MANITOWOC
CITY OF MANITOWOC
WISCONSIN, USA

COMPREHENSIVE ANNUAL
FINANCIAL REPORT
INCLUDING AUDITORS' REPORTS

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014

CITY OF MANITOWOC, WISCONSIN

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

INCLUDING AUDITORS' REPORTS

FOR THE FISCAL YEAR ENDED

DECEMBER 31,

2014

Prepared by Department of Finance

Steve Corbeille, Finance Director

Kim Lynch, Comptroller

INTRODUCTORY SECTION

CITY OF MANITOWOC, WISCONSIN
December 31, 2014

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CITY OF MANITOWOC

May 28, 2015

Honorable Mayor Justin M. Nickels
Common Council
City of Manitowoc Citizens
City of Manitowoc
Manitowoc, Wisconsin 54220

Mayor Nickels,

Wisconsin Statute Section 86.303(5)(g) requires that all municipalities having a population of 25,000 or more must publish within seven (7) months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, submitted herewith is the comprehensive annual financial report of the City of Manitowoc, Wisconsin for the fiscal year ended December 31, 2014. This report was prepared by the City's Finance Department.

OFFICE OF FINANCE/ TREASURER

This report consists of management's representations concerning the finances of the City of Manitowoc. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Manitowoc has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Manitowoc's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Manitowoc's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Manitowoc's financial statements have been audited by Schenck Business Solutions, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Manitowoc for the fiscal year ended December 31, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Manitowoc's financial statements for the fiscal year ended December 31, 2014, are fairly presented in conformity with GAAP.

The independent auditor's report is presented as the first component of the financial section of this report. The independent audit of the financial statements of the City of

CITY HALL • 900 Quay Street • Manitowoc, WI 54220-4543
Finance (920) 686-6960 • Treasurer (920) 686-6965 • FAX: (920) 686-6969
www.manitowoc.org

Manitowoc was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Single Audit Section of this report.

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

Profile of the Government

The City of Manitowoc is the County Seat of Manitowoc County, located in east central Wisconsin. The City is approximately 75 minutes north of Milwaukee, 20 minutes southeast of Green Bay and 150 minutes north of Chicago, Illinois. The City encompasses 18.339 square miles totaling 11,736.96 acres. It is located on Lake Michigan in a natural harbor formed by an outlet of the Manitowoc River. The City was incorporated on March 12, 1870. With an estimated 2014 population of 33,649, the population of Manitowoc has decreased < 1% since the 2010 Census report of 33,736 and 1.012% since the 2000 Census report of 34,053. The population and square mile statistics combine to produce a population density of 1,835 persons per square mile. This indicates ample land for future growth and orderly development. The City of Manitowoc is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council.

The City of Manitowoc operates under the council-mayor form of government. Policy-making and legislative authority are vested in a governing council consisting of a mayor who is elected at large to a four-year term, and council of 10 members elected to two-year staggered terms on the basis of district representations. The council is elected on a non-partisan basis. The governing council is responsible, among other things, for passing ordinances, adopting the budget, appointing department head officials, and approval of mayoral member appointments to council committees, various boards and commissions. The mayor is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, economic development, monitoring and lobbying state and federal legislation, and compilation of an executive budget recommendation.

The City provides a full range of municipal services contemplated by statute or character, including public safety, streets, sanitation, parks-recreation-culture, public improvements, planning and zoning, transit, water and electric systems, and general administrative services. Public safety is provided with four fire stations and 53 firefighters, a rescue squad manned by 48 members trained to paramedic skill level and a police department with 63 sworn officers. The Public Works Department is responsible for the engineering, designing and inspection of City construction projects, and maintenance of public roadways within the City. The City owns the Manitowoc Public Utilities, which is governed by a seven-member commission. The Department of Parks and Recreation maintains the City's parkland and recreational buildings and coordinates a year-round recreation program for Manitowoc residents. Total full time equivalent municipal employment numbers 359 with minimal part time and several seasonals. The Manitowoc Public School District, a unified school district, offers a comprehensive program for students in pre-kindergarten through the 12th grade. The district has the 29th largest enrollment among the 424 public school districts in the state. The District operates a pre-

kindergarten through kindergarten center, six elementary schools, two junior high schools, one alternative (charter) high school, one comprehensive high school, and a specialized school (operating as a charter school) for a handful of children in grades 1-8 with significant emotional/behavioral disabilities. The MPSD also provides four-year-old kindergarten. Higher education is provided by the University of Wisconsin-Manitowoc, which specializes in freshmen/sophomore curriculum for students to begin their studies before transferring to four-year undergraduate public or private colleges, and Silver Lake College an independent four-year college with career directed programming. Within commuting distance, Lakeshore Technical College in Cleveland, Wisconsin is a public, non-profit college. The college has evolved from mainly offering basic skill courses to the need of technical skills and offering technical courses in computers and other sophisticated equipment.

The annual operating budget serves as the foundation for the City of Manitowoc's financial planning and control. The operating budget includes proposed expenditures and the means of financing them and is legally enacted by council action no later than November 30. The budget as enacted includes total expenditures at the organization level. An organization can be a department, division, fund or other activity. Expenditures cannot legally exceed appropriations at this level. The general fund, special revenue funds, debt service fund and capital projects funds have legally adopted budgets. Budget-to-actual comparisons are provided in this report for each of these funds. For the general fund, this comparison is presented as part of the basic financial statements for the governmental funds. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the other supplemental information subsection of this report.

Factors Affecting Financial Condition

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

Long-Range Financial Plan. The City of Manitowoc prepares and publishes a Five-Year Capital Improvement Plan (CIP). The plan contains capital and infrastructure costs of $5,000 or more based on the City's capitalization policy. The CIP details annual funding sources, expenditures, and narrative descriptions for the capital improvements. The CIP is updated on an annual basis and is used as a planning document during the annual budget process. The development of the next year's budget is critiqued and analyzed by a group called the Capital Allocation Working Group (CAWG). The Finance Director has strived for a Pay-as-you-go plan which stipulates the amount of new debt acceptable to meet that plan's agenda to pay for annual and smaller dollar amounts out of the operational budget. With these factors and recommendations, the Council/Mayor will ultimately approve the capital budget.

Financial Policies. The City of Manitowoc has adopted a comprehensive set of financial policies as guidelines for the annual budget process. The adopted policies consist of the following: Unassigned General Fund Balance; Debt Management; Capitalization Threshold; Major Equipment and Vehicle Acquisition; and Disposal of Surplus Equipment. Along with these policies, a Purchasing-Budget-Accounting Guidebook has been adopted since November 18, 2014 for reference into policies in the respective areas.

Economic Information/Outlook. The City of Manitowoc is a growing community with an estimated 2014 population of 33,649 and a 2014 equalized valuation of $1,893,849,200. The equalized valuation has grown by 10.36% since 2004 with a value of $1,716,103,900 and 192.63% since 1994 with a value of $983,179,300. Between 2013 and 2014, the City gained almost 1% back in the full value of its real and personal property, with the largest actual dollar decrease only being in Personal property machinery and equipment.

