	\$ 14,934,846	\$ -	\$ 14,934,846
U.S. agencies, explicitly guaranteed	-	459,436	-	459,436
U.S. treasuries	1,393,418	-	-	1,393,418
Corporate bonds	-	4,867,963	-	4,867,963
Equity securities/stocks	741,601	-	-	741,601
State and local bonds	-	5,320,250	-	5,320,250
Mutual funds	1,236,576	-	-	1,236,576
Total	<u>\$ 3,371,595</u>	<u>\$ 25,582,495</u>	<u>\$ -</u>	<u>\$ 28,954,090</u>

City of Neenah

Notes to Financial Statements
December 31, 2021

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.

As of December 31, 2021, \$1,831,878 of the City's total bank balances of \$29,189,561 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, 2021, \$7,735,254 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.

City of Neenah

Notes to Financial Statements
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As of December 31, 2021, the City's investments were rated as follows:

Investment Type	Standard & Poor's	Moody's Investor Service
U.S. Agencies Implicitly Guaranteed		
Federal Home Loan Mortgage Corporation	AAA	Aaa
Federal National Mortgage Association	AAA	Aaa
Federal Farm Credit Bank	AAA	Aaa
Small Business Administration	AAA	Aaa
Federal Home Loan Bank	AAA	Aaa
Corporate Bonds and Notes		
Westpac Bank	AA-	Aa3
Chevron Inc	AA	Aa2
Disney Corporation	A	A2
IBRD Bank	AAA	Aaa
Bank of America	A	A2
Exxon Mobil Corporation	AA-	Aa1
Toronto Dominion Bank	AA-	Aa1
Equinor ASA	AA-	Aa2
JP Morgan and Chase	A+	Aa2
National Australia Bank	AA-	Aa3
Royal Bank	AA-	A2
Kimberly Clark Corporation	Not available	Aa3
3M Company	AA-	Not available
Sallie Mae Bank	Not available	Not available
Capital One	Not available	Not available
State and Local Bonds		
State of Wisconsin Taxable Series C	AA	Aa1
Memphis Shelby County	AA	Aa3
Paramus Schools	AA+	Not available
California Housing Finance	AA	Aa3
Beaumont, TX	AA-	Aa2
Cranston, RI	AA-	Aa2
San Bernadino, CA	AA	A1
Tigard, OR, Water Systems	AA	Aa3
Grafton, WI	Not available	Aa2
State of Georgia	AAA	Aaa
Verona Schools	Not available	Aa2
Grand Chute, Community Development Authority	AA	Not available
State of Texas	Not available	Aa3
Erie, PA, Water Authority	AA	Not available
Peoria, IL	A+	AA
Connellsville, PA School District	AA	Aa
Milwaukee, WI	AA+	Not available
Mutual Funds		
Tif International Equity Ser Fund	Not available	Not available
Vanguard Extended Market Index Fd Invest	Not available	Not available
Vanguard Index TR 500 Admiral Shs	Not available	Not available

City of Neenah

Notes to Financial Statements
December 31, 2021

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, 2021, the City's investments were as follows:

Specific Investment		Maturity Date		Fair Value
Mutual Funds				
TIF International Equity Ser Fund		Not applicable		\$ 13,591
Vanguard Extended Market Index Fd Invest		Not applicable		142,009
Vanguard Index TR 500 Admiral Shs		Not applicable		1,080,976
Total				\$ 1,236,576

Investment Type	Fair Value	0-1 Years	1-5 Years	5-30 Years
U.S. agencies implicitly guaranteed	\$ 14,934,846	\$ 883	\$ 4,341,303	\$ 10,592,660
U.S. agencies explicitly guaranteed	459,436	-	-	459,436
U.S. treasuries	1,393,418	303,247	932,519	157,652
Corporate bonds and notes	4,867,963	250,650	4,502,314	114,999
State and local bonds	5,320,250	699,069	3,573,431	1,047,750
Total	\$ 26,975,913	\$ 1,253,849	\$ 13,349,567	\$ 12,372,497

Investments Highly Sensitive to Interest Rate Changes

At December 31, 2021, \$7,398,878 of the \$26,975,913 reported above had maturity dates beyond ten years classifying them as highly sensitive to interest rate changes.

Concentration of Credit Risk

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

At December 31, 2021, the investment portfolio was concentrated as follows:

Issuer	Investment Type	Percentage of Portfolio
Federal Home Loan Mortgage Corp	U.S. agencies implicitly guaranteed	6.83 %
Federal National Mortgage Association	U.S. agencies implicitly guaranteed	10.03
Federal Home Loan Bank	U.S. agencies implicitly guaranteed	7.66
Federal Farm Credit Bank	U.S. agencies implicitly guaranteed	5.04
Small Business Administration Bonds	U.S. agencies implicitly guaranteed	8.77

City of Neenah

Notes to Financial Statements
December 31, 2021

Receivables

All receivable balances are expected to be collected within one year with the exception of \$14,460 in delinquent personal property taxes; \$412,027 in special assessments; and \$479,349 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:

	Unearned	Unavailable
Property taxes receivable for subsequent year	\$ 23,645,029	\$ -
Special assessments/special charges not yet due	-	550,084
Grant funds received in advance of allowable expenditures	3,023,006	-
Unearned revenue: pet licenses, rent	36,893	-
Total unavailable/unearned revenue for governmental funds	<u>\$ 26,704,928</u>	<u>\$ 550,084</u>
Unearned revenue included in deferred inflows	\$ 23,681,922	
Unearned revenue included in liabilities	<u>3,023,006</u>	
Subtotal	26,704,928	
Unearned revenue included in the internal service funds liabilities	<u>20,199</u>	
Total unearned revenue for governmental funds	<u>\$ 26,725,127</u>	

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.

Net Pension Asset

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

City of Neenah

Notes to Financial Statements
December 31, 2021

Following is a list of restricted assets at December 31, 2021:

	Restricted Assets	Liabilities Payable From Restricted Assets	Restricted Assets Not Funded by Revenues Reserves From Borrowing	Restricted Net Position
Restricted assets:				
Redemption account	\$ 1,105,954	\$ 23,831	\$ -	\$ 1,082,123
Depreciation account	250,000	-	-	250,000
Reserve account	319,000	-	319,000	-
Net pension asset	8,149,693	-	-	8,149,693
Total restricted assets	<u>\$ 9,821,647</u>	<u>\$ 23,831</u>	<u>\$ 319,000</u>	<u>\$ 9,481,816</u>

Capital Assets

Capital asset activity for the year ended December 31, 2021 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 15,694,850	\$ -	\$ -	\$ 15,694,850
Right-of-ways	13,114,508	-	-	13,114,508
Land improvements ⁽¹⁾	10,553,643	-	-	10,553,643
Construction work in progress	102,401	281,932	102,401	281,932
Total capital assets not being depreciated	<u>39,465,402</u>	<u>281,932</u>	<u>102,401</u>	<u>39,644,933</u>
Capital assets being depreciated:				
Improvements	16,281,873	587,754	31,391	16,838,236
Buildings	36,459,010	7,434,539	-	43,893,549
Equipment, furniture and fixtures	13,367,639	995,565	159,430	14,203,774
Collections (library)	3,587,408	239,243	254,426	3,572,225
Streets	58,070,432	2,806,569	853,450	60,023,551
Bridges	20,291,817	-	-	20,291,817
Street lighting	1,320,500	-	-	1,320,500
Traffic signals	1,431,947	-	-	1,431,947
Sidewalks	6,098,197	-	-	6,098,197
Trails	1,579,829	-	-	1,579,829
Retaining walls	1,305,001	-	-	1,305,001
Steam tunnel	390,374	-	-	390,374
Total capital assets being depreciated	<u>160,184,027</u>	<u>12,063,670</u>	<u>1,298,697</u>	<u>170,949,000</u>

City of Neenah

Notes to Financial Statements

December 31, 2021

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Less accumulated depreciation for:				
Improvements	\$ (7,332,702)	\$ (781,150)	\$ 25,659	\$ (8,088,193)
Buildings	(17,720,780)	(762,473)	-	(18,483,253)
Equipment, furniture and fixtures	(7,317,104)	(731,891)	135,983	(7,913,012)
Collections (library)	(3,389,375)	(273,958)	254,426	(3,408,907)
Streets	(20,855,408)	(1,198,518)	853,450	(21,200,476)
Bridges	(4,859,720)	(289,883)	-	(5,149,603)
Street lighting	(249,754)	(17,930)	-	(267,684)
Traffic signals	(351,307)	(19,535)	-	(370,842)
Sidewalks	(4,076,075)	(121,964)	-	(4,198,039)
Trails	(382,505)	(39,496)	-	(422,001)
Retaining walls	(261,000)	(26,100)	-	(287,100)
Steam tunnel	(107,351)	(9,759)	-	(117,110)
Total accumulated depreciation	<u>(66,903,081)</u>	<u>(4,272,657)</u>	<u>1,269,518</u>	<u>(69,906,220)</u>
Capital assets, net of depreciation	<u>\$ 132,746,348</u>	<u>\$ 8,072,945</u>	<u>\$ 131,580</u>	<u>\$ 140,687,713</u>

(1) This represents the nondepreciable portion of City streets.

Depreciation expense was charged to functions as follows:

Governmental Activities

General government	\$ 507,735
Public safety	260,773
Public works, which includes the depreciation of infrastructure	2,198,298
Parks, recreation and education	<u>1,305,851</u>
Total governmental activities depreciation expense	<u>\$ 4,272,657</u>

City of Neenah

Notes to Financial Statements
December 31, 2021

	Beginning Balance	Additions	Deletions	Ending Balance
Business-Type Activities				
<u>Water Utility</u>				
Capital assets not being depreciated:				
Land and land rights	\$ 122,180	\$ -	\$ -	\$ 122,180
Construction in progress	17,244	-	17,244	-
Total capital assets not being depreciated	139,424	-	17,244	122,180
Capital assets being depreciated:				
Source of supply	130,978	-	-	130,978
Pumping	3,384,851	-	600	3,384,251
Treatment	24,440,799	411,421	148,989	24,703,231
Transmission and distribution	36,269,171	2,236,976	496,569	38,009,578
Administrative and general assets	2,326,770	-	77,860	2,248,910
Total capital assets being depreciated	66,552,569	2,648,397	724,018	68,476,948
Total capital assets	66,691,993	2,648,397	741,262	68,599,128
Less accumulated depreciation for:				
Source of supply	(130,978)	-	-	(130,978)
Pumping	(1,717,990)	(107,733)	600	(1,825,125)
Treatment	(12,362,578)	(817,110)	148,989	(13,030,699)
Transmission and distribution	(7,161,722)	(880,916)	496,569	(7,546,068)
Administrative and general assets	(2,119,217)	(86,400)	77,860	(2,127,756)
Total accumulated depreciation	(23,492,485)	(1,892,159)	724,018	(24,660,626)
Capital assets, net of depreciation	<u>\$ 43,199,508</u>	<u>\$ 756,238</u>	<u>\$ 17,244</u>	<u>\$ 43,938,502</u>
<u>Sewerage Disposal Utility</u>				
Capital assets being depreciated:				
Collection system	\$ 28,935,730	\$ 837,464	\$ 30,266	\$ 29,742,928
Collection system pumping	1,014,025	-	-	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	30,356,561	837,464	30,266	31,163,759

City of Neenah

Notes to Financial Statements
December 31, 2021

	Beginning Balance	Additions	Deletions	Ending Balance
Less accumulated depreciation for:				
Collection system	\$ (10,679,497)	\$ (405,599)	\$ 30,266	\$ (11,054,830)
Collection system pumping	(369,967)	(12,854)	-	(382,821)
Flow meters	(30,563)	(4,331)	-	(34,894)
Computer software	(10,359)	-	-	(10,359)
Equipment	(212,761)	(35,313)	-	(248,074)
Total accumulated depreciation	(11,303,147)	(458,097)	30,266	(11,730,978)
Capital assets, net of depreciation	<u>\$ 19,053,414</u>	<u>\$ 379,367</u>	<u>\$ -</u>	<u>\$ 19,432,781</u>
Stormwater Utility				
Capital assets not being depreciated:				
Detention ponds	\$ 3,499,715	\$ -	\$ -	\$ 3,499,715
Construction in progress	147,155	570,608	-	717,763
Total capital assets not being depreciated	3,646,870	570,608	-	4,217,478
Capital assets being depreciated:				
Collection system	17,054,484	559,867	32,393	17,581,958
Detention basins	3,945,128	-	15,263	3,929,865
Detention pond equipment	114,405	-	-	114,405
Computer software	10,359	-	-	10,359
Equipment	443,760	143,815	-	587,575
Total capital assets being depreciated	21,568,136	703,682	47,656	22,224,162
Total capital assets	25,215,006	1,274,290	47,656	26,441,640
Less accumulated depreciation for:				
Collection system	(5,131,574)	(216,478)	32,393	(5,315,659)
Detention basins	(1,958,863)	(49,219)	15,263	(1,992,819)
Detention pond equipment	(114,405)	-	-	(114,405)
Computer software	(10,359)	-	-	(10,359)
Equipment	(146,260)	(51,566)	-	(197,826)
Total accumulated depreciation	(7,361,461)	(317,263)	47,656	(7,631,068)
Capital assets, net of depreciation	<u>\$ 17,853,545</u>	<u>\$ 957,027</u>	<u>\$ -</u>	<u>\$ 18,810,572</u>

City of Neenah

Notes to Financial Statements
December 31, 2021

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Parking Utility				
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	\$ 80,264,734	\$ 2,092,632	\$ 17,244	\$ 82,340,122

Depreciation expense was charged to functions as follows:

Business-Type Activities

Water	\$ 1,590,694
Sewerage disposal	458,097
Stormwater	317,263
Total business-type activities depreciation expense	\$ 2,366,054

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
December 31, 2021

Interfund Receivables/Payables, Advances and Transfers

Interfund Receivables/Payables

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

Receivable Fund	Payable Fund	Amount
General	Enterprise fund - water utility	\$ 1,012,465
Enterprise fund - water utility	General	96
Capital projects, public infrastructure	Debt service	216,332
Enterprise fund, sewerage disposal utility	General	102,904
Enterprise fund, stormwater utility	General	711
Subtotal, fund financial statements		1,332,508
Less fund eliminations		(216,332)
Less elimination to government-wide statements		(207,422)
Add interfund advances		269,775
Total, government-wide financial statements		<u>\$ 1,178,529</u>
Governmental activities	Business-type activities	\$ 1,282,240
Less business-type activities	Governmental activities	<u>(103,711)</u>
Total internal balances, government-wide financial statements		<u>\$ 1,178,529</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 \$1,012,465 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
December 31, 2021

Advances

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
Debt service	Special revenue, TIF District No. 8	\$ 8,050,000	\$ 8,050,000
Debt service	Special revenue, TIF District No. 10	300,000	300,000
Capital projects, public infrastructure	CDBG	111,770	111,770
Capital projects, public infrastructure	Parking utility	269,775	269,775
Special revenue, TIF District No. 8	Special revenue, TIF District No. 11	41,072	41,072
Subtotal, fund financial statements		8,772,617	<u>\$ 8,772,617</u>
Less eliminations		<u>(8,502,842)</u>	
Total, interfund advances		<u>\$ 269,775</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
December 31, 2021

Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred From</u>	<u>Fund Transferred To</u>	<u>Amount</u>	<u>Principal Purpose</u>
General fund	Special revenue, Dial-A-Ride	\$ 12,000	Operating subsidy
Special Revenue			
TIF District No. 5	General fund	80,000	Administrative and finance costs
TIF District No. 5	Debt service	44,942	Debt service
TIF District No. 6	General fund	60,000	Administrative and finance costs
TIF District No. 6	Debt service	225,390	Debt service
TIF District No. 7	General fund	120,000	Administrative and finance costs
TIF District No. 7	Debt service	1,019,428	Debt service
TIF District No. 7	TIF District No. 8	1,452,215	Excess funds
TIF District No. 8	General fund	123,718	Administrative and finance costs
TIF District No. 8	Debt service	1,108,689	Debt service
TIF District No. 8	Capital projects, TIF District No. 8	170,000	Administrative charge
TIF District No. 9	General fund	80,000	Administrative and finance costs
TIF District No. 9	Debt service	269,781	Debt service
TIF District No. 10	General fund	40,000	Administrative and finance costs
TIF District No. 10	Debt service	247,778	Debt service
TIF District No. 11	General fund	40,000	Administrative and finance costs
TIF District No. 11	Debt service	8,577	Debt service
CDBG	General fund	23,135	Administrative charge
Housing	General fund	35,000	Administrative charge
Recycling	General fund	30,000	Administrative charge
Cemetery perpetual care	General fund	34,962	Interest and administrative charge
Dial-A-Ride	General fund	5,000	Administrative charge
Health grants	General fund	10,000	To close fund
Civic and Social	Capital equipment	35,000	Reimburse for capital costs
Civic and Social	General fund	5,000	Administrative charge
Industrial development	General fund	5,000	Operating subsidy as budgeted
Alliant Energy PILOT	General fund	247,267	PILOT
Land Sales	General fund	100,000	Land sales
CDBG	Housing/Business Loans	51,456	To reimburse HUD program expenditures
Library trust	Capital projects, facilities	19,090	Reimburse for capital costs

City of Neenah

Notes to Financial Statements
December 31, 2021

<u>Fund Transferred From</u>	<u>Fund Transferred To</u>	<u>Amount</u>	<u>Principal Purpose</u>
Capital Projects			
Redevelopment	Land Sales	\$ 887,000	Land held for resale
TIF District No. 5	Special revenue, TIF District No. 5	222,164	Unspent borrowing proceeds
TIF District No. 6	Special revenue, TIF District No. 6	94,039	Unspent borrowing proceeds
Enterprise			
Water utility	General fund	1,012,465	PILOT
Sewerage disposal utility	General fund	917,610	2021 expenditures, interest and administrative costs
Stormwater utility	General fund	452,610	City and public works support overhead
Parking utility	General fund	136,720	Administrative charges
Internal Service			
Benefit accrual fund	General fund	265,000	Administrative charge
Information systems	General fund	160,000	Administrative charge
Subtotal, fund financial statements		9,851,036	
Less fund eliminations		<u>(7,331,631)</u>	
Total transfers, government-wide statement of activities		<u>\$ 2,519,405</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
December 31, 2021

Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and notes payable:					
General obligation debt					
General	\$ 45,834,580	\$ 8,715,000	\$ 5,806,580	\$ 48,743,000	\$ 5,444,940
Premiums	815,844	429,958	157,825	1,087,977	-
Subtotal	46,650,424	9,144,958	5,964,405	49,830,977	5,444,940
Other liabilities:					
Vested compensated absences					
General	1,739,517	380,898	434,879	1,685,536	421,384
Internal service	2,833,106	1,764,506	1,800,662	2,796,950	1,856,042
Capital leases	16,041,536	88,821	1,170,000	14,960,357	1,131,179
Total other liabilities	20,614,159	2,234,225	3,405,541	19,442,843	3,408,605
Total governmental activities long-term liabilities	<u>\$ 67,264,583</u>	<u>\$ 11,379,183</u>	<u>\$ 9,369,946</u>	<u>\$ 69,273,820</u>	<u>\$ 8,853,545</u>
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	\$ 9,245,420	\$ 3,035,000	\$ 1,447,420	\$ 10,833,000	\$ 1,774,060
General obligation debt from direct borrowings and direct placement	228,134	-	20,645	207,489	21,099
Revenue bonds	1,190,000	-	700,000	490,000	90,000
Revenue bonds from direct borrowings and direct placement	15,018,605	-	2,131,436	12,887,169	2,183,610
Premiums	227,616	149,735	59,494	317,857	-
Subtotal	25,909,775	3,184,735	4,358,995	24,735,515	4,068,769
Other liabilities:					
Vested compensated absences	112,938	41,616	27,565	126,989	30,822
Total business-type activities long-term liabilities	<u>\$ 26,022,713</u>	<u>\$ 3,226,351</u>	<u>\$ 4,386,560</u>	<u>\$ 24,862,504</u>	<u>\$ 4,099,591</u>

In addition to the liabilities above, information on the net pension liability/(asset) is provided in Note 5.