The City of Manitowoc has experienced economic stability with our labor force and appears to be poised for growth in 2014. In 2013, the City's top employers with over 1,000 employees are: Holy Family Memorial, a health care provider; Franciscan Sisters, a religious organization; and Lakeside Foods, a food manufacturer. The City's second tier largest employer is the Manitowoc Public School District with 914 employees.
The unemployment rate for the City of Manitowoc in December 2014 was 5.4% down from 7.6% in December 2013. The city's unemployment rate was the 6th highest of 37 cities monitored by the state Department of Workforce Development. The state's December unemployment rate was 4.7%, with a U.S. unemployment rate of 5.4%.

The Lake Michigan Carferry Service based in Ludington, Michigan, began service to Manitowoc in May of 1992. The City renovated the dock facility to accommodate the Carferry Service, with payments from the Carferry Service repaying the debt borrowed for the renovation. Tourism remained strong in 2014, with the Carferry Service transporting passengers between Ludington, MI and Manitowoc. The local economic impact from this operation is currently estimated at $15-$20 million. The Lake Michigan Carferry invested $2.4 million in 2014 for equipment to satisfy environmental issues raised by regulators and others who opposed the company's practice of dumping a coal ash slurry into the lake. A key feature of the upgrades is a system that pipes the ash from the ship's boilers into four metal holding bins. The ash is then taken off the ship and reused for road projects.

Planning, Housing and Economic Development Activities
The City completed one (1) annexation in 2014 for a total of 2.25 acres. There was one resident residing in the annexation area. Since 1990, the City has annexed 3.4810 square miles of area. The total area of the City as of August 31, 2014 is 18.339 square miles.

In 2014, there were no new residential subdivisions added to the City's housing inventory. In 2013, there were no new residential subdivisions added to the City's housing inventory. In 2012 there also were no new residential subdivisions.

The Department received, reviewed, and approved site plans for 17 development projects in 2014, compared to 25 development projects in 2013. A listing of some of the larger developments can be found in the "Building Inspection" section below.

The Department, in conjunction with the City Plan Commission, reviewed and approved 18 Certified Survey Maps ("CSM") in 2014 (compared to 36 CSMs reviewed in 2013). Additionally, the Department facilitated the completion of one (1) rezoning request, six (6) conditional use or special use permits, one (1) annexation, one (1) animated sign Special Permit, two (2) requests for a street vacation, and three (3) requests for changes to the Official Map, as well as 16 other miscellaneous projects ranging from releasing easements, to accepting or issuing of Quit Claim Deeds.

The City continued its investment in Mainly Manitowoc, Inc.; the entity that coordinates the City's Main Street Program in downtown as part of the Wisconsin Main Street Program. The Department disbursed $7,462.53 in payments to the organization for the 2014 calendar year pursuant to a "Services Agreement" between Mainly Manitowoc and the City. The agreement details a public funding match of 3 private dollars to 1 public dollar, up to a maximum of $40,000 in public funding per calendar year.

In 2014, the Department working with an engineering consultant completed a Wisconsin Coastal Management Grant project which created a preliminary design and engineering study to investigate the logistics and feasibility of constructing a sheet wall system with an adjoining river walk trail along 2,200 linear feet of the Manitowoc River. The proposal was funded in 2013 at a total project cost of $80,000, with the City's share being $48,000 which leveraged $32,000 of non-City investment.

Direct financing support in the amount of $ 500,000 was provided by the Department to one (1) industrial business in 2014. These funds were provided through the City's industrial revolving loan fund program. These public monies were part of a $3.9mm capital expansion project of facility and equipment. The public funding leveraged $3.4mm in private capital, and the business will ultimately create a minimum of 25 new jobs.

In 2014 the department continued to work with the owners of the former Rockwell Lime property at 1615 Spring Street to implement a 2013 funded Wisconsin Economic Development Corporation Site Assessment Grant (WEDC SAG) in the amount of $45,800. The grant monies were used to install 3 monitoring wells, sample the wells, perform analytical testing of the samples, and demolish and remove a 300,000 gallon above ground storage tank.

In 2014 the department worked with the owner of 1512 Washington Street which is the former Newell – Rubbermaid / Mirro Building to be awarded with a 2014 WEDC Site Assessment Grant in the amount of $113,756. The monies will be used for additional environmental due diligence on the property as requested by the DNR. 2014 also saw the first stage of demolition on these buildings, with additional progress slated for 2015 with the goal of creating a 3.5 acre site for future development.

In 2014, the Department prepared the Program Manual and Application documents for a $1mm EPA Revolving Loan Fund program; the EPA award to the city was one (1) of 13 awarded nationally. This grant runs for a five (5) year term through September 30, 2018, with $869,500 of the monies to be used to capitalize a community brownfields loan fund to be used for remediation of hazardous substance or petroleum-impacted brownfield sites.

Additionally, the Department, in 2014 continued to implement a 2011, $400,000 grant from US EPA under its "Community-Wide Assessment" program to support environmental assessment activities at hazardous substance and petroleum brownfield sites throughout the City. To date, this funding has been applied toward the preparation of environmental studies on several brownfields in the City, as well as area-wide planning related to the blighted Lakeview Centre mall north of downtown. As of the end of 2014, 99% of the grant has been spent with only final close-out reporting yet to be completed.

The Department in coordination with the City Attorney's office completed a 3.0 acres sale of land to an existing property owner in the Manitowoc I-43 Industrial Park / I-43 Technology and Enterprise Campus. The land sale allowed for the development of an off-street parking lot and 19,000 s.f. building addition which would create approximately 200 jobs.

The Department continued to administer the City's farmers' market, which registered nearly 68 vendors occupying 134 stall areas for the 2014 season.

Geographic Information Systems (GIS / CAD)

The City's overall Geographic Information System ("GIS") is maintained by the Department. The Department in coordination with the Engineering Department updates the City's zoning, Official Map, aldermanic districts, and annexation maps as changes occur.

GIS layers that are linked to the Assessor's CLT database are now regularly being used by several departments. These layers are used continuously to query fields in the database, and to create mailing lists for the Department, as well as the Public Infrastructure, Parks & Recreation, Assessors, Building Inspection, Public Works, Police and Fire Departments, and the Manitowoc Public Utilities ("MPU").

All GIS software and maintenance agreements were upgraded by the Department. One (1) Department staff, two (2) Public Infrastructure staff, and one (1) Assessor employee used GIS on a daily basis in 2014; down from a total of 7 (seven) users in 2011. In January of 2014 the Associate Planner / GIS Technician accepted a new position with a private entity and the position has not been filled to date. The City is in the process of filling the vacancy and is hopeful that it will be filled by March 2015.

The Department completed several mapping and graphic arts projects for use by the Department and the City's Plan Commission, as well as the City Council, Mayor, Public Infrastructure, Assessor, Cemetery, Parks, Police, Fire, Building Inspection, Clerk, Rahr-West, Maritime Metro, and Finance Departments.

The City's property address system is a Department function. The staff coordinates with Manitowoc County's E-911 system on maintaining all City addresses for the purpose of dispatch. The addresses are also a part of the City's GIS geodatabase.

The Department maintains ArcIMS and Adobe PDF maps which are accessed from the City's website. All maps are accessed from the main City website by clicking 'Maps' button. The process of updating maps on the internet includes linking the City/County merged parcel shapefiles to the City/County joined Access database. This database is updated daily, and runs on a scheduled routine every evening.

The Department continues its partnership with Manitowoc County to provide mapping and assessment information on the internet via ESRI's ArcIMS and ArcGIS Server software. The City and County cooperatively created a new ArcGIS website for the public to access Public Land Survey System ("PLSS") corners, which are the cornerstones for GIS mapping and property surveying.

Municipal Code. As part of the Department's mapping, it annually reviews and updates Chapter One (1) of the Municipal Code entitled "Boundaries", and updates the legal description of the City limits based on annexations.

City's Website

The Planning/Mayor's Departments administer the City's website and oversees three (3) subsites-- Lincoln Park Zoo, Manitowoc Family Aquatic Center and the Rahr-West Art Museum. All four (4) websites are hosted with an outside consultant, CivicPlus.

As administrators, the Associate Planner and Mayor's Assistant supports and trains other staff throughout the City organization to their appropriate department website pages and content. Also the 'emergency alert notification' website training was taught by the website administrators to the Public Works staff for snow emergencies.

The Planning Department and the Office of the Attorney spearheaded the reformatting of the City's Municipal Code in 2010 in conjunction with Code Publishing Company. This project reformatted years of written regulation, to a standardized and consistent format for all 30 chapters of the Code. The project was completed in the spring of 2011, and the contract continues through 2015. The new Municipal Code is available online in a new, easy to search, print and use format. The Department staff downloads updates to the chapters on a regular quarterly basis provided by Code Publishing. Also the Department works as the liaison between Code Publishing and staff when issues arise with ordinances passed and sent to be published as part of our online

Marketing

On a daily basis, the Planning/Mayor's Departments updates and maintains the two (2) electronic message signs which are located in the I-43 Technology and Enterprise Campus.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) award Certificates of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. The City of

Manitowoc was selected as a recipient of the GFOA Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ending December 31, 2013.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR's must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. The City of Manitowoc has received the Certificate of Achievement for fiscal years ended 1997, consecutive years 1999 thru 2009 and 2011 thru 2013. We believe that our current CAFR 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.

The preparation of this report could not have been accomplished without the efficient and dedicated services of all City Departments. I would like to express my appreciation to City department staff members who assisted and contributed to the preparation of this report. I would also like to thank the Mayor and City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Manitowoc's finances.

Respectfully submitted,

Steven A. Corbeille
Finance Director/Treasurer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Manitowoc
Wisconsin

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

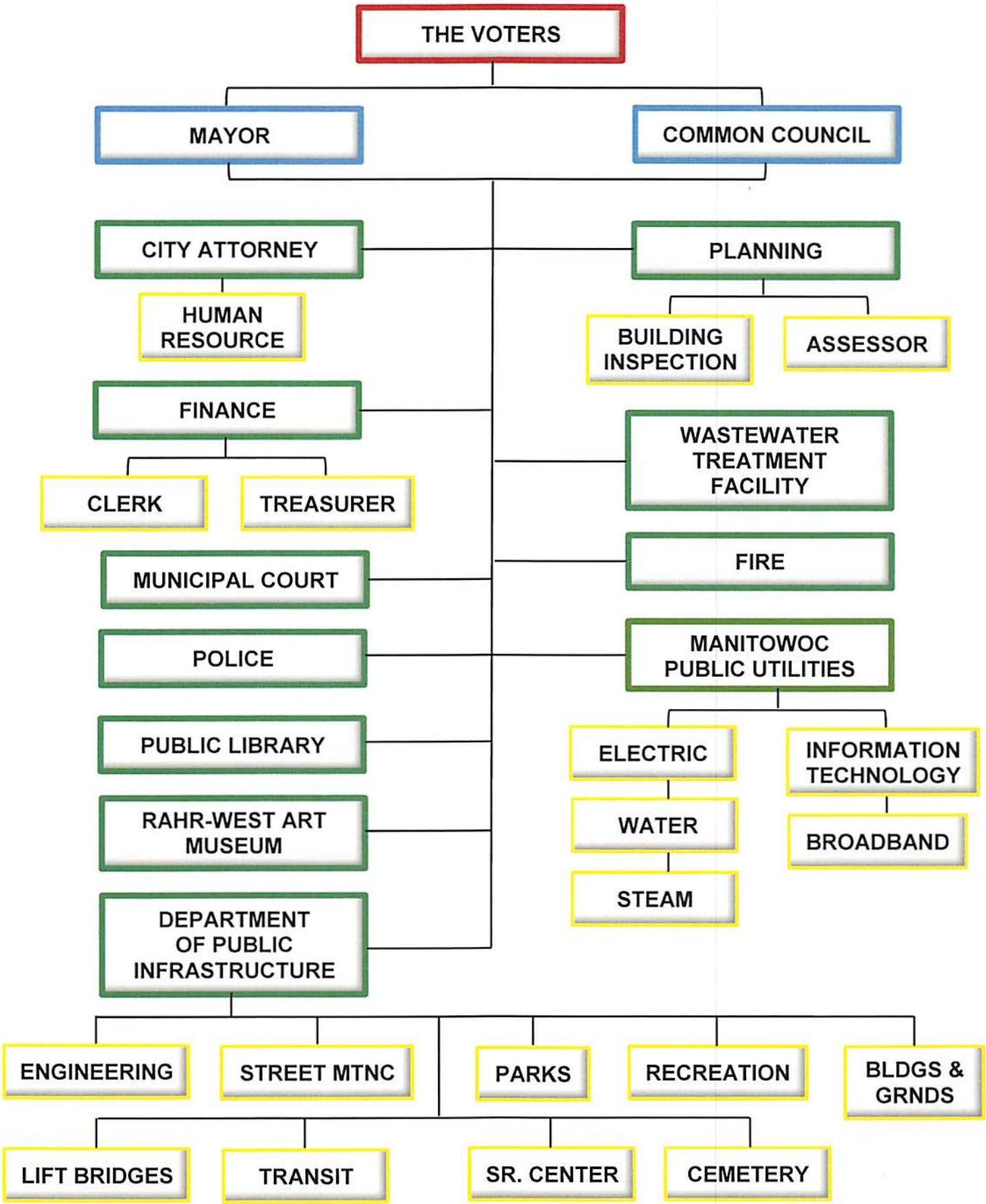
December 31, 2013

Executive Director/CEO

CITY OF MANITOWOC

TABLE OF ORGANIZATION

2014



CITY OF MANITOWOC, WISCONSIN

General Information

ELECTED OFFICIALS

December 31, 2014

		Term Expires
Mayor	Justin M. Nickels	April, 2017
Common Council		
President	Scott McMeans	April, 2015
Aldermanic District		
1	Mike Howe	April, 2015
2	Scott McMeans	April, 2015
3	Christopher T. Able	April, 2015
4	James N. Brey	April, 2016
5	Patrick Brandel	April, 2016
6	Eric J. Sitkiewitz	April, 2016
7	Jill Hennessey	April, 2015
8	David W. Soeldner	April, 2016
9	Allan Schema	April, 2016
10	Jason Sladky	April, 2015