City of Neenah

Notes to Financial Statements
December 31, 2021

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 \$127,355,770. Total general obligation debt outstanding at year-end was \$59,783,489.

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/21</u>
Governmental Activities					
General obligation debt:					
General Obligation					
Promissory Notes 2021A	03/03/21	03/01/31	1.00-4.00%	\$ 8,715,000	\$ 8,715,000
General Obligation					
Promissory Notes 2020A	03/01/20	03/01/30	2.30-5.00%	6,970,000	6,795,000
General Obligation Taxable					
Promissory Notes 2020B	09/09/20	03/01/30	0.85-1.90%	1,865,000	1,691,000
General Obligation Refunding					
Bonds 2019A	12/03/19	03/01/29	3.00%	1,450,000	1,310,000
General Obligation					
Promissory Notes 2019A	03/01/19	03/01/29	2.125-5.00%	7,835,000	7,195,000
General Obligation					
Promissory Notes 2018A	03/01/18	03/01/28	2.38-4.00%	6,830,000	5,502,300
General Obligation Refunding					
Bonds 2017A	01/24/17	03/01/29	2.00-4.00%	3,785,000	3,105,000
General Obligation					
Promissory Notes 2017B	01/24/17	03/01/29	1.00-2.00%	3,990,000	2,333,200
General Obligation Refunding					
Bonds 2017C	09/01/17	03/01/37	3.00-4.00%	1,350,000	1,240,000
General Obligation					
Promissory Notes 2016	04/06/16	03/01/26	1.00-2.00%	4,975,000	3,076,500
General Obligation					
Promissory Notes 2015	05/27/15	03/01/25	2.00-2.50%	5,080,000	1,320,000
General Obligation					
Promissory Notes 2014	05/28/14	09/01/24	2.00%	3,230,000	1,240,000
General Obligation					
Promissory Notes 2013B	06/05/13	03/01/23	1.50-2.50%	3,765,000	905,000
General Obligation Taxable					
Refunding Bonds 2013	12/02/13	03/01/24	0.65-3.85%	1,030,000	310,000
General Obligation					
Promissory Notes, Series 2012A	06/27/12	03/01/22	1.25-2.00%	2,565,000	310,000
General Obligation					
Community Development					
Bonds, Series 2012B	06/27/12	03/01/31	2.75-3.30%	1,635,000	1,045,000
General Obligation Refunding					
Bonds, Series 2012C	12/03/12	03/01/26	2.00%	4,186,092	2,160,000
General Obligation					
Community Development					
Bonds, Series 2004C	06/01/04	03/01/23	4.00-5.00%	2,225,000	<u>490,000</u>
Total governmental activities general obligation debt					<u>\$ 48,743,000</u>

City of Neenah

Notes to Financial Statements

December 31, 2021

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/21</u>
Business-Type Activities					
General obligation debt:					
General Obligation					
Promissory Notes 2021A	03/03/21	03/01/31	1.00-4.00%	\$ 3,035,000	\$ 3,035,000
General Obligation					
Promissory Notes 2020A	03/01/20	03/01/30	2.30-5.00%	2,925,000	2,605,000
General Obligation					
Promissory Notes 2019A	03/01/19	03/01/29	2.125-5.00%	990,000	810,000
General Obligation					
Promissory Notes 2018A	03/01/18	03/01/28	2.38-4.00%	1,464,800	1,067,700
General Obligation					
Promissory Notes 2017B	01/24/17	03/01/29	1.00-2.00%	1,620,000	921,800
General Obligation					
Promissory Notes 2016	04/06/16	03/01/26	1.00-2.00%	1,525,000	838,500
General Obligation					
Promissory Notes 2015	05/27/15	03/01/25	2.00-2.50%	1,170,000	595,000
General Obligation					
Promissory Note, Series 2014	05/28/14	09/01/24	2.00%	1,455,000	470,000
General Obligation					
Promissory Note, Series 2013	06/05/13	03/01/20	1.50-2.00%	1,505,000	335,000
General Obligation					
Promissory Note, Series 2012	06/27/12	03/01/22	1.25-2.00%	1,390,000	155,000
Clean Water Fund General Obligation Debt	05/12/10	05/01/30	2.20%	411,652	* 207,489
Total business-type activities general obligation debt					<u>\$ 11,040,489</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	Total	Principal	Interest	Total
2022	\$ 5,444,940	\$ 1,237,764	\$ 6,682,704	\$ 1,774,060	\$ 279,323	\$ 2,053,383
2023	5,840,200	1,070,540	6,910,740	1,620,800	227,082	1,847,882
2024	5,650,120	893,438	6,543,558	1,432,880	179,732	1,612,612
2025	5,805,100	717,400	6,522,500	1,299,900	136,215	1,436,115
2026	5,495,140	544,140	6,039,280	1,206,860	93,888	1,300,748
2027-2031	19,967,500	915,422	20,882,922	3,498,500	130,963	3,629,463
2032-2036	445,000	55,050	500,050	-	-	-
2037	95,000	2,850	97,850	-	-	-
Total	<u>\$ 48,743,000</u>	<u>\$ 5,436,604</u>	<u>\$ 54,179,604</u>	<u>\$ 10,833,000</u>	<u>\$ 1,047,203</u>	<u>\$ 11,880,203</u>

City of Neenah

Notes to Financial Statements
December 31, 2021

Years	Business-Type Activities General Obligation Debt From Direct Borrowing and Direct Placements		
	Principal	Interest	Total
2022	\$ 21,099	\$ 4,332	\$ 25,431
2023	21,563	3,863	25,426
2024	22,038	3,384	25,422
2025	22,522	2,894	25,416
2026	23,018	2,393	25,411
2027-2030	97,249	4,338	101,586
Total	<u>\$ 207,489</u>	<u>\$ 21,204</u>	<u>\$ 228,692</u>

The City's outstanding clean water fund loan from direct borrowings related to business-type activities of \$207,489 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 15% of gross revenues on average. The total principal and interest remaining to be paid on the bonds is \$6,220,292. Principal and interest paid for the current year and total customer gross revenues were \$2,426,060 and \$8,308,813, 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 2021 was \$32,938. Total customer gross revenues as defined for the same period were \$1,771,892. Annual principal and interest payments are expected to require 2% of gross revenues on average.

City of Neenah

Notes to Financial Statements
December 31, 2021

Revenue debt payable at December 31, 2021 consists of the following:

Business-Type Activities Revenue Debt

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/21
<u>Water Utility</u>					
Water Utility Revenue Refunding Bonds 2017	12/01/17	12/01/26	2.83%	\$ 835,000	\$ 490,000
Water Utility Revenue Bonds 2006	01/25/06	05/01/25	2.365%	8,788,354	2,291,594 *
Water Utility Revenue Bonds 2005	04/27/05	05/01/24	2.365%	16,666,667	3,172,653 *
<u>Sewerage Disposal Utility</u>					
Sewer System 2013 Clean Water Fund Loan (1)	02/13/13	05/01/32	2.65%	10,952,442	7,190,420 *
<u>Stormwater Utility</u>					
Stormwater System Revenue Bonds, Series 2009	12/09/09	05/01/29	3.15%	471,087	232,502 *
Total business-type activities revenue debt					<u>\$ 13,377,169</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.

Debt service requirements to maturity are as follows:

	Business-Type Activities Revenue Bonds		Business-Type Activities Revenue Bonds Debt From Direct Borrowings and Direct Placements		Total
	Principal	Interest	Principal	Interest	
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	100,000	6,150	1,239,978	146,842	1,492,970
2026	105,000	3,150	664,100	122,337	894,587
2027-2031	-	-	3,528,265	334,638	3,862,903
2032	-	-	742,323	9,821	752,144
Total	<u>\$ 490,000</u>	<u>\$ 42,350</u>	<u>\$ 12,887,169</u>	<u>\$ 1,350,253</u>	<u>\$ 14,769,772</u>

City of Neenah

Notes to Financial Statements
December 31, 2021

Capital Leases

Refer to Note 4.

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.

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, 2021, \$3,245,000 of City bonds and \$13,000,000 of CDA bonds outstanding are considered defeased.

Call Date	Amount
City bonds:	
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:	
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

December 31, 2021

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. The future minimum lease obligations and the net present value on these minimum lease payments as of December 31, 2021, are as follows:

	Governmental Activities		
	Principal	Interest	Total
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	1,591,179	417,742	2,008,921
2026	1,858,875	355,303	2,214,178
2027-2031	7,106,766	612,235	7,719,001
2032	565,000	16,385	581,835
Total	<u>\$ 14,960,357</u>	<u>\$ 2,942,833</u>	<u>\$ 17,903,188</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
December 31, 2021

Governmental Activities Net Position/Fund Balances

Governmental activities net position reported on the government wide statement of net position at December 31, 2021 includes the following:

Governmental Activities

Net investment in capital assets:

Land	\$	15,694,850
Right-of-way		13,114,508
Land improvements		10,553,643
Construction work in progress		281,932
Other capital assets, net of accumulated depreciation		101,042,780
Less related long-term debt outstanding, premium and loss on refunding	\$	(46,945,228)
Add unspent debt proceeds		6,646,940
		<u>(40,298,288)</u>
Total net investment in capital assets		<u>100,389,425</u>

Restricted:

Debt service		8,412,170
TIF districts		1,367,660
Loans		377,361
Grant programs		58,859
Library		1,953,228
Cemetery		1,625,159
Pension		7,572,709
		<u>21,367,146</u>

Total restricted 21,367,146

Unrestricted (deficit) (12,223,405)

Total governmental activities net position \$ 109,533,166

Governmental fund balances reported on the fund financial statements at December 31, 2021 include the following:

Governmental Funds

Nonspendable:

Major fund:

General fund:

Prepaid items \$ 12,521

Total \$ 12,521

Restricted:

Major funds:

Debt service \$ 8,366,275

City of Neenah

Notes to Financial Statements

December 31, 2021

Assigned:

Major funds:

General fund:

Library operations	\$ 37,537
Carryforwards	107,430
Applied to 2022 budget	<u>125,000</u>

Total	<u>\$ 269,967</u>
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Capital projects - public infrastructure:

Capital projects	<u>\$ 3,822,354</u>
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Unassigned (deficit):

Major funds:

General fund	<u>\$ 5,060,058</u>
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Special revenue - TIF District No. 8 (deficit)	<u>\$ (7,684,049)</u>
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Nonmajor Funds - Details of Fund Balance	Nonspendable	Restricted	Committed	Assigned	Unassigned (Deficit)
Special Revenue Funds					
TIF District No. 5	\$ -	\$ 419,744	\$ -	\$ -	\$ -
TIF District No. 6	-	522,322	-	-	-
TIF District No. 7	-	-	-	-	-
TIF District No. 9	-	23,862	-	-	-
TIF District No. 10	-	-	-	-	(42,218)
TIF District No. 11	-	-	-	-	(41,072)
Community Development					
Block Grant	-	-	-	-	(115,031)
Housing/business loans	-	492,392	-	-	-
Industrial development	-	-	120,995	-	-
Recycling	-	-	318,248	-	-
Health grants	-	58,859	-	-	-
Parks and recreation	-	-	369,946	-	-
Dial-A-Ride	-	-	147,362	-	-
Civic and social	-	-	185,513	-	-
Library	-	1,953,228	-	-	-
Other	-	-	174,596	-	-
Cemetery perpetual care	-	1,625,159	-	-	-
Cemetery flowers	-	-	161,356	-	-
Land sales	-	-	825,763	-	-
Alliant energy PILOT	-	-	-	-	-
American Rescue Plan Act	-	-	-	-	-
Subtotal, special revenue funds	<u>-</u>	<u>5,095,566</u>	<u>2,303,779</u>	<u>-</u>	<u>(198,321)</u>

City of Neenah

Notes to Financial Statements

December 31, 2021

Nonmajor Funds - Details of Fund Balance	Nonspendable	Restricted	Committed	Assigned	Unassigned (Deficit)
Capital Projects Fund					
TIF District No. 5	\$ -	\$ -	\$ -	\$ -	\$ -
TIF District No. 6	-	-	-	-	-
TIF District No. 7	-	783,299	-	-	-
TIF District No. 8	-	2,587,768	-	-	-
TIF District No. 9	-	678,320	-	-	-
TIF District No. 10	-	1,124,046	-	-	-
TIF District No. 11	-	423,512	-	-	-
Redevelopment	-	-	-	76,615	-
Facilities	41,833	2,108,114	-	-	-
Capital equipment	499,223	1,773,069	-	-	-
Equipment replacement	-	-	-	1,884	-
Subtotal, capital projects funds	541,056	9,478,128	-	78,499	-
Total	\$ 541,056	\$ 14,573,694	\$ 2,303,779	\$ 78,499	\$ (198,321)

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	\$ 68,599,128	\$ 31,163,759	\$ 25,723,877	\$ 189,984
Construction in progress	-	-	717,763	-
Accumulated depreciation	(24,660,626)	(11,730,978)	(7,631,068)	(31,717)
Subtotal	43,938,502	19,432,781	18,810,572	158,267
Less capital related debt:				
Current portion of long-term debt	1,675,901	1,145,099	676,065	-
Long-term portion of debt	4,278,346	5,899,625	3,860,186	-
Unamortized premiums	9,873	-	-	-
Subtotal	5,964,120	7,044,724	4,536,251	-
Add unspent debt proceeds:				
Reserve from borrowing	319,000	-	-	-
Total net investment in capital assets	\$ 38,293,382	\$ 12,388,057	\$ 14,274,321	\$ 158,267

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.

Basis of Accounting/Masurement 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.

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	\$ 2,161,068	\$ 2,161,068	Custodial credit
Reconciliation to financial statements:			
Per statement of net position:			
Restricted cash and investments	<u>\$ 2,161,068</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.

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, 2021, none of the CDA's total bank balances of \$2,161,068 were exposed to custodial credit risk.

City of Neenah

Notes to Financial Statements

December 31, 2021

Long-Term Obligations

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
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.	\$ 13,355,000	\$ -	\$ 1,135,000	\$ 12,220,000
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.	3,325,000	-	35,000	3,290,000
Total	<u>\$ 16,680,000</u>	<u>\$ -</u>	<u>\$ 1,170,000</u>	<u>\$ 15,510,000</u>

Debt service requirements to maturity are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	1,680,000	417,742	2,097,742
2026	1,945,000	355,303	2,300,303
2027 – 2031	7,215,000	612,235	7,827,235
2032	565,000	16,385	581,385
Total	<u>\$ 15,510,000</u>	<u>\$ 2,942,833</u>	<u>\$ 18,452,833</u>

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.

5. Other Information**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, expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

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.

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
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
2019	0.0	(10.0)
2020	1.7	21.0

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 \$1,492,311 in contributions from the City.

Contribution rates as of December 31, 2021 are:

Employee Category	Employee	Employer
General (Executives & Elected Officials)	6.75 %	6.75 %
Protective with Social Security	6.75 %	11.65 %
Protective without Social Security	6.75 %	16.25 %

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

At December 31, 2021, the City reported an asset of \$8,149,693 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2020 and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2019 rolled forward to December 31, 2020. 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, 2020, the City's proportion was 0.13053840%, which was an increase of 0.00081843% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the City recognized pension expense of \$(913,854).

At December 31, 2021, 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	\$ 11,795,109	\$ 2,540,645
Changes in assumption	184,850	-
Net differences between projected and actual earnings on pension plan investments	-	15,300,385
Changes in proportion and differences between employer contributions and proportionate share of contributions	20,312	11,012
Employer contributions subsequent to the measurement date	1,524,029	-
Total	<u>\$ 13,524,300</u>	<u>\$ 17,852,042</u>

\$1,524,029 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 asset in the year ended December 31, 2022. 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:

	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
Years ending December 31:	
2022	\$ (1,503,416)
2023	(409,862)
2024	(2,767,346)
2025	(1,171,147)
2026	-
Thereafter	-

Actuarial Assumptions

The total pension asset in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2019
Measurement Date of Net Pension Liability (Asset)	December 31, 2020
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. The Total Pension Liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the December 31, 2019 actuarial valuation.

Long-Term Expected Return on Plan Assets

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

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	51.0%	7.2%	4.7%
Fixed Income	25.0	3.2	0.8
Inflation Sensitive Assets	16.0	2.0	(0.4)
Real Estate	8.0	5.6	3.1
Private Equity/Debt	11.0	10.2	7.6
Multi-Asset	4.0	5.8	3.3
Total Core Fund	115.0	6.6	4.1
Variable Fund Asset Class			
U.S. Equities	70.0	6.6	4.1
International Equities	30.0	7.4	4.9
Total Variable Fund	100.0	7.1	4.6

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.4%

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 for the current and prior year. This single discount rate was based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.00%. (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's 20-year Municipal GO AA Index as of December 31, 2020. In describing this index, Fidelity notes that the Municipal Curves are constructed using option adjusted analytics of a diverse population of over 10,000 tax-exempt securities.) 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 municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Asset to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension asset calculated using the discount rate of 7.00%, as well as what the City's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) 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)	\$ 7,757,378	\$ (8,149,693)	\$ (19,833,319)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reportsand-statements>.

At December 31, 2021, the City reported a payable to the pension plan, which represents contractually required contributions outstanding as of the end of the year.

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.

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 \$0 at December 31, 2021. Changes in the fund's claims loss liability follow:

	Balance January 1	Incurred Claims	Claims Paid	Balance December 31
2020	\$ 47,028	\$ 10,500	\$ 57,528	\$ -
2021	-	60,466	60,466	-

The City is not financially accountable, as defined in Note 1, 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 2021.

City of Neenah

Notes to Financial Statements
December 31, 2021

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, 2020 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, 2021:

Incurred but not reported claims	<u>\$ 20,000</u>
----------------------------------	------------------

Changes in the claims payable follow:

	<u>Balance January 1</u>	<u>Incurred Claims</u>	<u>Claims Paid</u>	<u>Balance December 31</u>
2020	\$ 20,000	\$ 304,858	\$ 304,858	\$ 20,000
2021	20,000	313,362	313,362	20,000

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, 2021 aggregated approximately \$4,115,306.

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, 2021. 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.

Major funds	\$ 2,438,529
Nonmajor funds	<u>646,255</u>
Total	<u>\$ 3,084,784</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.

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.

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, 2021 was as follows:

	Number of 2021 Citations	Number of Citations Since Inception	% of Total
City of Menasha	966	34,911	39.5 %
City of Neenah	1,857	53,433	60.5
Total	2,823	88,344	100.0 %

City of Neenah

Notes to Financial Statements
December 31, 2021

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.

As of December 31, 2021, the court had a deficit of \$373,726. The allocation of this deficit is as follows:

City of Menasha	\$ 143,301
City of Neenah	<u>230,425</u>
Total	<u>\$ 373,726</u>

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

Financial information of the court as of December 31, 2021 is included in the City's annual comprehensive financial report 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 - 40.70% and City of Neenah - 59.30%.

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.

City of Neenah

Notes to Financial Statements
December 31, 2021

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, 2021 is included in the City's annual comprehensive financial report as supplementary information. Separate financial statements are not available.

Subsequent Events

On March 1, 2022, the City of Neenah issued \$16,230,000 in General Obligation Promissory Notes to finance capital projects and to refinance certain outstanding obligations of the City. The notes mature on March 1, 2032 and have interest rates ranging from 2.00% to 4.00%.

On March 1, 2022, the City of Neenah issued \$10,055,000 in General Obligation Refunding Bonds to advance refund obligations of the CDA's 2013 lease revenue bonds. The bonds mature on September 1, 2028 and have interest rates ranging from .65% to 1.95%.

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. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*
- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- Statement No. 96, *Subscription-Based Information Technology Arrangements*
- Statement No. 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84 and a supersession of GASB Statement No. 32*

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

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.

City of Neenah

Notes to Financial Statements

December 31, 2021

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 future incentive payments that directly correlate to the taxes paid.