CITY OF MANITOWOC, WISCONSIN

General Information

Department Heads/Appointed Officials

December 31, 2014

		Length of Time in This Position	Length of Employment With City of Manitowoc
Finance Director/Treasurer	Steven A. Corbeille	2.67 years	2.67 years
City Clerk	Jennifer B. Hudon	18.00 years	23.00 years
City Attorney	Kathleen McDaniel	.75 years	6.00 years
Municipal Judge	Steven R. Olson	6.67 years	6.67 years
Director of Public Infrastructure	Daniel Koski	1.50 years	1.50 years
City Assessor	Sarah C. Hoppe	9.17 years	9.17 years
Police Chief	Oscar A. Dick	6.17 years	32.38 years
Fire Chief	Todd Blaser	.75 years	5.50 years
Community Development Director	Nicolas Sparacio	.17 years	.17 years
Superintendent Wastewater Treatment Facility	Brian M. Helminger	10.68 years	10.68 years
Director Rahr-West Art Museum	Jon G. Vadney	3.25 years	3.25 years
General Manager Public Utilities	Nilaksh J. Kothari	13.25 years	23.00 years
Director Public Library	Cherilyn Stewart	5.92 years	5.92 years
Transit and Facilities Manager	James W. Muenzenmeyer	17.00 years	26.00 years
Emergency Government Coordinator	Todd Blaser	.25 years	5.50 years

CERTIFIED PUBLIC ACCOUNTANTS

Schenck SC, Green Bay, Wisconsin

BOND COUNSEL

Quarles & Brady, Milwaukee, Wisconsin

FINANCIAL CONSULTANTS

Robert W. Baird & Co., Inc., Milwaukee, Wisconsin

FINANCIAL SECTION

Schenck sc
CPAs AND SO MUCH MORE.

INDEPENDENT AUDITORS' REPORT

To the Mayor and City Council
City of Manitowoc, Wisconsin

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of funding progress and the schedule of employer contributions on pages 17 through 30 and 72 through 73 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The financial information listed in the table of contents as supplementary information and the schedule of expenditures of federal awards and schedule of state financial assistance, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration, and the other information, such as the introductory and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information and schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, the schedules of expenditures of federal awards and the schedule of state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May28, 2015, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Schmidt SC

Certified Public Accountants
Green Bay, Wisconsin
May 28, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

As management of the City of Manitowoc, Wisconsin, we offer readers of the City of Manitowoc's financial statements this narrative overview and analysis of the financial activities of the City of Manitowoc, Wisconsin for the fiscal year ended December 31, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 4-10 of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City of Manitowoc exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $272,406,664 (*net position*). Of this amount, $10,544,896 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The net position of governmental activities increased $3,896,826 and business type activities increased by 7,392,822 for a total increase in net position of $11,289,648. The increase in governmental activities is mainly attributable to the repayments of long-term debt exceeding the issuance of on long-term debt and capital outlay exceeding depreciation expense. The increase in business activities is mainly attributable to positive operating results and contributions.
- As of the close of the current fiscal year, the City of Manitowoc's governmental funds and fiduciary funds reported combined ending fund balances of $5,737,565 an increase of $515,149 in comparison with the prior year. Only the general fund balance of $1,416,511 is available for spending at the government's discretion due to deficits contained within the entities capital project accounts associated with several Tax Incremental Finance (TIF) districts. The City has and will continue taking steps to rectify this situation over the next couple of years. Plans already implemented include restructuring debt service obligations and designation of donor and distressed TIF districts to allow a cross pollination of tax increments between the donor and distressed TIF districts.
- At the end of the current fiscal year, the unassigned fund balance for the general fund was $1,416,511, or 5.8% of total general fund expenditures of $24,605,508 or 6.7% of general fund revenues of $21,176,859.
- The City of Manitowoc's total debt decreased by $48,932,864 (37%) during the current fiscal year. The factors in this decrease were the issuance of general obligation bonds/notes of $4,374,000, the retirement of outstanding general obligation bonds/notes amounting to $9,905,000, the issuance of $5,890,000 of revenue bonds/notes and retirement of outstanding revenue bonds of $49,291,864.

Overview of the Financial Statements

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

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Manitowoc's finances, in a manner similar to a private-sector business.

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

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

Both of the government-wide financial statements distinguish functions of the City of Manitowoc that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities).* The governmental activities of the City of Manitowoc include general government, public safety, public works, health and human services, conservation and development, and culture and recreation. The business-type activities of the City of Manitowoc include the Manitowoc Public Water, Electric, Steam, and Broadband Utility, a Wastewater Treatment Plant, and a Transit System.

The government-wide financial statements include the City of Manitowoc itself (known as the *primary government*). The Water, Electric, Steam, and Broadband Utility are managed by an independent commission, but are departments of the City of Manitowoc, and therefore have been included as an integral part of the primary government.

The government-wide statements can be found in the financial section of this report immediately following management's discussion and analysis.

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 Manitowoc, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Manitowoc can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar

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

The City of Manitowoc maintains 40 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the debt service fund, which are being considered major governmental funds. Data from the other 38 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of Manitowoc adopts an annual appropriated budget for the general fund, debt service fund and certain special revenue and capital project funds. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance.

The basic governmental fund financial statements can be found in the financial section of this report immediately following the government-wide financial statements.

Proprietary funds. The City of Manitowoc maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Manitowoc uses enterprise funds to account for the Manitowoc Public Electric, Water, Steam, and Broadband Utility, Wastewater Treatment Plant, and the Transit System. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City of Manitowoc's various functions. The City of Manitowoc uses internal service funds to account for its data processing, health self-insurance, and liability self-insurance. Because these services predominately benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Manitowoc Public Water, Electric, Steam, and Broadband Utility, the Wastewater Treatment Plant and Transit System, all are considered to be major funds of the City of Manitowoc. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in the report.

The basic proprietary fund financial statements can be found in the financial section of this report immediately following the basic governmental fund financial statements.

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

The basic fiduciary fund financial statements can be found in the financial section of this report immediately following the proprietary fund financial statements.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the fiduciary fund financial statements.

Other supplemental information. In addition to the basic financial statements and accompanying notes, this report presents the combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise fund and internal service funds. Also included is information on capital assets used in the operation of government funds. Combining and individual fund statements and schedules can be found immediately following the notes to the financial statements.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Manitowoc, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $272,406,664 at the close of the most recent fiscal year.

By far the largest portion of the City of Manitowoc's net position (80.8 percent) reflects its investments in capital assets (e.g., land, buildings, machinery and equipment, and infrastructure), less accumulated depreciation and any related debt used to acquire those assets that are still outstanding. The City of Manitowoc uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Manitowoc's investment in its capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Manitowoc's Net Position

	Governmental activities		Business-type activities		Total	
	2014	2013	2014	2013	2014	2013
Current and other assets	$59,564,178	$59,702,183	$70,978,924	$102,096,117	$130,543,102	$161,798,300
Capital assets	131,940,916	134,245,813	162,942,361	169,675,517	294,883,277	303,921,330
Total assets	191,505,094	193,947,996	233,921,285	271,771,634	425,426,379	465,719,630
Deferred Outflows of resources	0	0	1,205,543	1,381,250	1,205,543	1,381,250
Long-term liabilities outstanding	64,718,022	59,833,733	30,524,938	70,220,312	95,242,960	130,054,045
Other liabilities	29,676,832	41,250,797	9,601,732	17,533,227	39,278,564	58,784,024
Total liabilities	94,394,854	101,084,530	40,126,670	87,753,539	134,521,524	188,838,069
Deferred inflows of resources	17,244,240	16,894,292	2,459,494	251,503	19,703,734	17,145,795
Net position:						
Net investment in capital assets	86,185,510	84,679,258	133,959,504	95,999,724	220,145,014	180,678,982
Restricted	8,831,574	8,114,185	32,885,180	55,160,265	41,716,754	63,274,450
Unrestricted	-15,151,084	-16,824,269	25,695,980	33,987,853	10,544,896	17,163,584
Total net position	$79,866,000	$75,969,174	$192,540,664	$185,147,842	$272,406,664	$261,117,016

An additional portion of the City of Manitowoc's net position (15.3 percent) represents resources that are subject to external restrictions of $41,716,754 on how they may be used. The remaining balances of *unrestricted net position* of $10,544,896 may be used to meet the government's ongoing obligations to citizens and creditors.

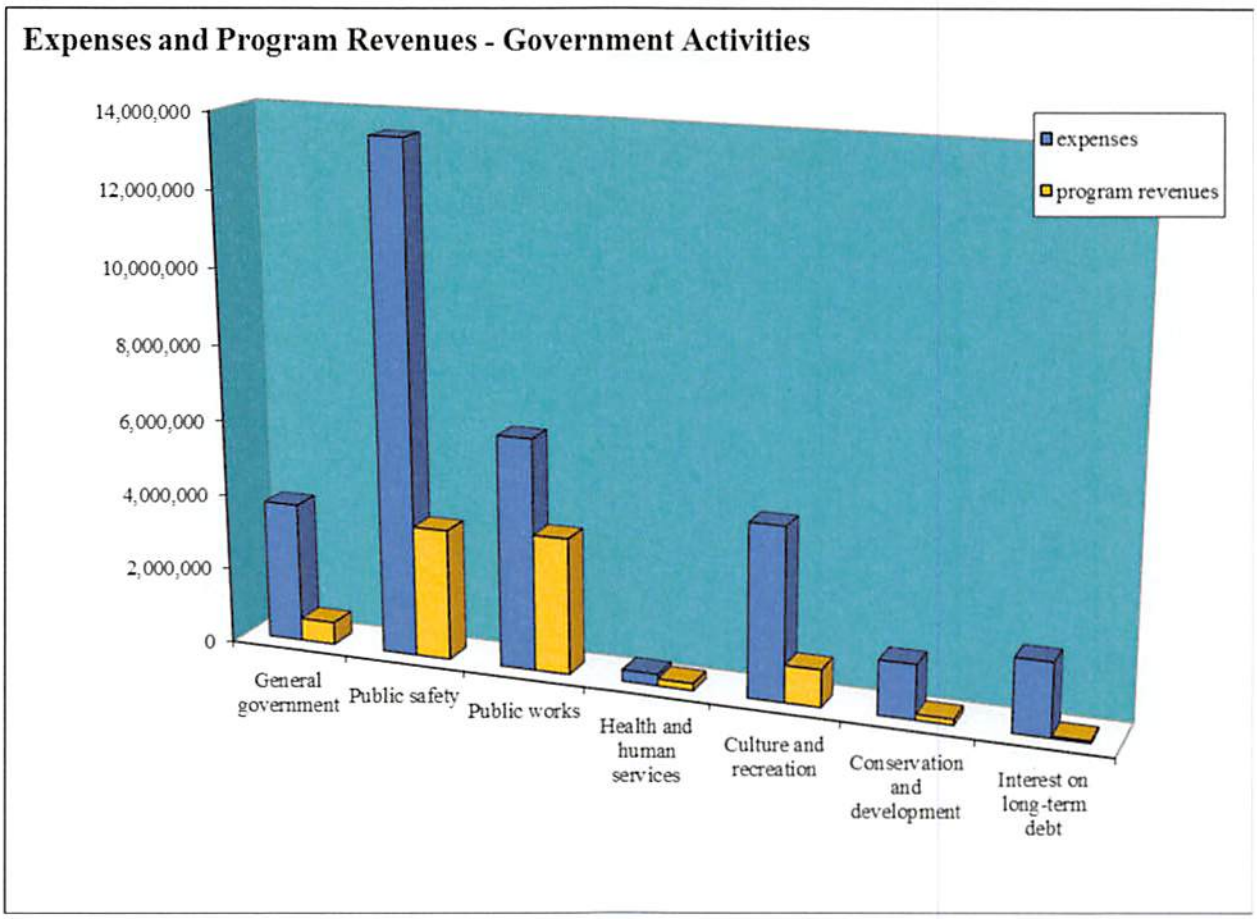
At the end of the current fiscal year, the City of Manitowoc is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

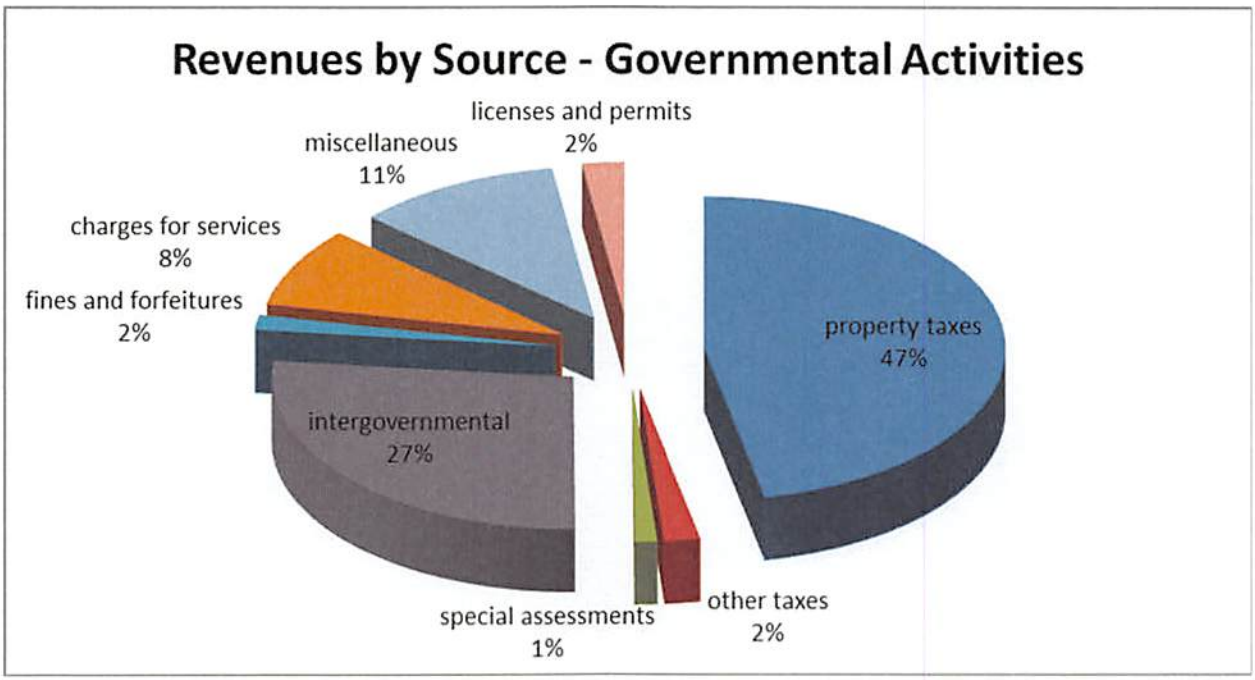
Governmental activities. Property taxes increased by $394,523 (2.85 percent) during the year. Property tax increases were levied for capital projects $55,145 and general purposes of $407,706. Property taxes decreased were levied for special revenue funds ($68,328).