Agreement Description	Calculation Method	Developer Commitment	2021 Payment
TID No. 5 Development Agreement, ERA	80% of incremental tax revenue, maximum reimbursement of \$75,000	\$500,000 tax increment	\$ 12,517
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. 8 Development Agreement, Main Street Neenah LLC	90% of incremental tax revenue, maximum reimbursement of \$3,900,000	\$12,667,000 tax increment	-
TID No. 9 Development Agreement, Menasha Corp.	70% of incremental tax revenue, maximum reimbursement of \$1.55 million	\$9 million investment	108,247
TID No. 11, Pendleton Park LLC	70% of incremental tax revenue, maximum disbursement of \$2,015,000	\$2 million investment	172,377

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MAJOR GOVERNMENTAL FUNDS AND BUDGETARY COMPARISONS

GENERAL FUND

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

City of Neenah

General Fund
Schedule of Revenues and Other Financing Sources
Budget and Actual
Year Ended December 31, 2021

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Taxes				
General property tax	\$ 14,012,860	\$ 14,012,860	\$ 14,012,868	\$ 8
Payment in lieu of taxes	28,000	28,000	77,723	49,723
Total taxes	14,040,860	14,040,860	14,090,591	49,731
Intergovernmental Revenues				
State shared revenues	2,250,190	2,250,190	2,255,168	4,978
Personal property exempt credit aids	68,920	68,920	68,920	-
Highway maintenance aids	1,093,610	1,093,610	1,092,241	(1,369)
Fire aids	100,000	100,000	100,434	434
Mass transit subsidy	341,570	341,570	342,371	801
Neenah Menasha fire	30,000	30,000	-	(30,000)
Total intergovernmental revenues	3,884,290	3,884,290	3,859,134	(25,156)
Licenses and Permits				
Licenses:				
Liquor and malt beverage	25,000	25,000	22,229	(2,771)
Operators	15,000	15,000	12,765	(2,235)
Cigarette	2,500	2,500	2,300	(200)
Dog and cat	13,500	13,500	11,885	(1,615)
Sundry	11,300	11,300	11,335	35
Permits:				
Building	110,150	110,150	118,889	8,739
Electrical	30,000	30,000	39,309	9,309
Plumbing	30,000	30,000	37,182	7,182
Furnace	30,000	30,000	47,014	17,014
Sundry	20,550	20,550	21,910	1,360
Total licenses and permits	288,000	288,000	324,818	36,818
Fines, Forfeitures and Penalties				
Court fines	97,000	97,000	81,106	(15,894)
Miscellaneous	3,500	3,500	320	(3,180)
Total fines, forfeitures and penalties	100,500	100,500	81,426	(19,074)
Charges for Services				
Other:				
General government	796,540	796,540	763,674	(32,866)
Public safety	223,400	223,400	198,647	(24,753)
Highway and street	125,950	125,950	178,112	52,162
Rental of city property	96,890	96,890	100,963	4,073
Public library	954,820	954,820	908,953	(45,867)
Cemetery	110,000	110,000	176,139	66,139
Park and recreation	569,570	569,570	546,304	(23,266)
Sundry	11,000	11,000	9,558	(1,442)
Total other	2,888,170	2,888,170	2,882,350	(5,820)
Health and welfare:				
Health inspection fees	26,000	26,000	25,805	(195)
Total charges for services	2,914,170	2,914,170	2,908,155	(6,015)

See notes to required supplementary information

City of Neenah**General Fund****Schedule of Revenues and Other Financing Sources****Budget and Actual**

Year Ended December 31, 2021

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Investment Income and Miscellaneous				
Investment income	\$ 493,500	\$ 493,500	\$ 306,009	\$ (187,491)
Miscellaneous general revenues	159,100	159,100	156,921	(2,179)
Total investment income and miscellaneous	652,600	652,600	462,930	(189,670)
Total revenues	21,880,420	21,880,420	21,727,054	(153,366)
Other Financing Sources				
Transfers in:				
TIF District No. 5 fund	80,000	80,000	80,000	-
TIF District No. 6 fund	60,000	60,000	60,000	-
TIF District No. 7 fund	120,000	120,000	120,000	-
TIF District No. 8 fund	165,000	165,000	123,718	(41,282)
TIF District No. 9 fund	80,000	80,000	80,000	-
TIF District No. 10 fund	41,000	41,000	40,000	(1,000)
TIF District No. 11 fund	41,000	41,000	40,000	(1,000)
Information systems	160,000	160,000	160,000	-
Community development block grant fund	25,000	25,000	23,135	(1,865)
Housing and business loans fund	40,000	40,000	35,000	(5,000)
Industrial development fund	5,000	5,000	5,000	-
Recycling fund	30,000	30,000	30,000	-
Cemetery perpetual care fund	23,000	23,000	34,962	11,962
Sewer fund	917,610	917,610	917,610	-
Stormwater fund	452,610	452,610	452,610	-
Water utility fund - payment in lieu of tax	963,630	963,630	1,012,465	48,835
Benefit accrual fund	265,000	265,000	265,000	-
Dial-A-Ride	5,000	5,000	5,000	-
Health grants	10,000	10,000	10,000	-
Civic and social	5,000	5,000	5,000	-
Alliant energy PILOT fund	254,000	254,000	247,267	(6,733)
Land sales fund	100,000	100,000	100,000	-
Parking utility fund	136,720	136,720	136,720	-
Total transfers	3,979,570	3,979,570	3,983,487	3,917
Sale of city property	52,520	52,520	17,191	(35,329)
Total other financing sources	4,032,090	4,032,090	4,000,678	(31,412)
Total revenues and other financing sources	\$ 25,912,510	\$ 25,912,510	\$ 25,727,732	\$ (184,778)

See notes to required supplementary information

City of Neenah

General Fund
Schedule of Expenditures and Other Financing Uses
Budget and Actual
Year Ended December 31, 2021

Current Expenditures	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
General Government				
Common council	\$ 79,030	\$ 77,510	\$ 71,659	\$ 5,851
Mayor's office	238,710	240,620	237,470	3,150
Finance	1,182,770	1,191,420	1,217,160	(25,740)
Municipal buildings	298,390	299,300	326,818	(27,518)
Human resources	271,190	271,970	270,584	1,386
City attorney	566,440	516,310	475,020	41,290
Total general government	2,636,530	2,597,130	2,598,711	(1,581)
Public Safety				
Police department:				
Operations	6,761,180	6,753,086	6,518,896	234,190
Police firing range	20,610	20,610	16,302	4,308
Police school liaison program	296,170	296,110	218,581	77,529
Crossing guards	70,380	70,380	56,323	14,057
Capital outlay	43,200	43,200	58,045	(14,845)
Community service officers/animal control	72,040	71,390	67,727	3,663
K-9 unit	18,370	18,370	18,208	162
Fire department:				
Operations	5,264,370	5,264,370	5,271,217	(6,847)
Other:				
Code enforcement	-	-	5,164	(5,164)
Police and fire commission	10,100	10,100	3,982	6,118
Total public safety	12,556,420	12,547,616	12,234,445	313,171
Public Works				
Engineering	814,720	835,040	846,548	(11,508)
Repair of streets	373,100	377,140	466,438	(89,298)
Snow and ice control	530,870	532,530	510,139	22,391
Weed cutting	44,840	44,890	60,591	(15,701)
Forestry program	193,480	197,090	202,903	(5,813)
Street lighting	577,300	560,130	571,556	(11,426)
Municipal garage	521,670	527,610	493,552	34,058
Storm and sanitary sewers and drains	315,110	313,090	297,310	15,780
Refuse collection	770,810	764,800	848,266	(83,466)
Sewer inspection	32,800	32,260	25,297	6,963
Traffic control	253,360	268,126	224,486	43,640
Capital outlay	6,100	6,100	591	5,509
Sundry	4,740	4,890	3,113	1,777
Total public works	4,438,900	4,463,696	4,550,790	(87,094)

See notes to required supplementary information

City of Neenah

General Fund
Schedule of Expenditures and Other Financing Uses
Budget and Actual
Year Ended December 31, 2021

Current Expenditures	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Parks, Recreation and Education				
Parks and recreation:				
Administration	\$ 707,020	\$ 711,620	\$ 712,902	\$ (1,282)
Adult programs	1,700	1,700	1,801	(101)
Youth programs	84,990	84,990	74,207	10,783
Municipal pool and recreation building	255,740	253,660	266,298	(12,638)
Playground programs	93,370	92,870	90,460	2,410
Parks	905,440	915,760	937,650	(21,890)
Forestry	80,790	82,010	62,906	19,104
Other activities	46,280	46,280	26,249	20,031
Total parks and recreation	2,175,330	2,188,890	2,172,473	16,417
Library:				
Operations	2,301,980	2,299,240	2,284,731	14,509
Total parks, recreation and education	4,477,310	4,488,130	4,457,204	30,926
Health and Welfare				
Assistance program:				
Committee on Aging	250	250	25	225
Total health and welfare	250	250	25	225
Community Development				
Operations	947,950	951,425	836,185	115,240
Celebrations and commemorations	79,750	80,220	70,318	9,902
Housing authority	7,490	7,450	6,707	743
Bus subsidy program	436,110	436,030	435,099	931
Older adult center	16,050	16,050	15,810	240
Conservation and development	277,390	270,690	259,381	11,309
Total community development	1,764,740	1,761,865	1,623,500	138,365
Other				
Cemetery operations	270,840	273,030	272,372	658
Miscellaneous	(19,480)	21,300	30,031	(8,731)
Total other	251,360	294,330	302,403	(8,073)
Total expenditures	26,125,510	26,153,017	25,767,078	385,939
Other Financing Uses				
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	\$ 26,137,510	\$ 26,165,017	\$ 25,779,078	\$ 385,939

See notes to required supplementary information

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SPECIAL REVENUE FUND

Special revenue funds are used to account for the proceeds from specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Included in the Major Governmental Funds are:

TAX INCREMENTAL FINANCING (T.I.F.) DISTRICT #8

To account for receipt of district "incremental" property taxes and other revenues and the corresponding program expenditures for Tax Incremental Financing District #8.

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) -
Budget and Actual - TIF District No. 8 - Special Revenue Fund
Year Ended December 31, 2021

	Original and Final Budget	Actual	Variance With Final Budget
Revenues			
Taxes	\$ 1,369,774	\$ 1,410,639	\$ 40,865
Intergovernmental	227,400	242,750	15,350
Investment income and miscellaneous	84,000	39,954	(44,046)
Total revenues	1,681,174	1,693,343	12,169
Expenditures			
Current:			
Community development	1,000	10,952	(9,952)
Debt service:			
Principal retirement	1,170,000	1,170,000	-
Interest and fiscal charges	585,355	585,438	(83)
Total expenditures	1,756,355	1,766,390	(10,035)
Excess (deficiency) of revenues over expenditures	(75,181)	(73,047)	2,134
Other Financing Sources (Uses)			
Premium on debt	-	740	740
Transfer in	1,311,894	1,452,215	140,321
Transfers out	(1,458,615)	(1,402,407)	56,208
Total other financing sources (uses)	(146,721)	50,548	197,269
Net change in fund balance	(221,902)	(22,499)	199,403
Fund Balance (Deficit), Beginning	(7,661,550)	(7,661,550)	-
Fund Balance (Deficit), Ending	<u>\$ (7,883,452)</u>	<u>\$ (7,684,049)</u>	<u>\$ 199,403</u>

See notes to required supplementary information

City of Neenah

Schedule of Proportionate Share of the Net Pension Liability (Asset) - Wisconsin Retirement System Year Ended December 31, 2021

Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
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 %
12/31/20	0.12971997 %	(4,182,764)	14,580,270	28.69 %	102.96 %
12/31/21	0.13053840 %	(8,149,693)	14,842,458	54.91 %	105.26 %

Schedule of Employer Contributions - Wisconsin Retirement System Year Ended December 31, 2021

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 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 %
12/31/20	1,492,312	1,492,312	-	14,842,458	10.05 %
12/31/21	1,524,029	1,524,029	-	15,108,006	10.09 %

See notes to required supplementary information

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 1.

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 \$107,430 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. The *Single Discount Rate* assumption used to develop the Total OPEB Liability changed from the prior year. Please refer to the Actuarial Assumptions section above for additional details.

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DEBT SERVICE FUND

The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs (other than those being financed by proprietary funds).

City of Neenah

Balance Sheet - Debt Service Fund

December 31, 2021

	Debt Service Fund
<hr/>	
Assets	
Receivables:	
Taxes	\$ 3,945,011
Special assessments	529,376
Accounts receivable	73,321
Advances to other funds	<u>8,350,000</u>
 Total assets	 <u><u>\$ 12,897,708</u></u>
 Liabilities, Deferred Inflows of Resources and Fund Balance	
Liabilities:	
Accounts payable	\$ 68
Due to other funds	<u>216,332</u>
 Total liabilities	 <u>216,400</u>
 Deferred inflows of resources:	
Property tax levied for next period	3,800,000
Unavailable revenue	<u>515,033</u>
 Total deferred inflows of resources	 4,315,033
 Fund balance:	
Restricted for debt service	<u>8,366,275</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u><u>\$ 12,897,708</u></u>

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -

Budget and Actual - Debt Service (Major Fund)

Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Taxes	\$ 3,600,000	\$ 3,600,000	\$ -
Intergovernmental	14,758	14,758	-
Special assessments	340,000	161,016	(178,984)
Charges for service	400,000	405,912	5,912
Total revenues	4,354,758	4,181,686	(173,072)
Expenditures			
Current:			
General government	-	573	(573)
Debt service			
Principal retirement	5,806,580	5,806,580	-
Interest and fiscal charges	1,609,438	1,354,728	254,710
Total expenditures	7,416,018	7,161,881	254,137
Excess (deficiency) of revenues over expenditures	(3,061,260)	(2,980,195)	81,065
Other Financing Sources			
Long-term debt issued	-	33,570	33,570
Premium on debt	750,000	354,474	(395,526)
Transfers in	2,917,019	2,924,585	7,566
Total other financing sources	3,667,019	3,312,629	(354,390)
Net change in fund balance	605,759	332,434	(273,325)
Fund Balance, Beginning	8,033,841	8,033,841	-
Fund Balance, Ending	<u>\$ 8,639,600</u>	<u>\$ 8,366,275</u>	<u>\$ (273,325)</u>

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 and equipment (other than those financed by proprietary funds and trust funds). Funds are derived from general obligation bond and note issues, certain Federal grants and other specific receipts.

Included in the Major Governmental Funds are:

PUBLIC INFRASTRUCTURE

To account for the financing and construction improvements of the City's streets, utilities, and sidewalks, including special assessment revenue designated to fund current and future capital projects.

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Public Infrastructure - Capital Projects Fund (Major Fund)
Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Intergovernmental	\$ -	\$ 63,807	\$ 63,807
Contributions	-	92,509	92,509
Total revenues	-	156,316	156,316
Expenditures			
Capital outlay	3,384,233	3,094,351	289,882
Excess (deficiency) of revenues over expenditures	(3,384,233)	(2,938,035)	446,198
Other Financing Sources			
Long-term debt issued	2,738,500	2,738,500	-
Total other financing sources	2,738,500	2,738,500	-
Net change in fund balance	(645,733)	(199,535)	446,198
Fund Balance, Beginning	4,021,889	4,021,889	-
Fund Balance, Ending	\$ 3,376,156	\$ 3,822,354	\$ 446,198

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NON-MAJOR GOVERNMENTAL FUNDS AND BUDGETARY COMPARISONS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds from specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

TAX INCREMENTAL FINANCING (T.I.F.) DISTRICT #5

To account for receipt of district "incremental" property taxes and other revenues and the corresponding program expenditures for Tax Incremental Financing District #5.

TAX INCREMENTAL FINANCING (T.I.F.) DISTRICT #6

To account for receipt of district "incremental" property taxes and other revenues and the corresponding program expenditures for Tax Incremental Financing District #6.

TAX INCREMENTAL FINANCING (T.I.F.) DISTRICT #7

To account for receipt of district "incremental" property taxes and other revenues and the corresponding program expenditures for Tax Incremental Financing District #7.

TAX INCREMENTAL FINANCING (T.I.F.) DISTRICT #9

To account for receipt of district "incremental" property taxes and other revenues and the corresponding program expenditures for Tax Incremental Financing District #9.

TAX INCREMENTAL FINANCING (T.I.F.) DISTRICT #10

To account for receipt of district "incremental" property taxes and other revenues and the corresponding program expenditures for Tax Incremental Financing District #10.

TAX INCREMENTAL FINANCING (T.I.F.) DISTRICT #11

To account for receipt of district "incremental" property taxes and other revenues and the corresponding program expenditures for Tax Incremental Financing District #11.

COMMUNITY DEVELOPMENT BLOCK GRANT

To account for receipt of Federal grant proceeds and corresponding program expenditures.

HOUSING AND BUSINESS LOANS

To account for receipt of Federal and State grants and the corresponding program expenditures for housing rehabilitation projects, homebuyer assistance projects and business loan projects.

INDUSTRIAL DEVELOPMENT

To account for receipt of County grants and corresponding program expenditures.

RECYCLING

To account for receipt of Federal and State grants and the corresponding program expenditures for recycling.

HEALTH GRANTS

To account for receipt of Federal and State grants and the corresponding program expenditures for health programs.

PARKS AND RECREATION

To account for monies received from private donations and bequests to finance specific Park and Recreation related activities and the corresponding expenditures.

DIAL-A-RIDE

To account for the receipts and disbursements of the Neenah-Menasha Dial-A-Ride transportation program for the elderly.

CIVIC AND SOCIAL

To account for monies provided by private donors to finance specific civic improvement and social related activities and the corresponding expenditures.

LIBRARY

To account for monies provided by private donors to finance specific Library improvements and services, new City library, and the corresponding expenditures.

OTHER TRUSTS

To account for monies provided by private donors to finance specific public safety equipment and services and the corresponding expenditures.

CEMETERY PERPETUAL CARE

To account for monies invested in trust for the long-term perpetual care and maintenance of City-owned cemetery.

CEMETERY FLOWERS

To account for monies invested in trust to maintain flower distribution at City-owned cemetery.

DEVELOPER LAND SALES

To account for monies received from developers for the sale of City-owned land.

ALLIANT ENERGY PILOT

To account for monies received from the payment on lieu of taxes on the Alliant Energy facility, and associated cost share agreement with the Town of Neenah.

AMERICAN RESCUE PLAN ACT

To account for monies received from the Federal Government as a result of the American Rescue Plan Act of 2021 and corresponding expenditures.

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 and equipment (other than those financed by proprietary funds and trust funds). Funds are derived from general obligation bond and note issues, certain Federal grants and other specific receipts.

Included in the Non-Major Governmental Funds are:

TAX INCREMENTAL FINANCING (T.I.F.) DISTRICT #5

To account for the financing and construction improvements of the City's Downtown Business District.

TAX INCREMENTAL FINANCING (T.I.F.) DISTRICT #6

To account for the financing and construction improvements of the City's New Business Park.

TAX INCREMENTAL FINANCING (T.I.F.) DISTRICT #7

To account for the financing and construction improvements of the City's Westside Business Corridor.

TAX INCREMENTAL FINANCING (T.I.F.) DISTRICT #8

To account for the financing and construction improvements of the City's Doty Island/Neenah Riverwalk.

TAX INCREMENTAL FINANCING (T.I.F.) DISTRICT #9

To account for the financing and construction improvements of the City's U.S. Hwy. 41 Industrial Corridor.

TAX INCREMENTAL FINANCING (T.I.F.) DISTRICT #10

To account for the financing and construction improvements of the City's Near Downtown District.

TAX INCREMENTAL FINANCING (T.I.F.) DISTRICT #11

To account for the financing and construction improvements of the City'

REDEVELOPMENT

To account for the financing and construction of redevelopment throughout the City.

FACILITIES

To account for the financing and construction of specific major City facilities designated in the City's annual Capital Improvements Program.

CAPITAL EQUIPMENT

To account for the financing of the City's annual Capital Equipment Program.

EQUIPMENT REPLACEMENT

To account for the financing of the City's Computer Replacement Fund.