The net position of governmental activities increased by $3,896,826. This increase is mainly attributable to the principal payments on long-term debt exceeding the issuance of long-term debt and depreciation expense exceeding capital outlay for 2014. Key elements of this increase are shown on the chart found on the following page.

City of Manitowoc's Changes in Net Position

	Governmental activities		Business-type activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for services	$5,294,561	$5,550,698	$81,983,333	$80,352,363	$87,277,894	$85,903,061
Operating grants and contributions	3,287,156	3,637,937	1,756,616	1,621,962	5,043,772	5,259,899
Capital grants and contributions	1,265,411	1,256,237	279,266	173,697	1,544,677	1,429,934
General revenues:						
Property taxes	16,894,243	16,896,523	-	-	16,894,243	16,896,523
Other taxes	689,520	770,332	-	-	689,520	770,332
Grants and contributions not restricted to specific programs	6,114,432	6,124,673	-	-	6,114,432	6,124,673
Other	1,405,454	676,222	1,684,395	1,472,125	3,089,849	2,148,347
Total revenues	$34,950,777	$34,912,622	$85,703,610	$83,620,147	$120,654,387	$118,532,769
Expenses:						
General government	4,393,330	3,611,218	-	-	4,393,330	3,611,218
Public safety	13,803,232	14,380,253	-	-	13,803,232	14,380,253
Public works	7,532,419	7,123,677	-	-	7,532,419	7,123,677
Health and human services	297,093	337,553	-	-	297,093	337,553
Culture and recreation	5,582,966	4,726,866	-	-	5,582,966	4,726,866
Conservation and development	1,438,342	1,760,407	-	-	1,438,342	1,760,407
Interest on long-term debt	1,920,612	2,499,847	-	-	1,920,612	2,499,847
Water	-	-	5,888,571	5,504,372	5,888,571	5,504,372
Electric	-	-	60,741,021	59,503,436	60,741,021	59,503,436
Steam	-	-	392,270	374,930	392,270	374,930
Broadband	-	-	84,069	76,631	84,069	76,631
Sewer	-	-	4,944,513	4,889,792	4,944,513	4,889,792
Transit	-	-	2,346,301	2,228,542	2,346,301	2,228,542
Total expenses	34,967,994	34,439,821	74,396,745	72,577,703	109,364,739	107,017,524
Increase in net assets before transfers	(17,217)	$472,801	11,306,865	11,042,444	11,289,648	11,515,245
Transfers	3,914,043	3,884,940	(3,914,043)	(3,884,940)	-	-
Change in net position	3,896,826	4,357,741	7,392,822	7,157,504	11,289,648	11,515,245
Prior Period Adjustment				2,850,749	-	2,850,749
Net position - 1/1	75,969,174	71,611,433	185,147,842	175,139,589	261,117,016	246,751,022
Net position - 12/31	$79,866,000	$75,969,174	$192,540,664	$185,147,842	$272,406,664	$261,117,016

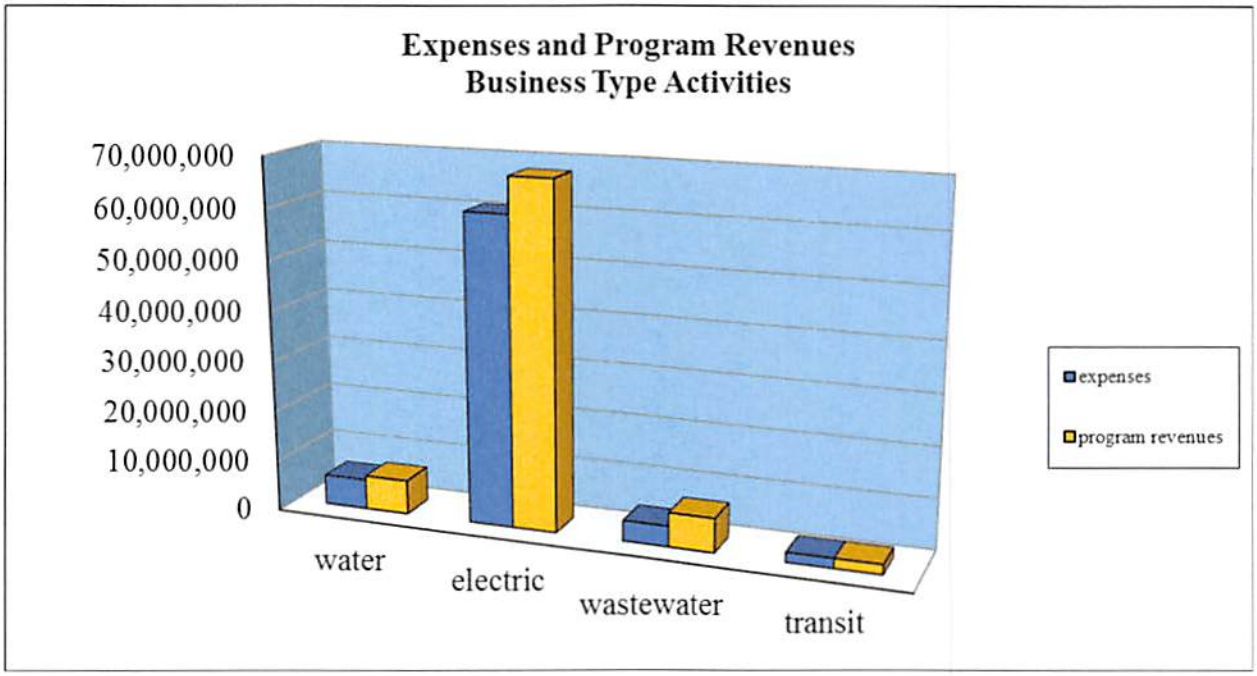

Expenses and Program Revenues - Government Activities
14,000,000
12,000,000
10,000,000
8,000,000
6,000,000
4,000,000
2,000,000
0
expenses
program revenues
General government
Public safety
Public works
Health and human services
Culture and recreation
Conservation and development
Interest on long-term debt