City of Neenah

Combining Balance Sheet - Nonmajor Governmental Funds
December 31, 2021

	Special Revenue Funds				
	TIF District No. 5	TIF District No. 6	TIF District No. 7	TIF District No. 9	TIF District No. 10
Assets					
Cash and investments	\$ 419,744	\$ 522,322	\$ -	\$ 23,862	\$ 257,782
Taxes receivable	286,999	590,028	2,186,167	207,858	336,740
Loans	-	-	-	-	-
Other receivables	-	-	-	-	-
Due from component unit	-	-	-	-	-
Prepaid items	-	-	-	-	-
Land held for resale	-	-	-	-	-
Total assets	\$ 706,743	\$ 1,112,350	\$ 2,186,167	\$ 231,720	\$ 594,522
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Other liabilities	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Advances from other funds	-	-	-	-	300,000
Total liabilities	-	-	-	-	300,000
Deferred inflows of resources:					
Property taxes levied for next period	286,999	590,028	2,186,167	207,858	336,740
Total deferred inflows of resources	286,999	590,028	2,186,167	207,858	336,740
Fund balances:					
Nonspendable:					
Prepaid items	-	-	-	-	-
Restricted	419,744	522,322	-	23,862	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	(42,218)
Total fund balances	419,744	522,322	-	23,862	(42,218)
Total liabilities, deferred inflows of resources and fund balances	\$ 706,743	\$ 1,112,350	\$ 2,186,167	\$ 231,720	\$ 594,522

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
\$ -	\$ -	\$ 13,779	\$ 120,995	\$ 334,495	\$ 58,859	\$ 369,946	\$ 140,217
349,247	-	-	-	338,059	-	-	-
-	-	479,349	-	-	-	-	-
-	-	18,057	-	-	-	-	10,699
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 349,247</u>	<u>\$ -</u>	<u>\$ 511,185</u>	<u>\$ 120,995</u>	<u>\$ 672,554</u>	<u>\$ 58,859</u>	<u>\$ 369,946</u>	<u>\$ 150,916</u>
\$ -	\$ 3,261	\$ 835	\$ -	\$ 5,477	\$ -	\$ -	\$ 3,554
-	-	17,958	-	10,810	-	-	-
-	-	-	-	-	-	-	-
41,072	111,770	-	-	-	-	-	-
<u>41,072</u>	<u>115,031</u>	<u>18,793</u>	<u>-</u>	<u>16,287</u>	<u>-</u>	<u>-</u>	<u>3,554</u>
349,247	-	-	-	338,019	-	-	-
<u>349,247</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>338,019</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	492,392	-	-	58,859	-	-
-	-	-	120,995	318,248	-	369,946	147,362
-	-	-	-	-	-	-	-
(41,072)	(115,031)	-	-	-	-	-	-
<u>(41,072)</u>	<u>(115,031)</u>	<u>492,392</u>	<u>120,995</u>	<u>318,248</u>	<u>58,859</u>	<u>369,946</u>	<u>147,362</u>
<u>\$ 349,247</u>	<u>\$ -</u>	<u>\$ 511,185</u>	<u>\$ 120,995</u>	<u>\$ 672,554</u>	<u>\$ 58,859</u>	<u>\$ 369,946</u>	<u>\$ 150,916</u>

City of Neenah

 Combining Balance Sheet - Nonmajor Governmental Funds
 December 31, 2021

	Special Revenue Funds					
	Civic and Social	Library	Other	Cemetery Perpetual Care	Cemetery Flowers	Developer Land Sales
Assets						
Cash and investments	\$ 145,513	\$ 1,954,228	\$ 174,506	\$ 1,625,159	\$ 161,776	\$ 51,603
Taxes receivable	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Other receivables	40,000	-	90	-	-	-
Due from component unit	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Land held for resale	-	-	-	-	-	774,160
Total assets	<u>\$ 185,513</u>	<u>\$ 1,954,228</u>	<u>\$ 174,596</u>	<u>\$ 1,625,159</u>	<u>\$ 161,776</u>	<u>\$ 825,763</u>
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities:						
Accounts payable	\$ -	\$ 1,000	\$ -	\$ -	\$ 420	\$ -
Other liabilities	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>420</u>	<u>-</u>
Deferred inflows of resources:						
Property taxes levied for next period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:						
Nonspendable:						
Prepaid items	-	-	-	-	-	-
Restricted	-	1,953,228	-	1,625,159	-	-
Committed	185,513	-	174,596	-	161,356	825,763
Assigned	-	-	-	-	-	-
Unassigned (deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>185,513</u>	<u>1,953,228</u>	<u>174,596</u>	<u>1,625,159</u>	<u>161,356</u>	<u>825,763</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 185,513</u>	<u>\$ 1,954,228</u>	<u>\$ 174,596</u>	<u>\$ 1,625,159</u>	<u>\$ 161,776</u>	<u>\$ 825,763</u>

Special Revenue Funds		Capital Projects Funds					
Alliant Energy PILOT	American Rescue Plan Act	TIF District No. 5	TIF District No. 6	TIF District No. 7	TIF District No. 8	TIF District No. 9	TIF District No. 10
\$ -	\$ 2,773,006	\$ -	\$ -	\$ 1,317,975	\$ 653,791	\$ 354,490	\$ 1,129,531
-	-	-	-	-	-	-	-
-	-	-	-	-	125,000	-	-
-	-	-	-	-	2,161,068	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	326,550	-
<u>\$ -</u>	<u>\$ 2,773,006</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,317,975</u>	<u>\$ 2,939,859</u>	<u>\$ 681,040</u>	<u>\$ 1,129,531</u>
\$ -	\$ -	\$ -	\$ -	\$ 284,676	\$ 352,091	\$ 2,720	\$ 5,485
-	-	-	-	-	-	-	-
-	2,773,006	-	-	250,000	-	-	-
-	-	-	-	-	-	-	-
-	2,773,006	-	-	534,676	352,091	2,720	5,485
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	783,299	2,587,768	678,320	1,124,046
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	783,299	2,587,768	678,320	1,124,046
<u>\$ -</u>	<u>\$ 2,773,006</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,317,975</u>	<u>\$ 2,939,859</u>	<u>\$ 681,040</u>	<u>\$ 1,129,531</u>

City of Neenah

 Combining Balance Sheet - Nonmajor Governmental Funds
 December 31, 2021

	Capital Projects Funds					Total Nonmajor Governmental Funds
	TIF District No. 11	Redevelop- ment	Facilities	Capital Equipment	Equipment Replacement	
Assets						
Cash and investments	\$ 426,795	\$ 79,280	\$ 2,164,743	\$ 1,797,367	\$ 1,884	\$ 17,073,648
Taxes receivable	-	-	-	-	-	4,295,098
Loans	-	-	-	-	-	479,349
Other receivables	-	-	-	-	-	193,846
Due from component unit	-	-	-	-	-	2,161,068
Prepaid items	-	-	41,833	499,223	-	541,056
Land held for resale	-	-	-	-	-	1,100,710
Total assets	<u>\$ 426,795</u>	<u>\$ 79,280</u>	<u>\$ 2,206,576</u>	<u>\$ 2,296,590</u>	<u>\$ 1,884</u>	<u>\$ 25,844,775</u>
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities:						
Accounts payable	\$ 3,283	\$ 2,665	\$ 56,629	\$ 24,298	\$ -	\$ 746,394
Other liabilities	-	-	-	-	-	28,768
Unearned revenue	-	-	-	-	-	3,023,006
Advances from other funds	-	-	-	-	-	452,842
Total liabilities	<u>3,283</u>	<u>2,665</u>	<u>56,629</u>	<u>24,298</u>	<u>-</u>	<u>4,251,010</u>
Deferred inflows of resources:						
Property taxes levied for next period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,295,058</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,295,058</u>
Fund balances:						
Nonspendable:						
Prepaid items	-	-	41,833	499,223	-	541,056
Restricted	423,512	-	2,108,114	1,773,069	-	14,573,694
Committed	-	-	-	-	-	2,303,779
Assigned	-	76,615	-	-	1,884	78,499
Unassigned (deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(198,321)</u>
Total fund balances	<u>423,512</u>	<u>76,615</u>	<u>2,149,947</u>	<u>2,272,292</u>	<u>1,884</u>	<u>17,298,707</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 426,795</u>	<u>\$ 79,280</u>	<u>\$ 2,206,576</u>	<u>\$ 2,296,590</u>	<u>\$ 1,884</u>	<u>\$ 25,844,775</u>

City of Neenah

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds
Year Ended December 31, 2021

	Special Revenue Funds					
	TIF District No. 5	TIF District No. 6	TIF District No. 7	TIF District No. 9	TIF District No. 10	TIF District No. 11
Revenues						
Taxes	\$ 314,972	\$ 607,763	\$ 2,559,753	\$ 213,126	\$ 350,782	\$ 251,381
Intergovernmental	155,229	82,131	106,312	47,107	23,193	-
Contributions	-	-	-	-	-	-
Investment income and miscellaneous	200	284	1,462	2,796	885	210
Total revenues	470,401	690,178	2,667,527	263,029	374,860	251,591
Expenditures						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Recycling	-	-	-	-	-	-
Parks, recreation and education	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Community development	12,517	150	95,150	108,396	150	172,526
Conservation and development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service:						
Interest and fiscal charges	150	-	2,442	111	3,413	2,442
Total expenditures	12,667	150	97,592	108,507	3,563	174,968
Excess (deficiency) of revenues over expenditures	457,734	690,028	2,569,935	154,522	371,297	76,623
Other Financing Sources (Uses)						
Long-term debt issued	-	-	-	-	-	-
Premium on debt	-	-	21,708	987	30,341	21,708
Sale of city property	-	-	-	-	-	-
Transfers in	222,164	94,039	-	-	-	-
Transfers out	(124,942)	(285,390)	(2,591,643)	(349,781)	(287,778)	(48,577)
Total other financing sources (uses)	97,222	(191,351)	(2,569,935)	(348,794)	(257,437)	(26,869)
Net change in fund balances	554,956	498,677	-	(194,272)	113,860	49,754
Fund Balances (Deficit), Beginning	(135,212)	23,645	-	218,134	(156,078)	(90,826)
Fund Balances (Deficit), Ending	\$ 419,744	\$ 522,322	\$ -	\$ 23,862	\$ (42,218)	\$ (41,072)

Special Revenue Funds								
Community Development Block Grant	Housing/ Business Loans	Industrial Development	Recycling	Health Grants	Parks and Recreation	Dial-A- Ride	Civic and Social	Library
\$ -	\$ -	\$ -	\$ 365,115	\$ -	\$ -	\$ -	\$ -	\$ -
204,613	-	29,401	202,899	-	-	35,380	-	-
-	-	-	-	-	45,624	8,033	56,970	54,187
-	491	-	18,105	-	206	28	61	261,272
204,613	491	29,401	586,119	-	45,830	43,441	57,031	315,459
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	521,274	-	-	-	-	-
-	-	-	-	-	35,100	-	-	34,805
124,157	16,429	12,540	-	-	-	26,252	36,139	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
124,157	16,429	12,540	521,274	-	35,100	26,252	36,139	34,805
80,456	(15,938)	16,861	64,845	-	10,730	17,189	20,892	280,654
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	9,350	-
-	51,456	-	-	-	-	12,000	-	-
(74,591)	(35,000)	(5,000)	(30,000)	(10,000)	-	(5,000)	(40,000)	(19,090)
(74,591)	16,456	(5,000)	(30,000)	(10,000)	-	7,000	(30,650)	(19,090)
5,865	518	11,861	34,845	(10,000)	10,730	24,189	(9,758)	261,564
(120,896)	491,874	109,134	283,403	68,859	359,216	123,173	195,271	1,691,664
\$ (115,031)	\$ 492,392	\$ 120,995	\$ 318,248	\$ 58,859	\$ 369,946	\$ 147,362	\$ 185,513	\$ 1,953,228

City of Neenah

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds
Year Ended December 31, 2021

Special Revenue Funds						
	Other	Cemetery Perpetual Care	Cemetery Flowers	Developer Land Sales	Alliant Energy PILOT	American Rescue Plan Act
Revenues						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	6,080	-	-	-	494,534	1,780
Contributions	19,516	-	-	-	-	-
Investment income and miscellaneous	73	146,794	100	39,951	-	899
Total revenues	25,669	146,794	100	39,951	494,534	2,679
Expenditures						
Current:						
General government	-	-	-	-	-	2,679
Public safety	25,302	-	-	-	-	-
Recycling	-	-	-	-	-	-
Parks, recreation and education	-	-	-	-	-	-
Health and welfare	-	-	3,615	-	-	-
Community development	-	-	-	-	-	-
Conservation and development	-	-	-	1,188	247,267	-
Capital outlay	-	-	-	-	-	-
Debt service:						
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	25,302	-	3,615	1,188	247,267	2,679
Excess (deficiency) of revenues over expenditures	367	146,794	(3,515)	38,763	247,267	-
Other Financing Sources (Uses)						
Long-term debt issued	-	-	-	-	-	-
Premium on debt	-	-	-	-	-	-
Sale of city property	-	-	-	-	-	-
Transfers in	-	-	-	887,000	-	-
Transfers out	-	(34,962)	-	(100,000)	(247,267)	-
Total other financing sources (uses)	-	(34,962)	-	787,000	(247,267)	-
Net change in fund balances	367	111,832	(3,515)	825,763	-	-
Fund Balances (Deficit), Beginning	174,229	1,513,327	164,871		-	-
Fund Balances (Deficit), Ending	\$ 174,596	\$ 1,625,159	\$ 161,356	\$ 825,763	\$ -	\$ -

Capital Project Funds						
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
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	123,000	-	-	-
-	-	-	-	-	-	-
1,578	-	24,660	125,000	-	-	-
1,578	-	24,660	248,000	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	336,533	603,290	10,879	630,317	71,632
-	-	-	-	-	-	-
-	-	336,533	603,290	10,879	630,317	71,632
1,578	-	(311,873)	(355,290)	(10,879)	(630,317)	(71,632)
-	-	440,000	15,000	20,000	615,000	440,000
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	170,000	-	-	-
(222,164)	(94,039)	-	-	-	-	-
(222,164)	(94,039)	440,000	185,000	20,000	615,000	440,000
(220,586)	(94,039)	128,127	(170,290)	9,121	(15,317)	368,368
220,586	94,039	655,172	2,758,058	669,199	1,139,363	55,144
\$ -	\$ -	\$ 783,299	\$ 2,587,768	\$ 678,320	\$ 1,124,046	\$ 423,512

City of Neenah

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds
Year Ended December 31, 2021

	Capital Project Funds				Total Nonmajor Governmental Funds
	Redevelopment	Facilities	Capital Equipment	Equipment Replacement	
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 4,662,892
Intergovernmental	-	296,595	6,117	-	1,814,371
Contributions	-	-	-	-	184,330
Investment income and miscellaneous	-	80,000	-	5,103	710,158
Total revenues	-	376,595	6,117	5,103	7,371,751
Expenditures					
Current:					
General government	-	-	-	-	2,679
Public safety	-	-	-	-	25,302
Recycling	-	-	-	-	521,274
Parks, recreation and education	-	-	-	-	69,905
Health and welfare	-	-	-	-	3,615
Community development	-	-	-	-	604,406
Conservation and development	-	-	-	-	248,455
Capital outlay	2,823	955,263	1,091,774	10,475	3,712,986
Debt service:					
Interest and fiscal charges	-	-	-	-	8,558
Total expenditures	2,823	955,263	1,091,774	10,475	5,197,180
Excess (deficiency) of revenues over expenditures	(2,823)	(578,668)	(1,085,657)	(5,372)	2,174,571
Other Financing Sources (Uses)					
Long-term debt issued	50,000	1,788,950	2,573,980	-	5,942,930
Premium on debt	-	-	-	-	74,744
Sale of city property	-	-	-	-	9,350
Transfers in	-	19,090	35,000	-	1,490,749
Transfers out	(887,000)	-	-	-	(5,492,224)
Total other financing sources (uses)	(837,000)	1,808,040	2,608,980	-	2,025,549
Net change in fund balances	(839,823)	1,229,372	1,523,323	(5,372)	4,200,120
Fund Balances (Deficit), Beginning	916,438	920,575	748,969	7,256	13,098,587
Fund Balances (Deficit), Ending	\$ 76,615	\$ 2,149,947	\$ 2,272,292	\$ 1,884	\$ 17,298,707

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - TIF District No. 5 - Special Revenue Fund
Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Taxes	\$ 305,847	\$ 314,972	\$ 9,125
Intergovernmental	154,381	155,229	848
Investment income and miscellaneous	1,000	200	(800)
Total revenues	461,228	470,401	9,173
Expenditures			
Current:			
Community development	12,650	12,517	133
Debt service:			
Interest and fiscal charges	-	150	(150)
Total expenditures	12,650	12,667	(17)
Excess of revenues over expenditures	448,578	457,734	9,156
Other Financing Sources (Uses)			
Transfers in	-	222,164	222,164
Transfers out	(126,441)	(124,942)	1,499
Total other financing sources (uses)	(126,441)	97,222	223,663
Net change in fund balances	322,137	554,956	232,819
Fund Balances (Deficit), Beginning	(135,212)	(135,212)	-
Fund Balances, Ending	\$ 186,925	\$ 419,744	\$ 232,819

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - TIF District No. 6 - Special Revenue Fund
Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Taxes	\$ 590,156	\$ 607,763	\$ 17,607
Intergovernmental	80,408	82,131	1,723
Investment income and miscellaneous	1,000	284	(716)
Total revenues	671,564	690,178	18,614
Expenditures			
Current:			
Community development	1,000	150	850
Total expenditures	1,000	150	850
Excess of revenues over expenditures	670,564	690,028	19,464
Other Financing Sources (Uses)			
Transfers in	-	94,039	94,039
Transfers out	(285,389)	(285,390)	(1)
Total other financing sources (uses)	(285,389)	(191,351)	94,038
Net change in fund balances	385,175	498,677	113,502
Fund Balances, Beginning	23,645	23,645	-
Fund Balances, Ending	\$ 408,820	\$ 522,322	\$ 113,502

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - TIF District No. 7 - Special Revenue Fund
Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Taxes	\$ 2,485,600	\$ 2,559,753	\$ 74,153
Intergovernmental	58,547	106,312	47,765
Investment income and miscellaneous	1,000	1,462	462
Total revenues	2,545,147	2,667,527	122,380
Expenditures			
Current:			
Community development	96,000	95,150	850
Debt service:			
Interest and fiscal charges	-	2,442	(2,442)
Total expenditures	96,000	97,592	(1,592)
Excess of revenues over expenditures	2,449,147	2,569,935	120,788
Other Financing Sources (Uses)			
Premium on debt	-	21,708	21,708
Transfers out	(2,449,147)	(2,591,643)	(142,496)
Total other financing sources (uses)	(2,449,147)	(2,569,935)	(120,788)
Net change in fund balances	-	-	-
Fund Balances, Beginning	-	-	-
Fund Balances, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - TIF District No. 9 - Special Revenue Fund
Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Taxes	\$ 206,952	\$ 213,126	\$ 6,174
Intergovernmental	47,847	47,107	(740)
Investment income and miscellaneous	1,000	2,796	1,796
Total revenues	255,799	263,029	7,230
Expenditures			
Current:			
Community development	94,290	108,396	(14,106)
Debt service:			
Interest and fiscal charges	-	111	(111)
Total expenditures	94,290	108,507	(14,217)
Excess of revenues over expenditures	161,509	154,522	(6,987)
Other Financing Sources (Uses)			
Premium on debt	-	987	987
Transfers out	(309,682)	(349,781)	(40,099)
Total other financing sources (uses)	(309,682)	(348,794)	(39,112)
Net change in fund balances	(148,173)	(194,272)	(46,099)
Fund Balances, Beginning	218,134	218,134	-
Fund Balances, Ending	\$ 69,961	\$ 23,862	\$ (46,099)

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) -
 Budget and Actual - TIF District No. 10 - Special Revenue Fund
 Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Taxes	\$ 340,620	\$ 350,782	\$ 10,162
Intergovernmental	30	23,193	23,163
Investment income and miscellaneous	1,000	885	(115)
Total revenues	341,650	374,860	33,210
Expenditures			
Current:			
Community development	1,000	150	850
Debt service:			
Interest and fiscal charges	-	3,413	(3,413)
Total expenditures	1,000	3,563	(2,563)
Excess of revenues over expenditures	340,650	371,297	30,647
Other Financing Sources (Uses)			
Premium on debt	-	30,341	30,341
Transfers out	(289,738)	(287,778)	1,960
Total other financing sources (uses)	(289,738)	(257,437)	32,301
Net change in fund balances	50,912	113,860	62,948
Fund Balances (Deficit), Beginning	(156,078)	(156,078)	-
Fund Balances (Deficit), Ending	<u>\$ (105,166)</u>	<u>\$ (42,218)</u>	<u>\$ 62,948</u>

City of Neenah**Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) -**

Budget and Actual - TIF District No.11 - Special Revenue Fund

Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Taxes	\$ 244,101	\$ 251,381	\$ 7,280
Investment income and miscellaneous	-	210	210
Total revenues	244,101	251,591	7,490
Expenditures			
Current:			
Community development	107,500	172,526	(65,026)
Debt service:			
Interest and fiscal charges	-	2,442	(2,442)
Total expenditures	107,500	174,968	(67,468)
Excess of revenues over expenditures	136,601	76,623	(59,978)
Other Financing Sources (Uses)			
Premium on debt	-	21,708	21,708
Transfers out	(47,901)	(48,577)	(676)
Total other financing sources (uses)	(47,901)	(26,869)	21,032
Net change in fund balances	88,700	49,754	(38,946)
Fund Balances (Deficit), Beginning	(90,826)	(90,826)	-
Fund Balances (Deficit), Ending	<u>\$ (2,126)</u>	<u>\$ (41,072)</u>	<u>\$ (38,946)</u>

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) -
Budget and Actual - Community Development Block Grant - Special Revenue Fund
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Intergovernmental	<u>\$ 200,000</u>	<u>\$ 204,613</u>	<u>\$ 4,613</u>
Total revenues	<u>200,000</u>	<u>204,613</u>	<u>4,613</u>
Expenditures			
Current:			
Community development	<u>170,000</u>	<u>124,157</u>	<u>45,843</u>
Excess of revenues over expenditures	<u>30,000</u>	<u>80,456</u>	<u>50,456</u>
Other Financing Uses			
Transfers out	<u>(30,000)</u>	<u>(74,591)</u>	<u>(44,591)</u>
Total other financing uses	<u>(30,000)</u>	<u>(74,591)</u>	<u>(44,591)</u>
Net change in fund balances	-	5,865	5,865
Fund Balances (Deficit), Beginning	<u>(120,896)</u>	<u>(120,896)</u>	<u>-</u>
Fund Balances (Deficit), Ending	<u><u>\$ (120,896)</u></u>	<u><u>\$ (115,031)</u></u>	<u><u>\$ 5,865</u></u>

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Housing and Business Loans - Special Revenue Fund
Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Investment income and miscellaneous	\$ 2,600	\$ 491	\$ (2,109)
Expenditures			
Current:			
Community development	39,160	16,429	22,731
Excess (deficiency) of revenues over expenditures	(36,560)	(15,938)	20,622
Other Financing Sources (Uses)			
Transfers in	25,000	51,456	26,456
Transfers out	(40,000)	(35,000)	5,000
Total other financing sources (uses)	(15,000)	16,456	31,456
Net change in fund balances	(51,560)	518	52,078
Fund Balances, Beginning	491,874	491,874	-
Fund Balances, Ending	<u>\$ 440,314</u>	<u>\$ 492,392</u>	<u>\$ 52,078</u>

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Industrial Development - Special Revenue Fund
Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Intergovernmental	\$ 29,610	\$ 29,401	\$ (209)
Expenditures			
Current:			
Community development	75,000	12,540	62,460
Excess (deficiency) of revenues over expenditures	(45,390)	16,861	62,251
Other Financing Uses			
Transfers out	(5,000)	(5,000)	-
Net change in fund balances	(50,390)	11,861	62,251
Fund Balances, Beginning	109,134	109,134	-
Fund Balances, Ending	<u>\$ 58,744</u>	<u>\$ 120,995</u>	<u>\$ 62,251</u>

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Recycling - Special Revenue Fund
Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Taxes	\$ 362,380	\$ 365,115	\$ 2,735
Intergovernmental	200,000	202,899	2,899
Investment income and miscellaneous	7,430	18,105	10,675
Total revenues	569,810	586,119	16,309
Expenditures			
Current:			
Recycling	553,700	521,274	32,426
Excess of revenues over expenditures	16,110	64,845	48,735
Other Financing Uses			
Transfers out	(30,000)	(30,000)	-
Net change in fund balances	(13,890)	34,845	48,735
Fund Balances, Beginning	283,403	283,403	-
Fund Balances, Ending	<u>\$ 269,513</u>	<u>\$ 318,248</u>	<u>\$ 48,735</u>

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -

Budget and Actual - Health Grants - Special Revenue Fund

Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues	\$ -	\$ -	\$ -
Expenditures	-	-	-
Excess of revenues over expenditures	-	-	-
Other Financing Uses			
Transfers out	(10,000)	(10,000)	-
Net change in fund balances	(10,000)	(10,000)	-
Fund Balances, Beginning	68,859	68,859	-
Fund Balances, Ending	<u>\$ 58,859</u>	<u>\$ 58,859</u>	<u>\$ -</u>

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -

Budget and Actual - Parks and Recreation - Special Revenue Fund

Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Contributions	\$ 45,000	\$ 45,624	\$ 624
Investment income and miscellaneous	3,500	206	(3,294)
Total revenues	48,500	45,830	(2,670)
Expenditures			
Current:			
Parks, recreation and education	40,000	35,100	4,900
Net change in fund balances	8,500	10,730	2,230
Fund Balances, Beginning	359,216	359,216	-
Fund Balances, Ending	\$ 367,716	\$ 369,946	\$ 2,230

City of Neenah**Schedule of Revenues, Expenditures and Changes in Fund Balance -****Budget and Actual - Dial-a-Ride - Special Revenue Fund**

Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Intergovernmental	\$ -	\$ 35,380	\$ 35,380
Contributions	42,000	8,033	(33,967)
Investment income and miscellaneous	10,000	28	(9,972)
Total revenues	52,000	43,441	(8,559)
Expenditures			
Current:			
Community development	48,570	26,252	22,318
Excess of revenues over expenditures	3,430	17,189	13,759
Other Financing Sources (Uses)			
Transfers in	-	12,000	12,000
Transfers out	-	(5,000)	(5,000)
Total other financing sources (uses)	-	7,000	7,000
Net change in fund balances	3,430	24,189	20,759
Fund Balances, Beginning	123,173	123,173	-
Fund Balances, Ending	<u>\$ 126,603</u>	<u>\$ 147,362</u>	<u>\$ 20,759</u>

City of Neenah**Schedule of Revenues, Expenditures and Changes in Fund Balance -****Civic and Social - Special Revenue Fund**

Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Contributions	\$ 25,000	\$ 56,970	\$ 31,970
Investment income and miscellaneous	1,000	61	(939)
Total revenues	26,000	57,031	31,031
Expenditures			
Current:			
Community development	40,000	36,139	3,861
Excess (deficiency) of revenues over expenditures	(14,000)	20,892	34,892
Other Financing Sources (Uses)			
Sale of city property	14,000	9,350	4,650
Transfers out	-	(40,000)	(40,000)
Total other financing sources (uses)	14,000	(30,650)	(35,350)
Net change in fund balances	-	(9,758)	(9,758)
Fund Balances, Beginning	195,271	195,271	-
Fund Balances, Ending	<u>\$ 195,271</u>	<u>\$ 185,513</u>	<u>\$ (9,758)</u>

City of Neenah**Schedule of Revenues, Expenditures and Changes in Fund Balance -****Budget and Actual - Library - Special Revenue Fund**

Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Contributions	\$ 45,000	\$ 54,187	\$ 9,187
Investment income and miscellaneous	50,000	261,272	211,272
Total revenues	95,000	315,459	220,459
Expenditures			
Current:			
Parks, recreation and education	50,000	34,805	15,195
Excess of revenues over expenditures	45,000	280,654	235,654
Other Financing Uses			
Transfers out	-	(19,090)	(19,090)
Net change in fund balances	45,000	261,564	216,564
Fund Balances, Beginning	1,691,664	1,691,664	-
Fund Balances, Ending	<u>\$ 1,736,664</u>	<u>\$ 1,953,228</u>	<u>\$ 216,564</u>

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -

Budget and Actual - Other - Special Revenue Fund

Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Intergovernmental	\$ 6,000	\$ 6,080	\$ 80
Contributions	40,000	19,516	(20,484)
Investment income and miscellaneous	1,000	73	(927)
Total revenues	47,000	25,669	(21,331)
Expenditures			
Current:			
Public safety	45,000	25,302	19,698
Total expenditures	45,000	25,302	19,698
Net change in fund balances	2,000	367	(1,633)
Fund Balances, Beginning	174,229	174,229	-
Fund Balances, Ending	\$ 176,229	\$ 174,596	\$ (1,633)

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Cemetery Perpetual Care - Special Revenue Fund
Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Investment income and miscellaneous	\$ 30,000	\$ 146,794	\$ 116,794
Expenditures			
Capital outlay	20,000	-	20,000
Excess of revenues over expenditures	10,000	146,794	136,794
Other Financing Uses			
Transfers out	-	(34,962)	(34,962)
Net change in fund balances	10,000	111,832	101,832
Fund Balances, Beginning	1,513,327	1,513,327	-
Fund Balances, Ending	<u>\$ 1,523,327</u>	<u>\$ 1,625,159</u>	<u>\$ 101,832</u>

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -

Budget and Actual - Cemetery Flowers - Special Revenue Fund

Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Investment income and miscellaneous	\$ 2,000	\$ 100	\$ (1,900)
Expenditures			
Current:			
Health and welfare	3,500	3,615	(115)
Net change in fund balances	(1,500)	(3,515)	(2,015)
Fund Balances, Beginning	164,871	164,871	-
Fund Balances, Ending	<u>\$ 163,371</u>	<u>\$ 161,356</u>	<u>\$ (2,015)</u>

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Developer Land Sales - Special Revenue Fund
Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Investment income and miscellaneous	\$ 100,000	\$ 39,951	\$ (60,049)
Expenditures			
Current:			
Conservation and development	-	1,188	(1,188)
Excess of revenues over expenditures	100,000	38,763	(61,237)
Other Financing Sources (Uses)			
Transfers in	-	887,000	887,000
Transfers out	(100,000)	(100,000)	-
Total other financing sources (uses)	(100,000)	787,000	887,000
Net change in fund balances	-	825,763	825,763
Fund Balances, Beginning	-	-	-
Fund Balances, Ending	\$ -	\$ 825,763	\$ 825,763

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Alliant Energy PILOT - Special Revenue Fund
Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Intergovernmental	\$ 254,000	\$ 494,534	\$ 240,534
Expenditures			
Current:			
Conservation and development	-	247,267	(247,267)
Excess of revenues over expenditures	254,000	247,267	(6,733)
Other Financing Uses			
Transfers out	(254,000)	(247,267)	6,733
Net change in fund balances	-	-	-
Fund Balances, Beginning	-	-	-
Fund Balances, Ending	\$ -	\$ -	\$ -

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - American Rescue Plan Act - Special Revenue Fund
Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Intergovernmental	\$ -	\$ 1,780	\$ 1,780
Investment income and miscellaneous	-	899	899
Total revenues	-	2,679	2,679
Expenditures			
Current:			
General government	-	2,679	(2,679)
Net change in fund balances	-	-	-
Fund Balances, Beginning	-	-	-
Fund Balances, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -

Budget and Actual - TIF District No. 5 - Capital Projects Fund

Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Investment income and miscellaneous	<u>\$ -</u>	<u>\$ 1,578</u>	<u>\$ 1,578</u>
Expenditures			
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Uses			
Transfers out	<u>-</u>	<u>(222,164)</u>	<u>(222,164)</u>
Net change in fund balances	-	(220,586)	(220,586)
Fund Balances, Beginning	<u>220,586</u>	<u>220,586</u>	<u>-</u>
Fund Balances, Ending	<u><u>\$ 220,586</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (220,586)</u></u>

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -

Budget and Actual - TIF District No. 6 - Capital Projects Fund

Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues	\$ -	\$ -	\$ -
Expenditures	-	-	-
Other Financing Uses			
Transfers out	-	(94,039)	(94,039)
Net change in fund balances	-	(94,039)	(94,039)
Fund Balances, Beginning	94,039	94,039	-
Fund Balances, Ending	<u>\$ 94,039</u>	<u>\$ -</u>	<u>\$ (94,039)</u>

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -

Budget and Actual - TIF District No. 7 - Capital Projects Fund

Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Investment income and miscellaneous	\$ -	\$ 24,660	\$ 24,660
Expenditures			
Capital outlay	598,010	336,533	261,477
Excess (deficiency) of revenues over expenditures	(598,010)	(311,873)	286,137
Other Financing Sources			
Long-term debt issued	435,000	440,000	5,000
Net change in fund balances	(163,010)	128,127	291,137
Fund Balances, Beginning	655,172	655,172	-
Fund Balances, Ending	<u>\$ 492,162</u>	<u>\$ 783,299</u>	<u>\$ 291,137</u>

City of Neenah**Schedule of Revenues, Expenditures and Changes in Fund Balance -****Budget and Actual - TIF District No. 8 - Capital Projects Fund**

Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Intergovernmental	\$ -	\$ 123,000	\$ 123,000
Investment income and miscellaneous	-	125,000	125,000
Total revenues	-	248,000	248,000
Expenditures			
Capital outlay	1,007,058	603,290	403,768
Excess (deficiency) of revenues over expenditures	(1,007,058)	(355,290)	(651,768)
Other Financing Sources			
Long-term debt issued	10,000	15,000	5,000
Transfers in	-	170,000	170,000
Total other financing sources	10,000	185,000	175,000
Net change in fund balances	(997,058)	(170,290)	826,768
Fund Balances, Beginning	2,758,058	2,758,058	-
Fund Balances, Ending	<u>\$ 1,761,000</u>	<u>\$ 2,587,768</u>	<u>\$ 826,768</u>

City of Neenah**Schedule of Revenues, Expenditures and Changes in Fund Balance -****Budget and Actual - TIF District No. 9 - Capital Projects Fund**

Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues	\$ -	\$ -	\$ -
Expenditures			
Capital outlay	42,506	10,879	31,627
Excess (deficiency) of revenues over expenditures	(42,506)	(10,879)	31,627
Other Financing Sources			
Long-term debt issued	15,000	20,000	5,000
Net change in fund balances	(27,506)	9,121	36,627
Fund Balances, Beginning	669,199	669,199	-
Fund Balances, Ending	\$ 641,693	\$ 678,320	\$ 36,627

City of Neenah**Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) -**

Budget and Actual - TIF District No. 10 - Capital Projects Fund

Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues	\$ -	\$ -	\$ -
Expenditures			
Capital outlay	<u>2,646,144</u>	<u>630,317</u>	<u>2,015,827</u>
Excess (deficiency) of revenues over expenditures	<u>(2,646,144)</u>	<u>(630,317)</u>	<u>2,015,827</u>
Other Financing Sources			
Long-term debt issued	<u>610,000</u>	<u>615,000</u>	<u>5,000</u>
Net change in fund balances	(2,036,144)	(15,317)	2,020,827
Fund Balances, Beginning	<u>1,139,363</u>	<u>1,139,363</u>	<u>-</u>
Fund Balances (Deficit), Ending	<u>\$ (896,781)</u>	<u>\$ 1,124,046</u>	<u>\$ 2,020,827</u>

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -

Budget and Actual - TIF District No. 11 - Capital Projects Fund

Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues	\$ -	\$ -	\$ -
Expenditures			
Capital outlay	435,000	71,632	363,368
Excess (deficiency) of revenues over expenditures	(435,000)	(71,632)	363,368
Other Financing Sources			
Long-term debt issued	435,000	440,000	5,000
Net change in fund balances	-	368,368	368,368
Fund Balances, Beginning	55,144	55,144	-
Fund Balances, Ending	\$ 55,144	\$ 423,512	\$ 368,368

City of Neenah**Schedule of Revenues, Expenditures and Changes in Fund Balance -****Budget and Actual - Redevelopment - Capital Projects Fund**

Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues	\$ -	\$ -	\$ -
Expenditures			
Capital Outlay	79,641	2,823	76,818
Excess (deficiency) of revenues over expenditures	(79,641)	(2,823)	76,818
Other Financing Sources (Uses)			
Long-term debt issued	50,000	50,000	-
Transfers out	-	(887,000)	(887,000)
Total other financing sources	50,000	(837,000)	(887,000)
Net change in fund balances	(29,641)	(839,823)	(810,182)
Fund Balances, Beginning	916,438	916,438	-
Fund Balances, Ending	<u>\$ 886,797</u>	<u>\$ 76,615</u>	<u>\$ (810,182)</u>

City of Neenah**Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) -****Budget and Actual - Facilities - Capital Projects Fund**

Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Intergovernmental	\$ -	\$ 296,595	\$ 296,595
Investment income and miscellaneous	187,000	80,000	(107,000)
Total revenues	187,000	376,595	189,595
Expenditures			
Capital outlay	3,127,700	955,263	2,172,437
Excess (deficiency) of revenues over expenditures	(2,940,700)	(578,668)	2,362,032
Other Financing Sources			
Long-term debt issued	1,788,950	1,788,950	-
Transfers in	-	19,090	19,090
Total other financing sources	1,788,950	1,808,040	19,090
Net change in fund balances	(1,151,750)	1,229,372	2,381,122
Fund Balances, Beginning	920,575	920,575	-
Fund Balances (Deficit), Ending	<u>\$ (231,175)</u>	<u>\$ 2,149,947</u>	<u>\$ 2,381,122</u>

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Capital Equipment - Capital Projects Fund
Year Ended December 31, 2021

	Final Budget	Actual	Variance With Final Budget
Revenues			
Intergovernmental	\$ -	\$ 6,117	\$ 6,117
Expenditures			
Capital outlay	2,942,924	1,091,774	1,851,150
Excess (deficiency) of revenues over expenditures	(2,942,924)	(1,085,657)	1,857,267
Other Financing Sources			
Long-term debt issued	2,573,980	2,573,980	-
Transfers in	-	35,000	35,000
Total other financing sources	2,573,980	2,608,980	35,000
Net change in fund balances	(368,944)	1,523,323	1,892,267
Fund Balances, Beginning	748,969	748,969	-
Fund Balances, Ending	<u>\$ 380,025</u>	<u>\$ 2,272,292</u>	<u>\$ 1,892,267</u>

City of Neenah

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Equipment Replacement - Capital Projects Fund
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Investment income and miscellaneous	\$ -	\$ 5,103	\$ 5,103
Expenditures			
Capital outlay	-	10,475	(10,475)
Net change in fund balances	-	(5,372)	(5,372)
Fund Balances, Beginning	<u>7,256</u>	<u>7,256</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 7,256</u>	<u>\$ 1,884</u>	<u>\$ (5,372)</u>

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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 governments on a cost-reimbursement basis.

FLEET MANAGEMENT

To account for service and maintenance performed on all City-owned vehicles and equipment. Revenue is earned through charges for services to affected City departments.

BENEFIT ACCRUAL

To account for collections from City departments and employees used to finance the City's employee fringe benefits plan including health and dental self-insurance programs.

INSURANCE

To account for the provision of casualty insurance and risk protection to the organizations and agencies of the City. All charges and expenses to provide such services are accounted for in this fund.

INFORMATION SYSTEMS

To account for I/T and printing services provided to all city departments and outside entities. Revenue is earned through charges for services to affected City departments and outside entities.