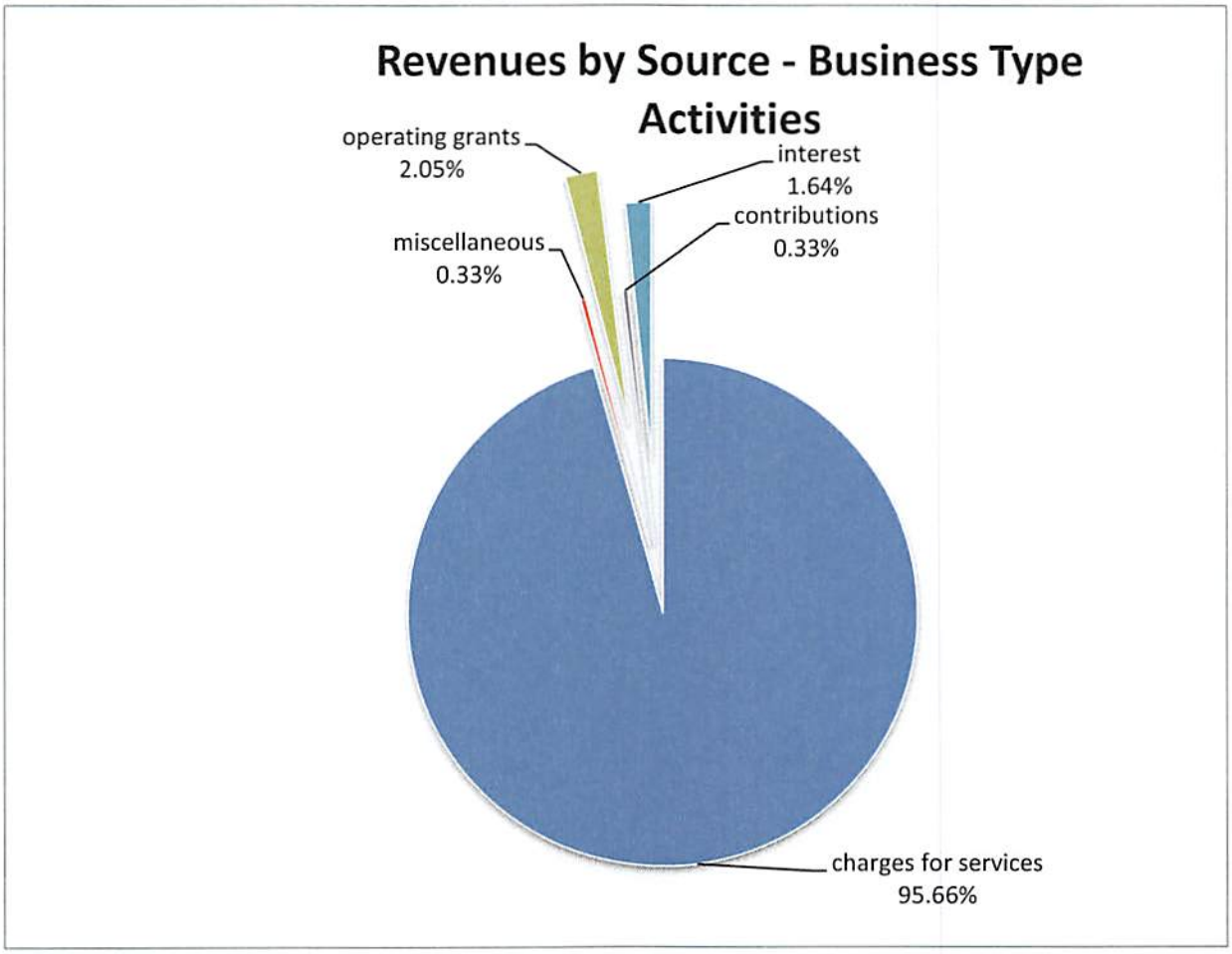


Business-type activities. Business-type activities increased the City of Manitowoc's net position by $7,392,822. Key elements of this increase are as follows.

- The Water Utility decreased net position by $(49,811).
- The Electric Utility increased net position by $5,705,314.
- The Steam Utility increased net position by $274,893.
- The Broadband Utility increased net position by $65,121.
- The Wastewater Treatment Plant increased net position by $1,749,057.
- The Transit System decreased net position by $(351,752).

The increases in net position above were due to positive operating results and contributions.


Expenses and Program Revenues
Business Type Activities
70,000,000
60,000,000
50,000,000
40,000,000
30,000,000
20,000,000
10,000,000
0
water
electric
wastewater
transit
expenses
program revenues


Revenues by Source - Business Type Activities
operating grants
2.05%
interest
1.64%
contributions
0.33%
miscellaneous
0.33%
charges for services
95.66%

Financial Analysis of the Government's Funds

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

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

As of December 31, 2014, the City's governmental funds reported combined ending fund balances of $5,720,866, an increase of $516,024 in comparison with the prior year. With the implementation of GASB #54, the breakdown of fund balance is: Nonspendable $4,828,809, Restricted $3,996,751, Committed $977,142, Assigned $1,839,339 and Unassigned $(5,921,175). The Nonspendable portion of fund balance includes Inventories and prepaid items and Notes and Interfund receivables (amounts that are not in cash and not available for current expenditure or are legally or contractually required to be maintained intact). Restricted fund balance represents resources that have constraints placed on their use imposed by external sources such as creditors, grantors, contributors, or laws or regulations of other governments. Committed fund balance represents resources that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority. In contrast to a fund balance that is restricted by enabling legislation, amounts in the committed fund balance classification may be redeployed for other purposes with appropriate due process. Assigned fund balance represents amounts constrained by the government with the intent that the funds be used for specific purposes within the fund. Unassigned fund balance represents the residual classification (amount) that has not been assigned, committed, or restricted.

The general fund is the chief operating fund of the City of Manitowoc. At the end of the current fiscal year, unassigned fund balance was $1,416,511 while total fund balance was $6,336,632. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures which total ($24,605,508). Unassigned fund balance represents 5.8 percent of total general fund expenditures, while total fund balance represents 25.75 percent of that same amount.

The fund balance of the City of Manitowoc's general fund increased by $782,639 during the current fiscal year. The key factors in this increase are as follows:

- The main reason for the increase was due to under spending in the Public Safety area specifically Police ($273,661) and Fire ($357,926). Much of the under spending was in response to management reacting by controlling expenditures due to the lower estimated EMS Revenue. The 2015 budget estimates have been recalculated and should more closely represent actual revenue. The intention of city leadership is to build the general fund balance back to comply with our policy targeting an unassigned balance of 15-25% of general fund expenditures. This will take approximately another 4-5 years to again be in compliance with our general fund policy.

The debt service fund does not typically carry a fund balance. During 2012 the utility prepaid their portion of the debt issue funding the WRS Pension Liability. Therefore, the debt service fund will carry a restricted balance until the WRS debt has been retired. The City levies a property tax for debt service at the beginning of the current fiscal year for the payment of debt service. Revenues to help offset the tax are realized from transfers from other funds and interest earned.