City of Neenah

Combining Statement of Net Position - Internal Service Funds
December 31, 2021

	Fleet Management	Benefit Accrual	Insurance	Information Systems	Totals
Assets					
Current assets:					
Cash and investments	\$ 121,049	\$ 5,239,714	\$ 206,625	\$ 91,509	\$ 5,658,897
Accounts receivable	3,966	3,582	-	13,564	21,112
Inventories	224,031	-	-	-	224,031
Prepaid items	2,258	38,609	-	1,433	42,300
Total current assets	351,304	5,281,905	206,625	106,506	5,946,340
Noncurrent assets:					
Deposit with risk pool	-	-	1,117,155	-	1,117,155
Total noncurrent assets	-	-	1,117,155	-	1,117,155
Total assets	351,304	5,281,905	1,323,780	106,506	7,063,495
Liabilities and Net Position					
Current liabilities:					
Accounts payable	63,030	304,854	6,739	10,476	385,099
Claims payable	-	20,000	-	-	20,000
Other accrued liabilities	15,156	-	-	20,161	35,317
Unearned revenue	-	20,199	-	-	20,199
Compensated absences payable	-	1,856,042	-	-	1,856,042
Total current liabilities	78,186	2,201,095	6,739	30,637	2,316,657
Noncurrent liabilities:					
Compensated absences payable	-	940,908	-	-	940,908
Total noncurrent liabilities	-	940,908	-	-	940,908
Total liabilities	78,186	3,142,003	6,739	30,637	3,257,565
Net Position					
Unrestricted	273,118	2,139,902	1,317,041	75,869	3,805,930
Total net position	\$ 273,118	\$ 2,139,902	\$ 1,317,041	\$ 75,869	\$ 3,805,930

City of Neenah**Combining Statement of Revenues, Expenses and Changes in Net Position -**

Internal Service Funds

Year Ended December 31, 2021

	Fleet Management	Benefit Accrual	Insurance	Information Systems	Total
Operating Revenues					
Charges for services	\$ 710,681	\$ 8,545,450	\$ 70,000	\$ 921,356	\$ 10,247,487
Total revenues	710,681	8,545,450	70,000	921,356	10,247,487
Operating Expenses					
Information technology	-	-	-	774,070	774,070
Retirement system expense	-	3,884,072	-	-	3,884,072
Public works	717,414	-	-	-	717,414
Health claims and other employee benefits	-	4,339,351	-	-	4,339,351
Contractual services	-	-	60,446	-	60,446
Total operating expenses	717,414	8,223,423	60,446	774,070	9,775,353
Operating income (loss)	(6,733)	322,027	9,554	147,286	472,134
Nonoperating Revenues					
Intergovernmental	-	20,914	-	-	20,914
Net income (loss) before transfers	(6,733)	342,941	9,554	147,286	493,048
Transfers Out	-	(265,000)	-	(160,000)	(425,000)
Change in net position	(6,733)	77,941	9,554	(12,714)	68,048
Total Net Position, Beginning	279,851	2,061,961	1,307,487	88,583	3,737,882
Total Net Position, Ending	<u>\$ 273,118</u>	<u>\$ 2,139,902</u>	<u>\$ 1,317,041</u>	<u>\$ 75,869</u>	<u>\$ 3,805,930</u>

City of Neenah

Combining Statement of Cash Flows

Internal Service Funds

Year Ended December 31, 2021

	Fleet Management	Benefit Accrual	Insurance	Information Systems	Total
Cash Flows From Operating Activities					
Received from other funds of the city	\$ 709,871	\$ 8,547,547	\$ 70,000	\$ 923,600	\$ 10,251,018
Paid to suppliers for goods and services	(181,610)	(8,244,780)	(54,247)	(121,726)	(8,602,363)
Paid to employees	(510,284)	-	-	(630,760)	(1,141,044)
Net cash provided (used) by operating activities	17,977	302,767	15,753	171,114	507,611
Cash Flows From Noncapital Financing Activities					
Intergovernmental	-	20,914	-	-	20,914
Transfers out	-	(265,000)	-	(160,000)	(425,000)
Net cash provided (used) by noncapital financing activities	-	(244,086)	-	(160,000)	(404,086)
Net increase (decrease) in cash and cash equivalents	17,977	58,681	15,753	11,114	103,525
Cash and Cash Equivalents, Beginning	103,072	5,181,033	190,872	80,395	5,555,372
Cash and Cash Equivalents, Ending	<u>\$ 121,049</u>	<u>\$ 5,239,714</u>	<u>\$ 206,625</u>	<u>\$ 91,509</u>	<u>\$ 5,658,897</u>
Reconciliation of Operating Income (Loss) to Net Cash From Operating Activities					
Operating income (loss)	\$ (6,733)	\$ 322,027	\$ 9,554	\$ 147,286	\$ 472,134
Adjustments to operating income (loss) to net cash flows from operating activities:					
Change in assets and liabilities:					
Accounts receivable	(810)	6,875	-	2,244	8,309
Inventories	(27,622)	-	-	-	(27,622)
Prepaid items	(2,214)	3,146	-	22,529	23,461
Accounts payable	55,356	11,653	6,199	(3,183)	70,025
Compensated absences	-	(36,156)	-	2,238	(33,918)
Unearned revenue	-	(4,778)	-	-	(4,778)
Net cash flows from operating activities	<u>\$ 17,977</u>	<u>\$ 302,767</u>	<u>\$ 15,753</u>	<u>\$ 171,114</u>	<u>\$ 507,611</u>
Noncash Activities					
None					

CUSTODIAL FUNDS

Custodial funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, or other government units.

ADVANCE TAX COLLECTIONS

To account for the advance City collections of property taxes and the corresponding liability to other governmental units.

MUNICIPAL COURT

To account for the receipts and disbursements of the Menasha-Neenah Joint Municipal Court.

NEENAH-MENASHA FIRE RESCUE

To account for the assets and liabilities for the Neenah-Menasha Fire Rescue.

City of Neenah

Combining Statement of Fiduciary Net Position

Custodial Funds

December 31, 2021

	Custodial Funds			Total
	Tax Collection	Municipal Court	Neenah-Menasha Fire Rescue	
Assets				
Cash and investments	\$ 25,110,521	\$ 100	\$ 1,154,810	\$ 26,265,431
Property taxes receivable	4,453,394	-	-	4,453,394
Accounts receivable	-	569	17,952	18,521
Total assets	<u>\$ 29,563,915</u>	<u>\$ 669</u>	<u>\$ 1,172,762</u>	<u>\$ 30,737,346</u>
Liabilities				
Accounts payable	9,016	\$ 9,865	\$ 37,411	\$ 56,292
Accrued liabilities	-	2,424	1,207,492	1,209,916
Deposits	-	-	58,081	58,081
Due to other governmental units	29,554,899	362,106	-	29,917,005
Total liabilities	<u>29,563,915</u>	<u>374,395</u>	<u>1,302,984</u>	<u>31,241,294</u>
Net Position (Deficit)	<u>\$ -</u>	<u>\$ (373,726)</u>	<u>\$ (130,222)</u>	<u>\$ (503,948)</u>

City of Neenah**Combining Statement of Changes in Fiduciary Net Position****Custodial Funds**

Year Ended December 31, 2021

	Custodial Funds			
	Tax Collection	Municipal Court	Neenah- Menasha Fire Rescue	Total
Additions				
Property taxes collected for other governments:				
County	\$ 10,304,903	\$ -	\$ -	\$ 10,304,903
School District	16,917,147	-	-	16,917,147
Technical College	2,144,306	-	-	2,144,306
Court fines and penalties	-	345,408	-	345,408
Neenah subsidy	-	10,000	-	10,000
Neenah fire protection fees collected	-	-	5,264,811	5,264,811
Menasha fire protection fees collected	-	-	3,546,503	3,546,503
Investment income	-	-	753	753
Sale of property	-	-	122	122
Total additions	29,366,356	355,408	8,812,189	38,533,953
Deductions				
Property taxes distributed to other governments:				
County	10,304,903	-	-	10,304,903
School District	16,917,147	-	-	16,917,147
Technical College	2,144,306	-	-	2,144,306
Municipal court fines and penalties distributed	-	381,806	-	381,806
Fire protection fees distributed	-	-	8,925,915	8,925,915
Total deductions	29,366,356	381,806	8,925,915	38,674,077
Change in fiduciary net position	-	(26,398)	(113,726)	(140,124)
Net Position (Deficit), Beginning	-	(347,328)	(16,496)	(363,824)
Net Position (Deficit), Ending	\$ -	\$ (373,726)	\$ (130,222)	\$ (503,948)

Menasha-Neenah Municipal Court

Operating Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

Year Ended December 31, 2021

Revenues

Court fines and penalties:

City of Neenah \$ 213,937

City of Menasha 131,471

Subtotal 345,408

Reduction of deficit:

City of Neenah 10,000

Total revenues 355,408

Expenditures

Salaries 86,949

Fringes 22,061

School/Seminars/Training 752

Postage and printing 1,642

Audit services 1,700

Telephone 370

Dues and memberships 820

Debit card services 722

Office supplies 784

I/S services 9,500

Software maintenance 5,946

Transfers 195

City of Menasha 48,695

State of Wisconsin 88,846

Winnebago County 35,741

City of Neenah 77,083

Total expenditures 381,806

Expenditures over (under) revenues (26,398)

Fund Balance (Deficit), Beginning (347,328)

Fund Balance (Deficit), Ending \$ (373,726)

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
Year Ended December 31, 2021

Cash Balance, Beginning	\$ 1,851,654
Cash Collections	
Fire protection fees:	
City of Neenah	5,264,811
City of Menasha	<u>3,546,503</u>
Subtotal	<u>8,811,314</u>
Interest on investments	753
Sale of property	<u>122</u>
Total cash collections	<u>8,812,189</u>
Cash Disbursements	
Salaries	5,812,616
Fringes	2,318,554
School/seminars/training	16,389
Dues and memberships	1,644
Employee recognition awards	845
Conferences and meetings	1,347
Clothing allowance	36,984
Postage	533
Insurance	54,582
Office supplies	2,082
Safety and other supplies	7,797
Protective equipment	82,873
All other equipment	67,354
Maintenance of software and hardware	38,136
Maintenance of PPE/SCBA	7,814
Computer hardware and software and printers/copiers	10,594
Electricity	51,842
Natural gas	20,701
Telephone and cell phone	9,221
Utilities	14,694
Outside services	28,385
Professional services	16,177
Gasoline and oil	29,719
Vehicles	44,337
Equipment maintenance and rental	12,264
Other facility outlay	6,995
Cleaning	11,238
Finance services	25,750
I/S services	122,300
HR services	60,000
Miscellaneous	<u>12,148</u>
Total cash disbursements	<u>8,925,915</u>
Collections over (under) disbursements	<u>(113,726)</u>
Reconciling items to account for conversion from modified accrual to cash basis:	
Change in accounts receivable and prepaid items	(10,658)
Change in accounts payable	225
Change in accrued liabilities	(587,525)
Change in deposits	<u>14,840</u>
Total reconciling items	<u>(583,118)</u>
Cash Balance, Ending	<u>1,154,810</u>
Cash assigned for:	
Distribution back to Neenah:	
2021 operating funds not spent	(77,222)
Distribution back to Menasha:	
2021 operating funds not spent	(53,000)
Distribution of future benefits	1,247,621
Payment of outstanding vendor invoices	<u>37,411</u>
	<u>\$ 1,154,810</u>

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, 2021

TIF District No. 5 Fund

Total Authorizations	\$ 7,872,808
Revenues and Other Financing Sources	
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	150,000
Total revenues and other financing sources	\$ 8,403,179
Expenditures and Other Financing Uses	
Capital improvements	\$ 8,100,202
Transfers out	302,977
Total expenditures and other financing uses	\$ 8,403,179
Fund Balance, December 31, 2021	\$ -

TIF District No. 6 Fund

Total Authorizations	\$ 4,738,836
Revenues and Other Financing Sources	
Intergovernmental	\$ 72,597
Long-term debt issued	5,807,041
Sales of city properties	216,648
Total revenues and other financing sources	\$ 6,096,286
Expenditures and Other Financing Uses	
Capital improvements	\$ 4,249,271
Transfers out	1,847,015
Total expenditures and other financing uses	\$ 6,096,286
Fund Balance, December 31, 2021	\$ -

City of Neenah

Project-Length Schedule of Construction Projects
Beginning of Project to December 31, 2021

TIF District No. 7 Fund

Total Authorizations	\$ 13,385,000
Revenues and Other Financing Sources	
Intergovernmental	\$ 147,236
Special assessments	58,049
Contributions	2,510
Investment income and miscellaneous	109,343
Long-term debt issued	19,175,900
Sales of city properties	42,678
	<u>19,535,716</u>
Total revenues and other financing sources	<u>\$ 19,535,716</u>
Expenditures	
Capital improvements	\$ 18,652,417
Transfers out	100,000
	<u>18,752,417</u>
Total expenditures and other financing uses	<u>\$ 18,752,417</u>
Fund Balance, December 31, 2021	<u>\$ 783,299</u>

TIF District No. 8 Fund

Total Authorizations	\$ 35,218,850
Revenues and Other Financing Sources	
Intergovernmental	\$ 2,633,578
Contributions	336,414
Investment income and miscellaneous	887,008
Capital lease issued	22,475,000
Long-term debt issued	12,515,556
Transfers in	2,033,813
	<u>40,881,369</u>
Total revenues and other financing sources	<u>\$ 40,881,369</u>
Expenditures and Other Financing Uses	
Capital improvements	\$ 34,306,582
Transfers out	3,987,019
	<u>38,293,601</u>
Total expenditures and other financing uses	<u>\$ 38,293,601</u>
Fund Balance, December 31, 2021	<u>\$ 2,587,768</u>

City of Neenah

Project-Length Schedule of Construction Projects
Beginning of Project to December 31, 2021

TIF District No. 9 Fund

Total Authorizations	<u><u>\$ 1,555,000</u></u>
Other Financing Sources	
Long-term debt issued	\$ 1,805,000
Transfers in	<u>100,000</u>
Total revenues and other financing sources	<u><u>\$ 1,905,000</u></u>
Expenditures	
Capital improvements	<u><u>\$ 1,226,680</u></u>
Fund Balance, December 31, 2021	<u><u>\$ 678,320</u></u>

TIF District No. 10 Fund

Total Authorizations	<u><u>\$ 2,355,000</u></u>
Revenues and Other Financing Sources	
Intergovernmental	\$ 470,883
Contributions	544,272
Investment income and miscellaneous	131,196
Long-term debt issued	4,785,000
Transfers in	<u>416,000</u>
Total revenues and other financing sources	<u><u>\$ 6,347,351</u></u>
Expenditures	
Capital improvements	<u><u>\$ 5,223,305</u></u>
Fund Balance, December 31, 2021	<u><u>\$ 1,124,046</u></u>

City of Neenah

Project-Length Schedule of Construction Projects
Beginning of Project to December 31, 2021

TIF District No. 11 Fund

Total Authorizations	<u><u>\$ 955,960</u></u>
Revenues and Other Financing Sources	
Long-term debt issued	<u><u>\$ 605,000</u></u>
Expenditures	
Capital improvements	<u><u>\$ 181,488</u></u>
Fund Balance, December 31, 2021	<u><u>\$ 423,512</u></u>

Community Development Authority of the City of Neenah

Statement of Cash Flows

Component Unit

Year Ended December 31, 2021

Cash Flows From Capital and Related Financing Activities

Principal received on lease receivable from primary government	\$ 1,081,179
Principal paid on lease revenue bonds	(1,170,000)
Interest and fiscal charges paid on lease revenue bonds	<u>(676,918)</u>

Net cash flows from capital and related financing activities	<u>(765,739)</u>
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Cash Flows From Investing Activities

Investment income	<u>765,764</u>
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Net cash flows from investing activities	<u>765,764</u>
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Net increase (decrease) in cash and cash equivalents	25
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Cash and Cash Equivalents, Beginning	<u>2,161,043</u>
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Cash and Cash Equivalents, Ending	<u><u>\$ 2,161,068</u></u>
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Reconciliation of Cash and Cash Equivalents to the Statement of Net Position

Restricted cash and investments	<u>\$ 2,161,068</u>
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Cash and Cash Equivalents, Ending	<u><u>\$ 2,161,068</u></u>
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Noncash Financing Activity

Amortization of loss on advance refunding	<u><u>\$ (88,821)</u></u>
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CITY OF NEENAH, WISCONSIN
Introduction to the Statistical Section
December 31, 2021

STATISTICAL SECTION

This part of the City's Annual Comprehensive Financial 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.	133 – 138
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.	139 – 142
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.	143 – 147
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.	148 – 150
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.	151 – 152

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

Schedule 1

**City of Neenah, Wisconsin
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities									
Net investment in capital assets	\$ 81,646,601	\$ 81,134,838	\$ 83,027,527	\$ 82,609,149	\$ 81,963,772	\$ 82,299,995	\$ 84,936,057	\$ 85,413,763	\$ 88,150,373
Restricted	4,075,167	4,122,877	7,827,128	12,061,179	8,897,303	10,184,992	13,961,930	11,453,332	16,264,632
Unrestricted (deficit)	(7,911,929)	(5,474,461)	(9,643,670)	(6,549,356)	(1,252,548)	(1,049,629)	(6,491,992)	(984,335)	(7,303,654)
Total governmental activities net position	77,809,839	79,783,254	81,210,985	88,120,972	89,608,527	91,435,358	92,405,995	95,882,760	97,111,351
Business-Type Activities									
Net investment in capital assets	44,548,856	46,259,804	47,296,614	48,640,340	50,651,559	52,210,224	55,269,145	59,349,147	62,424,386
Restricted	1,431,753	1,232,260	1,273,145	1,696,318	1,284,674	1,282,390	1,580,378	1,332,408	1,676,640
Unrestricted	10,063,882	9,984,282	11,025,769	12,437,647	12,954,279	14,476,652	14,567,970	14,400,555	14,755,136
Total business-type activities net position	56,044,491	57,476,346	59,595,528	62,774,305	64,890,512	67,969,266	71,417,493	75,082,110	78,856,162
Primary Government									
Net investment in capital assets	124,804,227	126,159,388	129,212,427	130,261,286	131,750,638	133,769,037	139,563,761	144,221,208	149,737,986
Restricted	5,506,920	5,355,137	9,100,273	13,757,497	10,181,977	11,467,382	15,542,308	12,785,740	17,941,272
Unrestricted	3,543,183	5,745,075	2,493,813	6,876,494	12,566,424	14,168,205	8,717,419	13,957,922	8,288,255
Total primary government activities net position	\$ 133,854,330	\$ 137,259,600	\$ 140,806,513	\$ 150,895,277	\$ 154,499,039	\$ 159,404,624	\$ 163,823,488	\$ 170,964,870	\$ 175,967,513

Schedule 2

City of Neenah, Wisconsin
Change in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2013	2014	2015	2016
Expenses					
Governmental activities:					
General government	\$ 2,362,306	\$ 2,648,878	\$ 2,630,760	\$ 2,570,344	\$ 2,217,050
Public safety	10,970,949	10,522,364	11,754,383	11,031,978	11,928,496
Public works	7,491,434	7,785,260	6,956,331	8,195,235	8,566,701
Recycling	477,741	510,705	549,003	513,724	454,962
Parks, recreation & education	4,312,726	3,984,727	4,813,270	4,904,368	4,576,920
Health & welfare	365,020	34,679	10,335	7,345	14,016
Community development	1,622,521	1,511,981	1,867,479	2,037,299	2,083,869
Interest & fiscal charges	2,768,349	3,074,953	1,934,432	2,052,080	1,853,374
Total Governmental Activities Expenses	30,371,046	30,073,547	30,515,993	31,312,373	31,695,388
Business-type activities:					
Water utility	5,729,773	5,977,085	5,640,643	5,227,739	5,294,514
Sewerage disposal utility	2,567,948	3,340,100	2,982,985	3,172,687	3,476,331
Stormwater utility	1,038,419	1,276,294	1,143,761	1,079,751	1,239,923
Other proprietary fund	218,765	250,744	283,933	260,187	210,091
Total Business-type Activities Expenses	9,554,905	10,844,223	10,051,322	9,740,364	10,220,859
Total Primary Government Expenses	<u>\$ 39,925,951</u>	<u>\$ 40,917,770</u>	<u>\$ 40,567,315</u>	<u>\$ 41,052,737</u>	<u>\$ 41,916,247</u>
Program Revenues					
Governmental activities:					
Charges for services:	\$ 3,337,909	\$ 3,131,765	\$ 3,134,271	\$ 3,284,555	\$ 3,374,019
Operating grants and contributions	721,953	984,782	1,482,908	907,845	1,039,892
Capital grants and contributions	1,773,195	946,701	247,080	824,983	762,455
Total Governmental Activities Program Revenues	5,833,057	5,063,248	4,864,259	5,017,383	5,176,366
Business-type activities:					
Charges for services:					
Water utility	9,143,821	8,343,050	8,000,288	7,986,324	7,968,827
Sewerage disposal utility	3,669,835	3,999,498	4,127,959	4,319,189	4,390,824
Stormwater utility	1,680,337	1,693,528	1,690,301	1,720,630	1,725,929
Other proprietary fund	260,027	290,886	341,840	305,570	261,478
Total Charges for Services	14,754,020	14,326,962	14,160,388	14,331,713	14,347,058
Operating grants and contributions	-	-	63,340	-	-
Capital grants and contributions	(245,447)	157,112	129,041	322,480	521,783
Total Business-type Activities Program Revenues	14,508,573	14,484,074	14,352,769	14,654,193	14,868,841
Total Primary Government Program Revenues	<u>\$ 20,341,630</u>	<u>\$ 19,547,322</u>	<u>\$ 19,217,028</u>	<u>\$ 19,671,576</u>	<u>\$ 20,045,207</u>
Net (Expenses)/Revenue					
Governmental activities	(\$24,537,989)	(\$25,010,299)	(\$25,651,734)	(\$26,294,990)	(\$26,519,022)
Business-type activities	4,953,668	3,639,851	4,301,447	4,913,829	4,647,982
Total primary government net expense	<u>(\$19,584,321)</u>	<u>(\$21,370,448)</u>	<u>(\$21,350,287)</u>	<u>(\$21,381,161)</u>	<u>(\$21,871,040)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Property taxes	\$ 18,706,015	\$ 19,658,906	\$ 19,655,740	\$ 20,244,744	\$ 20,452,731
Other taxes	32,021	11,925	11,741	13,082	13,467
Intergovernmental revenues not restricted to specific programs	3,605,254	3,915,415	3,947,213	3,962,895	4,044,741
Public gifts and/or grants	-	-	-	-	-
Investment income	405,024	226,475	367,437	197,483	406,271
Miscellaneous	765,047	883,270	841,591	647,320	488,256
Transfers	2,295,402	2,287,723	2,255,743	2,338,365	2,601,111
Total Governmental Activities	<u>\$ 25,808,763</u>	<u>\$ 26,983,714</u>	<u>\$ 27,079,465</u>	<u>\$ 27,403,889</u>	<u>\$ 28,006,577</u>
Business-type Activities:					
Other taxes	\$ 71,800	\$ 50,000	\$ 20,000	\$ 20,000	\$ -
Investment income	31,566	26,120	45,315	40,773	79,072
Gain on sale of capital asset/miscellaneous	8,529	3,607	8,163	1,282	(9,736)
Miscellaneous	-	-	-	-	-
Transfers	(2,295,402)	(2,287,723)	(2,255,743)	(2,338,365)	(2,601,111)
Total Business-type Activities	<u>(2,183,507)</u>	<u>(2,207,996)</u>	<u>(2,182,265)</u>	<u>(2,276,310)</u>	<u>(2,531,775)</u>
Total Primary Government	<u>\$ 23,625,256</u>	<u>\$ 24,775,718</u>	<u>\$ 24,897,200</u>	<u>\$ 25,127,579</u>	<u>\$ 25,474,802</u>
Change in Net Position					
Governmental activities	\$ 1,270,774	\$ 1,973,415	\$ 1,427,731	\$ 1,108,899	\$ 1,487,555
Business-type activities	2,770,161	1,431,855	2,119,182	2,637,519	2,116,207
Total Primary Government Change in Net Position	<u>\$ 4,040,935</u>	<u>\$ 3,405,270</u>	<u>\$ 3,546,913</u>	<u>\$ 3,746,418</u>	<u>\$ 3,603,762</u>

Schedule 2

City of Neenah, Wisconsin
Change in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2017	2018	2019	2020	2021
Expenses					
Governmental activities:					
General government	\$ 2,344,268	\$ 2,585,411	\$ 2,916,181	\$ 3,094,643	\$ 2,910,977
Public safety	11,970,148	11,526,125	12,309,336	11,544,084	10,689,734
Public works	9,407,358	10,333,099	10,283,291	10,565,662	8,094,930
Recycling	486,056	503,160	397,067	439,983	460,715
Parks, recreation & education	3,297,219	3,500,210	3,603,682	4,362,479	5,651,893
Health & welfare	15,338	5,657	16,347	6,377	-
Community development	2,979,032	3,426,866	2,690,558	2,272,604	2,504,816
Interest & fiscal charges	1,988,522	1,830,239	1,837,708	1,943,731	1,783,064
Total Governmental Activities Expenses	32,487,941	33,710,767	34,054,170	34,229,563	32,096,129
Business-type activities:					
Water utility	4,994,625	4,675,013	4,606,222	5,011,226	4,592,685
Sewerage disposal utility	3,248,365	3,457,713	3,526,473	3,940,328	4,107,432
Stormwater utility	1,206,662	1,166,081	1,317,053	1,226,011	1,235,640
Other proprietary fund	242,587	241,988	259,697	236,414	229,973
Total Business-type Activities Expenses	9,692,239	9,540,795	9,709,445	10,413,979	10,165,730
Total Primary Government Expenses	<u>\$ 42,180,180</u>	<u>\$ 43,251,562</u>	<u>\$ 43,763,615</u>	<u>\$ 44,643,542</u>	<u>\$ 42,261,859</u>
Program Revenues					
Governmental activities:					
Charges for services:	\$ 3,602,489	\$ 3,763,445	\$ 4,083,934	\$ 3,755,313	\$ 4,140,912
Operating grants and contributions	1,116,518	1,282,215	1,185,457	1,150,882	1,214,850
Capital grants and contributions	898,998	1,968,844	3,376,570	1,814,224	8,683,322
Total Governmental Activities Program Revenues	5,618,005	7,014,504	8,645,961	6,720,419	14,039,084
Business-type activities:					
Charges for services:					
Water utility	7,982,137	8,088,402	8,011,790	8,145,741	8,270,528
Sewerage disposal utility	4,498,152	4,483,909	4,650,553	4,664,452	4,787,493
Stormwater utility	1,725,792	1,731,216	1,756,995	1,771,591	1,770,016
Other proprietary fund	292,694	328,537	277,133	257,234	291,148
Total Charges for Services	14,498,775	14,632,064	14,696,471	14,839,018	15,119,185
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	581,956	417,035	705,528	1,467,208	1,112,156
Total Business-type Activities Program Revenues	15,080,731	15,049,099	15,401,999	16,306,226	16,231,341
Total Primary Government Program Revenues	<u>\$ 20,698,736</u>	<u>\$ 22,063,603</u>	<u>\$ 24,047,960</u>	<u>\$ 23,026,645</u>	<u>\$ 30,270,425</u>
Net (Expenses)/Revenue					
Governmental activities	(\$26,869,936)	(\$26,696,263)	(\$25,408,209)	(\$27,509,144)	(\$18,057,045)
Business-type activities	5,388,492	5,508,304	5,692,554	5,892,247	6,065,611
Total primary government net expense	<u>(\$21,481,444)</u>	<u>(\$21,187,959)</u>	<u>(\$19,715,655)</u>	<u>(\$21,616,897)</u>	<u>(\$11,991,434)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Property taxes	\$ 20,893,503	\$ 21,559,906	\$ 21,940,607	\$ 21,868,721	\$ 23,321,284
Other taxes	5,323	11,215	7,518	16,145	64,289
Intergovernmental revenues not restricted to specific programs	3,998,979	2,824,481	2,948,962	3,454,315	3,477,124
Public gifts and/or grants	-	-	-	-	95,343
Investment income	504,920	385,998	1,280,603	820,193	719,406
Miscellaneous	829,687	550,608	351,116	354,525	282,009
Transfers	2,464,355	2,334,692	2,356,168	2,223,836	2,519,405
Total Governmental Activities	<u>\$ 28,696,767</u>	<u>\$ 27,666,900</u>	<u>\$ 28,884,974</u>	<u>\$ 28,737,735</u>	<u>\$ 30,478,860</u>
Business-type Activities:					
Other taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	133,913	239,922	283,506	72,254	32,642
Gain on sale of capital asset/miscellaneous	2,245	3,300	8,000	966	-
Miscellaneous	18,459	31,393	36,725	32,421	33,280
Transfers	(2,464,355)	(2,334,692)	(2,356,168)	(2,223,836)	(2,519,405)
Total Business-type Activities	<u>(2,309,738)</u>	<u>(2,060,077)</u>	<u>(2,027,937)</u>	<u>(2,118,195)</u>	<u>(2,453,483)</u>
Total Primary Government	<u>\$ 26,387,029</u>	<u>\$ 25,606,823</u>	<u>\$ 26,857,037</u>	<u>\$ 26,619,540</u>	<u>\$ 28,025,377</u>
Change in Net Position					
Governmental activities	\$ 1,826,831	\$ 970,637	\$ 3,476,765	\$ 1,228,591	\$ 12,421,815
Business-type activities	3,078,754	3,448,227	3,664,617	3,774,052	3,612,128
Total Primary Government Change in Net Position	<u>\$ 4,905,585</u>	<u>\$ 4,418,864</u>	<u>\$ 7,141,382</u>	<u>\$ 5,002,643</u>	<u>\$ 16,033,943</u>

Schedule 3

**City of Neenah, Wisconsin
Program Revenues by Function/Program
Last Ten Fiscal Years
(accrual basis of accounting)**

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities:										
General government	\$ 739,512	\$ 729,554	\$ 773,523	\$ 786,360	\$ 834,436	\$ 833,056	\$ 937,286	\$ 954,771	\$ 918,383	\$ 910,075
Public safety	470,230	476,169	548,888	425,738	492,683	523,093	660,514	599,764	395,941	410,429
Public works	505,609	677,605	304,100	538,767	883,295	668,789	1,960,556	3,890,704	2,429,707	1,915,238
Recycling	341,024	496,902	477,051	507,510	526,148	555,042	571,193	569,375	536,974	565,659
Parks, recreation & education	1,962,575	1,515,604	1,723,505	2,005,106	1,578,062	2,093,642	1,906,401	1,774,085	1,372,080	9,101,985
Health & welfare	195,917	79,282	67,525	70,320	79,442	85,141	89,046	60,698	88,460	141,370
Community development	1,618,190	1,088,132	969,667	683,582	782,300	859,242	889,508	796,564	978,874	994,328
Total Governmental Activities Program Revenues	5,833,057	5,063,248	4,864,259	5,017,383	5,176,366	5,618,005	7,014,504	8,645,961	6,720,419	14,039,084
Business-type activities:										
Water utility	8,856,374	8,360,827	8,015,556	8,064,463	8,061,895	8,109,132	8,203,327	8,229,192	8,577,990	8,700,206
Sewerage disposal utility	3,709,635	4,137,075	4,240,051	4,518,612	4,730,345	4,821,540	4,767,627	4,950,477	5,232,528	5,295,138
Stormwater utility	1,682,537	1,695,286	1,755,322	1,765,548	1,815,123	1,857,365	1,749,608	1,945,197	2,238,474	1,944,849
Other proprietary fund	260,027	290,886	341,840	305,570	261,478	292,694	328,537	277,133	257,234	291,148
Total Business-type Activities Program Revenues	14,508,573	14,484,074	14,352,769	14,654,193	14,868,841	15,080,731	15,049,099	15,401,999	16,306,226	16,231,341
Total Primary Government Program Revenues	\$ 20,341,630	\$ 19,547,322	\$ 19,217,028	\$ 19,671,576	\$ 20,045,207	\$ 20,698,736	\$ 22,063,603	\$ 24,047,960	\$ 23,026,645	\$ 30,270,425

Schedule 4

City of Neenah, Wisconsin
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	\$ 213,867	\$ 100,257	\$ 131,047	\$ 162,307	\$ 69,083	\$ 49,991	\$ 44,317	\$ 49,844	\$ 46,010	\$ 12,521
Assigned	117,790	74,421	134,959	286,201	292,010	361,836	337,019	359,735	321,402	269,967
Unassigned	3,621,301	3,782,035	3,747,098	3,692,608	3,825,574	3,978,169	4,220,834	4,579,334	5,026,480	5,060,058
Total General Fund	<u>3,952,958</u>	<u>3,956,713</u>	<u>4,013,104</u>	<u>4,141,116</u>	<u>4,186,667</u>	<u>4,389,996</u>	<u>4,602,170</u>	<u>4,988,913</u>	<u>5,393,892</u>	<u>5,342,546</u>
Other Governmental Funds										
Nonspendable	4,403,864	892,229	1,300,465	2,211	21,805	113,987	2,181	884	50,688	541,056
Restricted	6,815,761	8,318,015	10,270,257	13,200,197	12,821,308	12,676,160	13,057,710	17,924,259	19,251,761	22,939,969
Committed	998,859	1,135,457	1,057,197	1,098,278	1,064,595	1,093,222	1,197,580	1,421,084	1,409,297	2,303,779
Assigned	658,786	4,119,924	3,242,555	4,791,949	4,970,016	5,008,135	4,746,759	4,578,494	4,945,583	3,900,853
Unassigned (deficit)	(8,030,941)	(6,019,537)	(7,388,808)	(7,985,646)	(6,355,929)	(7,368,254)	(9,252,739)	(7,626,671)	(8,164,562)	(7,882,370)
Total Other Governmental Funds	<u>4,846,329</u>	<u>8,446,088</u>	<u>8,481,666</u>	<u>11,106,989</u>	<u>12,521,795</u>	<u>11,523,250</u>	<u>9,751,491</u>	<u>16,298,050</u>	<u>17,492,767</u>	<u>21,803,287</u>
Total All Governmental Funds	<u>\$ 8,799,287</u>	<u>\$ 12,402,801</u>	<u>\$ 12,494,770</u>	<u>\$ 15,248,105</u>	<u>\$ 16,708,462</u>	<u>\$ 15,913,246</u>	<u>\$ 14,353,661</u>	<u>\$ 21,286,963</u>	<u>\$ 22,886,659</u>	<u>\$ 27,145,833</u>

Schedule 5
City of Neenah, Wisconsin
Change in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes	\$ 18,593,242	\$ 19,897,356	\$ 19,929,065	\$ 20,551,635	\$ 20,807,131	\$ 21,241,305	\$ 21,907,266	\$ 22,322,910	\$ 22,228,779	\$ 23,764,122
Intergovernmental	5,739,668	5,311,539	5,250,974	5,261,598	5,015,672	5,315,423	5,341,364	5,508,860	5,688,604	5,994,820
Licenses and permits	381,153	277,171	243,559	338,491	283,649	322,829	326,303	303,965	359,197	324,818
Fines, forfeitures and penalties	130,272	108,058	92,372	83,306	83,922	86,218	103,068	99,141	69,050	81,426
Special assessments	391,991	339,146	244,090	255,338	471,314	438,901	360,132	978,828	206,590	161,016
Charges for services	2,501,628	2,534,198	2,590,284	2,676,479	2,706,577	2,742,980	2,774,532	3,168,221	2,903,171	3,314,067
Contributions	365,507	211,523	315,592	160,646	124,951	114,844	275,439	638,996	77,272	276,839
Investment income and miscellaneous	1,238,270	965,633	1,116,355	709,376	812,239	1,314,997	1,091,813	1,792,595	1,159,003	1,213,042
Total revenues	29,341,731	29,644,624	29,782,291	30,036,869	30,305,455	31,577,497	32,179,917	34,813,516	32,691,666	35,130,150
Expenditures by Function										
General government	2,076,328	2,133,309	2,257,794	2,177,819	2,333,870	2,470,604	2,537,061	2,553,422	2,714,494	2,601,963
Public safety	10,921,135	10,951,421	10,930,803	10,962,262	11,068,765	11,286,286	11,411,822	11,574,740	11,785,627	12,259,747
Public works	4,078,836	4,198,844	4,189,970	4,147,828	4,140,075	4,084,921	4,274,872	4,499,385	4,364,968	4,550,790
Recycling	519,326	546,489	583,230	544,038	511,733	553,674	609,632	460,640	516,693	521,274
Parks, recreation and education	3,804,729	3,901,458	4,065,487	4,094,752	4,226,671	4,138,797	4,295,038	4,393,453	4,354,705	4,527,109
Health and welfare	386,549	33,752	9,208	3,328	3,291	3,276	3,435	3,388	3,556	3,640
Community development	1,612,638	1,465,685	1,820,963	1,981,612	2,020,743	2,136,509	2,503,688	2,569,447	2,147,179	2,238,858
Conservation and development	-	-	-	7,466	263	780,289	150	37,459	87,814	248,455
Other	289,815	276,819	291,005	251,698	292,909	291,559	293,484	298,611	280,810	302,403
Capital Outlay	5,888,869	3,262,846	3,901,278	3,692,981	4,979,179	5,727,550	9,082,437	5,363,708	6,622,854	6,807,337
Debt service										
Principal retirement	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	8,176,740	6,976,580
Interest and fiscal charges	2,571,987	3,723,662	2,037,422	1,988,386	2,253,996	1,880,291	1,930,556	1,865,071	1,905,987	1,948,724
Total expenditures	35,984,678	51,335,571	35,501,980	35,101,427	40,041,330	40,588,564	43,455,250	40,109,944	42,961,427	42,986,880
Excess of Revenues Over(Under) Expenditures	(6,642,947)	(21,690,947)	(5,719,689)	(5,064,558)	(9,735,875)	(9,011,067)	(11,275,333)	(5,296,428)	(10,269,761)	(7,856,730)
Other Financing Sources (Uses)										
Long-term debt issued	4,200,000	3,765,000	3,230,000	6,430,000	4,975,000	3,990,000	6,830,200	7,835,000	8,835,000	8,715,000
Refunding debt issued (principal paid)	4,186,092	7,177,826	-	-	-	5,135,000	-	1,450,000	-	-
Premium (discount) on debt	113,622	365,525	45,318	130,295	97,954	494,332	125,767	266,589	236,969	429,958
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	16,630	70,588	10,597	14,087	22,167	59,789	180,041	101,973	115,226	26,541
Transfers in	5,802,172	5,616,339	6,417,060	8,017,935	8,345,209	7,914,195	7,657,377	7,649,363	7,465,003	9,851,036
Transfers out	(3,063,511)	(2,962,210)	(3,891,317)	(5,514,570)	(5,744,098)	(5,369,885)	(5,077,637)	(5,073,195)	(4,782,741)	(6,906,631)
Total other financing sources (uses)	7,769,040	25,294,461	5,811,658	7,817,893	11,196,232	8,215,851	9,715,748	12,229,730	11,869,457	12,115,904
Net change in fund balances	1,126,093	3,603,514	91,969	2,753,335	1,460,357	(795,216)	(1,559,585)	6,933,302	1,599,696	4,259,174
Fund Balance January 1	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	22,886,659
Fund Balance December 31	\$ 8,799,287	\$ 12,402,801	\$ 12,494,770	\$ 15,248,105	\$ 16,708,462	\$ 15,913,246	\$ 14,353,661	\$ 21,286,963	\$ 22,886,659	\$ 27,145,833
** Ratio of Total Debt Service Expenditures to Total Noncapital Expenditures	20.99%	50.98% a)	23.31%	22.46%	29.20%	26.06%	24.48%	23.54%	26.19%	23.65%

** Total noncapital expenditures includes reconciling items found on page 5 of comprehensive annual financial report.

a). For 2013, total Debt Service Principal Retirement and corresponding calculation of Ratio of Total Debt Service Expenditures to Noncapital 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 Noncapital Expenditures recalculated to 25.92%.

Schedule 6

CITY OF NEENAH, WISCONSIN

ASSESSED AND EQUALIZED VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years¹
(Dollars in Thousands)

Levy Year	Fiscal Year	Real Property <u>Equalized Values</u>			Personal Property <u>Equalized Value</u>		<u>Total</u>		Direct Tax Rate	Percent of Total Assessed to Total Equalized Value
		Residential	Commercial	Manufacturing	Combined Commercial & Mfg.	Equalized (Actual) Value	Assessed Value ²	Total		
2012	2013	1,223,562	403,408	155,476	81,448	1,840,563	1,863,894	24.4422		101.27
2013	2014	1,200,957	403,624	159,953	88,374	1,852,908	1,899,744	23.6533		102.53
2014	2015	1,235,121	418,411	172,767	92,044	1,918,343	1,918,934	23.3602		100.03
2015	2016	1,248,470	420,132	166,506	97,947	1,933,055	1,937,527	23.0892		100.23
2016	2017	1,287,210	435,160	172,050	97,240	1,991,660	1,956,029	22.9818		98.21
2017	2018	1,362,628	466,680	166,631	99,346	2,095,285	1,964,662	23.0578		93.77
2018	2019	1,452,270	502,586	171,531	83,275	2,209,662	1,961,250	23.2996		88.76
2019	2020	1,563,953	546,230	174,404	89,573	2,374,160	2,331,327	20.0135		98.20
2020	2021	1,629,064	554,399	171,581	85,101	2,440,145	2,351,400	21.3570		96.36
2021	2022	1,587,732	531,189	157,986	72,184	2,547,115	2,349,091	21.3154		92.23

¹ Per Wisconsin Department of Revenue/Winnebago County Statistical Report.

² 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 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	General Fund	Debt Service Fund	Recycling Fund	Capital Projects Fund	Parking Fund	IS Fund	TIF Districts Fund	City Total	Neenah School District	Fox Valley Technical College	County & State	Total Gross	State Credit	Total Net
2012	2013	6.63	1.74			0.03		0.80	9.20	8.94	1.97	6.02	26.13	1.38	24.75
2013	2014	6.75	1.73			0.01		0.78	9.27	8.60	1.97	5.74	25.58	1.33	24.25
2014	2015	6.68	1.67			0.01		0.83	9.19	8.55	1.12	5.76	24.62	1.25	23.37
2015	2016	6.71	1.70					0.82	9.23	8.57	1.12	5.61	24.53	1.39	23.14
2016	2017	6.64	1.69					0.83	9.16	8.05	1.11	5.58	23.90	1.33	22.57
2017	2018	6.40	1.62					0.88	8.90	7.75	1.08	5.27	23.00	1.38	21.62
2018	2019	6.18	1.49					0.88	8.55	7.28	1.06	5.07	21.96	1.28	20.68
2019	2020	5.86	1.45					0.73	8.04	6.86	1.02	4.89	20.81	1.17	19.64
2020	2021	5.74	1.48					0.87	8.09	7.84	0.99	4.77	21.69	1.11	20.58
2021	2022	5.61	1.49					0.78	7.88	7.49	0.90	4.48	20.75	1.09	19.66

Per \$1,000 of Assessed Value

Levy Year	Budget Year	General Fund	Debt Service Fund	Recycling Fund	Capital Projects Fund	Parking Fund	IS Fund	TIF Districts Fund	City Total	Neenah School District	Fox Valley Technical College	County & State	Total Gross	State Credit	Total Net
2012	2013	6.55	1.72			0.03		0.79	9.09	8.82	2.11	5.78	25.80	1.36	24.42
2013	2014	6.59	1.69			0.01		0.75	9.04	8.39	1.92	5.60	24.95	1.30	23.65
2014	2015	6.68	1.67			0.01		0.83	9.19	8.55	1.12	5.75	24.61	1.25	23.36
2015	2016	6.70	1.69					0.82	9.21	8.55	1.12	5.60	24.48	1.39	23.09
2016	2017	6.76	1.72					0.85	9.33	8.19	1.14	5.68	24.34	1.36	22.98
2017	2018	6.83	1.72					0.94	9.49	8.26	1.16	5.62	24.53	1.47	23.06
2018	2019	6.97	1.67					0.99	9.63	8.20	1.19	5.72	24.74	1.44	23.30
2019	2020	5.97	1.48					0.75	8.20	6.98	1.04	4.98	21.20	1.19	20.01
2020	2021	5.96	1.53					0.91	8.40	8.14	1.03	4.95	22.52	1.16	21.36
2021	2022	6.08	1.62					0.84	8.54	8.12	0.98	4.86	22.50	1.19	21.31

Schedule 8

CITY OF NEENAH, WISCONSIN

PRINCIPAL TAXPAYERS
2021 AND NINE YEARS PRIOR
December 31, 2021

	Name	Nature of Business	Percent of Total Assessed Value (A)	2021 Assessed Value	2021 Equalized Value
1.	Plexus Corporation	Computer Products & Service	1.38%	\$ 32,389,000	\$ 35,117,641
2.	Neenah Downtown Redevelopment	Commercial Office Space	1.06%	24,804,000	26,893,635
3.	Wright Residential Properties	Rentals	1.04%	24,428,000	26,485,959
4.	Menasha Corporation	Printing & Container Mfg	1.00%	23,544,100	25,527,594
5.	Alta Resources	Telemarketing & Fulfillment	0.90%	21,069,500	22,844,519
6.	Ireit Neenah Fox Point LLC	Grocery/Commercial	0.67%	15,740,000	17,066,031
7.	Pendleton Park LLC	Rentals	0.66%	15,450,000	16,751,599
8.	Spring Creek Center LLC	Grocery/Retail Sales/Banking	0.63%	14,744,000	15,986,122
9.	Bergstom Auto	Auto Sales & Service/Land & Business Development	0.60%	14,072,500	15,258,051
10.	Jewelers Mutual Insurance Co.	Insurance	0.56%	13,076,500	14,178,142
	Totals		8.49%	\$ 199,317,600	\$ 216,109,293

(A) Based on the City's total 2021 assessed valuation of \$2,349,091,100 (established 01/01/2021 for the 2021 levy).

December 31, 2012

	Name	Nature of Business	Percent of Total Assessed Value (B)	2012 Assessed Value	2012 Equalized Value
1.	Plexus Corporation	Computer Products and Services	1.18%	\$22,033,800	\$21,757,480
2.	Alta Resources	Telemarketing and Fulfillment	1.06%	\$19,751,400	\$19,503,703
3.	Inland Diversified Neenah Commere	Retail Sales	0.85%	\$15,829,100	\$15,630,591
4.	Menasha Corporation	Printing and Container Manufacturing	0.85%	\$15,764,000	\$15,566,308
5.	Kimberly-Clark	Paper Products	0.78%	\$14,605,300	\$14,422,139
6.	Wal-Mart	Retail Sales	0.77%	\$14,334,400	\$14,154,636
7.	Neenah Foundry	Cast Metal Products	0.73%	\$13,640,100	\$13,469,043
8.	Jewelers Mutual Insurance Co.	Insurance	0.67%	\$12,435,100	\$12,279,155
9.	Theda Clark	Health Care	0.63%	\$11,724,500	\$11,577,466
10.	Curwood Wisconsin LLC	Flexible Packaging/Carton Manufacturing	0.61%	\$11,279,400	\$11,137,948
	Totals		8.13%	\$ 151,397,100	\$ 149,498,469

(B) Based on the City's total 2012 assessed valuation of \$1,863,894,145 (established January 1, 2012 for the 2012 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 August 1¹	Percent of Levy Collected	Total Tax Collections As of 12/31	Total as Percent of Current Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as Percent of Current Levy
2012	47,683,352	46,841,224	98.23	47,653,038	99.94	0	0.00
2013	48,093,781	47,333,417	98.42	48,069,844	99.95	0	0.00
2014	47,403,198	46,808,084	98.74	47,371,911	99.93	0	0.00
2015	47,224,136	46,672,262	98.83	47,174,518	99.90	4,332	0.00
2016	47,423,113	46,909,803	98.92	47,415,136	99.98	3,313	0.00
2017	47,608,458	47,155,717	99.05	47,605,347	99.99	2,447	0.00
2018	48,191,460	47,686,048	98.95	48,188,102	99.99	3,358	0.00
2019	48,531,244	47,967,020	98.84	48,529,161	99.99	2,083	0.00
2020	49,424,962	48,963,320	99.07	49,416,063	99.98	8,899	0.00
2021	52,936,023	52,466,511	99.11	52,929,967	99.99	6,056	0.00

¹ 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 Primary Government	City Population	Total Debt Per Capita
	G.O. Notes/Bonds	Note Anticipation Notes	Premiums	Capital Leases	G.O. Notes for Business-Type Activities	Water Revenue Bonds	Sanitary Sewer System Clean Water Loan	Storm Water Revenue Bonds	Premiums			
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	9,620,219	413,874	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	10,529,720	393,588	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	10,102,648	372,662	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	9,635,215	351,077	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	9,334,328	328,811	234,447	93,166,440	25,951	3,590.09
2018	40,171,940	-	656,280	18,046,143	8,686,160	12,545,475	8,818,618	305,843	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	8,289,996	282,151	175,725	88,982,426	26,300	3,383.36
2020	45,834,580	-	815,844	16,041,536	9,473,554	8,203,507	7,747,386	257,712	227,618	88,601,737	26,363	3,360.84
2021	48,743,000	-	1,087,977	14,960,357	11,040,489	5,954,247	7,190,420	232,502	317,857	89,526,849	27,525	3,252.56

Schedule 11

CITY OF NEENAH, WISCONSIN

**RATIO OF OUTSTANDING DEBT TO EQUALIZED VALUATION
AND DEBT PER CAPITA
Last Ten Fiscal Years**

Calendar Year Ending 12/31	General Outstanding Debt ¹	Equalized Valuation ²	Percent of Debt to Eq. Valuation	Estimated Population	Debt Per Capita
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%	25,951 *	1,917.20
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%	26,300 *	2,010.92
2020	55,308,134	2,440,145,100	2.27%	26,363 *	2,097.95
2021	59,783,489	2,547,115,400	2.35%	27,525 *	2,171.97

* Estimate

¹ This amount does not include debt of the Neenah Joint School District.

² 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, 2021

<u>Jurisdiction</u>	<u>Debt Outstanding¹</u>	<u>Percent Applicable to City of Neenah</u>	<u>Amount Applicable to City of Neenah</u>
<u>Direct Debt</u>			
City of Neenah ²	\$ 64,791,334	100.00	\$ 64,791,334
<u>Overlapping Debt</u>			
Neenah Joint School District	49,525,000	48.71	24,123,628
Fox Valley Technical College	57,095,000	5.42	3,094,549
Winnebago County	<u>23,253,823</u>	16.13	<u>3,750,842</u>
Total Overlapping Debt	\$ 129,873,823		\$ 30,969,019
Total Direct and Overlapping Debt	<u>\$ 194,665,157</u>		<u>\$ 95,760,353</u>

¹ Includes outstanding debt for long-term lease purchase agreements and Note Anticipation Notes. Does not include assets in Debt Service Funds.

² This amount excludes general obligation debt for business-type activities.

Schedule 13

CITY OF NEENAH, WISCONSIN

COMPUTATION OF LEGAL DEBT MARGIN

December 31, 2021

Equalized Value of Real and Personal Property	<u>\$ 2,547,115,400</u>	
Debt Limit, Five (5) Percent of Equalized Valuation (Wisconsin Statutory Limitation)	<u>\$ 127,355,770</u>	100.00%
Total General Obligation Debt	<u>\$ 59,783,489</u>	
Amount of Debt Applicable to Debt Limitation:		
Total Obligation Bonds and Loans Applicable to Debt Limit at December 31, 2020	\$ 59,783,489	46.94%
Less: Assets in Debt Service Fund Available for Payment of Principal	\$ 16,275	
Net Amount of Debt Applicable to Debt Limit	\$ 59,767,214	46.93%
Remaining Legal Debt Margin	\$ 67,588,556	53.07%

Schedule 14

CITY OF NEENAH, WISCONSIN

REVENUE BOND COVERAGE

Water Utility

Last Ten Fiscal Years

Fiscal Year	Direct Operating Revenues	Direct Operating Expenses ²	Net Revenue Available for Debt Service	Debt Service Requirements ¹			Coverage
				Principal	Interest	Total	
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
2020	8,145,741	3,171,198	4,974,543	2,249,260	176,800	2,426,060	2.05
2021	8,270,528	2,829,624	5,440,904	1,675,901	123,326	1,799,227	3.02

¹ 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 2021) on all outstanding bond issues as of December 31, 2021.

² Includes total operating expenses less depreciation.

Schedule 15
CITY OF NEENAH, WISCONSIN

WATER UTILITY DATA

TEN LARGEST WATER USERS
Year Ending December 31, 2021

<u>Name</u>	<u>Nature of Business</u>	<u>Thousands of Gallons (000)</u>	<u>Water Billing¹</u>
1. Galloway	Dairy Products	107,502	\$536,902
2. Neenah Foundry	Castings	58,669	303,392
3. Kimberly Clark Corporation	Paper Research/Paper & Hygiene Products	41,493	194,729
4. Neenah Paper	High Quality Bond Paper	34,276	172,030
5. Theda Clark Regional Medical Center	Healthcare	31,464	165,580
6. Industrial Towel & Uniform	Commercial Laundry	13,374	71,700
7. Menasha Packaging	Packaging	11,815	56,455
8. Georgia Pacific	Paper Research	10,223	55,599
9. Amcor	Packaging	8,518	46,478
10. Plexus	Electronic Components/Corporate Offices	5,972	33,178
Total of Ten Largest Retail Users		323,306	\$1,636,043
Total Water Utility		937,067	\$8,062,686
Ten Largest as Percent of Total Water Utility		35%	20%

¹ Total water revenue only.

HISTORICAL WATER USAGE
(millions of gallons)
Last Five Fiscal Years

<u>Calendar Year</u>	<u>Gallons Billed</u>	<u>Gallons Pumped</u>
2017	890	1,032
2018	910	1,084
2019	892	1,042
2020	906	1,075
2021	937	1,165

DAILY DEMAND STATISTICS
(millions of gallons per day)
Last Five Fiscal Years

<u>Calendar Year</u>	<u>Average Daily Demand</u>	<u>Maximum Daily Demand</u>	<u>Maximum Rated System Capacity</u>
2017	2.83	4.07	12.00
2018	2.97	4.80	12.00
2019	2.86	3.98	12.00
2020	2.95	4.36	12.00
2021	3.19	4.56	12.00

Schedule 16

CITY OF NEENAH, WISCONSIN

DEMOGRAPHIC & ECONOMIC STATISTICS

Last Ten Fiscal Years

Year	Population¹	<u>Adjusted Gross Income per Return²</u>			Unemployment Rate³
		City of Neenah	State of Wisconsin	City as % of State	
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	70,634	61,003	116	3.0
2020	26,363	70,074	61,518	114	4.0
2021	27,525	Not Available	Not Available		3.0

Source: ¹ U.S. Census Bureau

² Wisconsin Department of Revenue, Division of Research and Policy

³ Wisconsin Department of Workforce Development

Schedule 17
CITY OF NEENAH, WISCONSIN

PRINCIPAL INDUSTRIAL & COMMERCIAL EMPLOYERS
2021 and Nine Years Prior

2021 Company Name	2021 Product or Service	2021 Number of Employees
Kimberly-Clark Corporation	Paper Products	2,475
Plexus Corporation	Contract electronics manufacturer	1,697
Theda Clark Medical Center	Healthcare	1,330
Bergstrom Consortio Inc.	Auto sales and service/land and business	1,200
J.J. Keller & Associates	Publisher and printer sales	1,200
Bemis Co. Inc.	Flexible food and consumer product packaging	1,100
Neenah Enterprises, Inc.	Municipal and industrial iron castings	950
Neenah Foundry, Inc.	Cast Metal Products	850
Menasha Corporation	Printer and container manufacturing	850
N & M Transfer Co. Inc.	Local Trucking	800

Source: 2020 Wisconsin Business Directory; 2020 Wisconsin Business Service Directory

2012 Company Name	2012 Product or Service	2012 Number of Employees
Kimberly-Clark Corporation	Paper Products	2,592
Theda Clark Medical Center	Healthcare	1,200
Plexus Corporation	Computer Products & Services	1,000
J. J. Keller & Associates	Publisher & Printer Services for Tech and Regulatory Information	1,000
Neenah Foundry Inc.	Cast Metal Products	900
Bemis Co., Inc.	Manufacturer of Converted Paper Boards	760
Neenah Joint School District	Education	636
Alta Resources	Outsourced Customer Care Solutions	550
N & M Transfer	Local Trucking Without Storage Services	550
SCA Tissue North America LLC	Manufacturer of Paper Napkin Stock	500

Source: 2012 Wisconsin Business Services; 2012 Wisconsin Manufacturing Directories.

Schedule 18
CITY OF NEENAH, WISCONSIN

SCHEDULE OF INSURANCE IN FORCE
December 31, 2021

Type of Coverage	Carrier	Limits of Coverage	Premium
Boiler and Machinery	Travelers Property Casualty Co. of America	\$500,000,000	\$8,161
Buildings, Personal Property & Property in the Open	Municipal Property Insurance Company	\$190,878,774	\$68,333
Contractors Equipment	Municipal Property Insurance Company	\$4,041,657	\$7,683
Pier and Wharf	Municipal Property Insurance Company	\$2,311,865	\$17,339
Monies and Securities	Municipal Property Insurance Company	\$25,000	\$125
Fine Arts	Municipal Property Insurance Company	\$814,500	\$733
Bridges	Municipal Property Insurance Company	\$2,152,167	\$1,453
Auto Physical Damage	Cities & Villages Mutual Insurance Company	Per Occurrence \$20,000,000	\$58,545
		Per Vehicle \$2,200,000	
Workers Compensation	Cities & Villages Mutual Insurance Company	Each E/ee for Disease \$100,000	\$354,452
		Each Accident \$100,000	
Liability Coverage (General, Law Enforcement, Public Officials)	Cities & Villages Mutual Insurance Company	\$5,000,000	\$89,661
Excess Public Entity Liability (General, Law Enforcement, Public Officials)	Old Republic Union Insurance Company	\$5,000,000	\$8,616
Employment Practice Liability	Ironshore Specialty Insurance Company	\$1,000,000	\$22,833
Crime Coverage	Hanover Insurance Company	\$5,000,000	\$977
Privacy & Network Liability	Illinois Union Insurance Company	\$1,000,000	\$0
Pollution Liability Coverage	Indian Harbor Insurance Co.	\$1,000,000	\$4,308
Volunteer Insurance	Berkley Life & Health Insurance Company	\$500,000	\$234

Schedule 19

CITY OF NEENAH, WISCONSIN

MISCELLANEOUS STATISTICS

December 31, 2021

Date of Incorporation: March 13, 1873

Form of Government: Mayor/Aldermanic (9)

	<u>2021</u>	<u>2012</u>		<u>2021</u>	<u>2012</u>
Population	27,525	25,723	Municipal Industrial Park		
			Acres	370.3	361.0
Area Square Miles	9.88	9.60	Public R-O-W Acres	49.5	49.5
Acres – Land	6813.00	5,939.35	Sold/Developed Acres	16.5	211.9
Acres - Water	198.34	198.34	Sold/Undeveloped Acres	0	3.6
			Optioned	0	17.5
Altitude (in feet)	754	754	Available-City	92.8	66
			Available-Private	6.34	0.0
Miles of Streets			Stormwater/Wetland	12.5	12.5
Local Streets	91.18	135			
Arterial/Collector Highways	38.7	22.5			
TOTAL	129.88	157.5			
Number of Street Lights	3,361	3,229	Fire Protection		
			Number of Stations	4	4
Municipal Water Utility			Number of Firefighters	63	67
Average Number of Customers	11,267	10,796			
Average Daily Consumption	2,567,307	4,093,397	Police Protection		
Miles of Water Mains	140.7	141.8	Number of Stations	1	1
			Number of Sworn Police Officers	38	40
Miles of Sewers			Parks and Recreation		
Storm	99.63	97	Acres of Developed/Undeveloped	383	383
Sanitary	129.05	126.0	Number of Parks	25	25
			Number of Swimming Pools	1	1
Building Permits			Public Library		
Permits Issued	1,648	489	Collection	215,747	241,037
Estimated Cost of Construction	\$59,455,294	\$72,101,812	Circulation	545,171	962,756
Permanent City Employees					
Full Time	233	209			
Part Time	30	19			

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