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

Unrestricted net position at the end of the year amounted to the following:

- Water Utility $962,865
- Electric Utility $18,897,543
- Steam Utility $779,744
- Broadband Utility $777,570
- Wastewater Treatment Plant $3,936,345
- Transit System $341,913

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

General Fund Budgetary Highlights

Actual revenues came in higher than budgeted revenues by $298,579 primarily from miscellaneous revenues coming in higher by $729,286. Public charges for services ($366,847) were down primarily due to EMS Ambulance billings coming in under budget ($413,878).

Actual expenditures were less than budgeted expenditures by $743,012 primarily from savings generated by public safety expenditure savings of $629,650, and public works $258,170 and a reduction in expenditures to conservation and development of $123,327.

Capital Asset and Debt Administration

Capital assets. The City of Manitowoc's investment in capital assets as of December 31, 2014, for its governmental activities amounted to $131,940,916 and business type activities amounted to $162,942,361 for total capital assets of $294,883,277 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, roads, sewers, and bridges.

Major capital asset events (additions and retirements) during the current fiscal year included the following:

Governmental Activities:

- Land, net disposal of $346,900
- Infrastructure construction (streets and sewers), net disposals of $16,142,816
- Machinery and equipment net acquisitions totaling $1,013,725

Business-Type Activities:

- Improvements other than buildings $1,119,663
- Machinery and equipment acquisitions totaling $15,713
- Construction in progress $509,307

City of Manitowoc's Capital Assets
(net of depreciation)

	Governmental activities		Business-type activities		Total	
	2014	2013	2014	2013	2014	2013
Land	$7,195,018	$7,541,918	$2,023,042	$2,023,040	$9,218,060	$9,564,958
Buildings	17,564,118	18,701,138	29,540,564	30,948,161	47,104,682	49,649,299
Improvements other than buildings	-	-	54,478,296	55,267,302	54,478,296	55,267,302
Machinery and equipment	11,720,034	11,756,621	76,078,530	81,124,392	87,798,564	92,881,013
Infrastructure	95,123,706	96,227,136	-	-	95,123,706	96,227,136
Construction in progress	338,040	19,000	821,929	312,622	1,159,969	331,622
Total	$131,940,916	$134,245,813	$162,942,361	$169,675,517	$294,883,277	$303,921,330

Additional information on the City of Manitowoc's capital assets can be found in note C(4) of this report's notes to the financial statements.

Long-term debt. At the end of the current fiscal year, the City of Manitowoc has total bonded debt outstanding of $84,547,512. Of this amount, $57,564,000 comprises debt backed by the full faith and credit of the government. The remainder of the City of Manitowoc's debt, $26,983,512, represents bonds secured solely by customer revenues (i.e., revenue bonds).

City of Manitowoc's Outstanding Debt

General Obligation and Revenue Bonds

	Governmental activities		Business-type activities		Total	
	2014	2013	2014	2013	2014	2013
General obligation bonds	$35,045,000	$40,200,000	$-	$-	$40,495,000	$40,200,000
General obligation notes/loans	22,519,000	22,895,000	-	-	27,825,000	22,895,000
Revenue bonds	-	-	$26,983,512	$70,385,376	26,983,512	70,385,376
Total	$57,564,000	$63,095,000	$26,983,512	$70,385,376	$84,547,512	$133,480,376

The City of Manitowoc's total debt decreased by $48,932,864 (37%) during the current fiscal year. The factors in this decrease were the issuance of general obligation bonds/notes of $4,374,000, the retirement of outstanding general obligation bonds/notes amounting to $9,905,000, the issuance of $5,890,000 of revenue bonds/notes and retirement of outstanding revenue bonds of $49,291,864.

During the current fiscal year, the government sold the following bond issues: On March 24, 2014, $3,965,000 of General Obligation Promissory Notes at interest rates of 2.00% to 3.00% over the life of the notes.

The City of Manitowoc maintains an excellent financial rating for general obligation debt of "A1" from Moody's. Moody's has rated the revenue bonds of the Electric and Water Authority "A1".

State statutes limit the amount of general obligation debt a government entity may issue to 5 percent of its total equalized valuation. The current debt limitation for the City of Manitowoc is $94,692,460, which is significantly in excess of the City of Manitowoc's outstanding general obligation debt of $57,564,000.

Additional information on the City of Manitowoc's long-term debt can be found in note C(6) of this report's notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the City of Manitowoc's budget for the 2015 fiscal year.

- The unemployment rate for the City of Manitowoc is currently 6.4 percent, which is a decrease from the rate of 7.6 percent a year ago.
- Inflationary trends in the region compare favorably to the national indices.
- The tax rate included in the budget for city services would be at the allowable level under the State imposed levy limits;
- Salary increases only for bargained contractual agreements.
- Compensation plan adopted with an implementation date of July 1, 2014.
- Contingency fund established within the general fund budget of $116,457.

The City of Manitowoc has appropriated $200,000 of the unassigned fund balance for spending in the 2015 fiscal year budget. The application of $200,000 within the city's overall budget is predicted to not actually reduce our unassigned fund balance. The application of the unassigned fund balance would only occur if budgeted revenues and expenditures came in exactly according to the 2015 fiscal year budget. Historically the city returns approximately $400,000 to $600,000 back to the general fund each fiscal year. Therefore, it is management's opinion that we will still return $200,000 to $400,000 even with the application of unassigned general fund balance. The planned level of unassigned fund balance is set by policy at 15-25% of revenues. Every effort will be made to again comply as quickly as possible with the unassigned general fund policy.

Requests for Information

This financial report is designed to provide a general overview of the City of Manitowoc's finances for all those with an interest in the government's finances. Questions concerning any of the financial information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 900 Quay Street, Manitowoc, Wisconsin, 54220-4543. The Finance Director/Treasurer's Office may be contacted via the Internet. Please visit us at www.manitowoc.org

BASIC FINANCIAL STATEMENTS

CITY OF MANITOWOC, WISCONSIN
Statement of Net Position
December 31, 2014

	Primary Government		
	Governmental Activities	Business-type Activities	Totals
ASSETS			
Cash and investments	$ 26,356,406	$ 29,313,778	$ 55,670,184
Receivables			
Taxes	21,816,605	251,503	22,068,108
Accounts	1,606,915	6,895,443	8,502,358
Special assessments	1,123,163	-	1,123,163
Loans	5,116,516	920,000	6,036,516
Interest	4,350	-	4,350
Internal balances	(2,426,099)	2,426,099	-
Due from other governments	4,172,905	238,292	4,411,197
Inventories and prepaid items	681,991	3,083,248	3,765,239
Deposit with CVMIC	1,111,426	-	1,111,426
Restricted assets			
Cash and investments	-	17,543,940	17,543,940
Other assets	-	10,306,621	10,306,621
Capital assets, nondepreciable			
Land	7,195,018	2,023,042	9,218,060
Construction in progress	338,040	821,929	1,159,969
Capital assets, depreciable			
Buildings and improvements	28,797,563	57,321,192	86,118,755
Improvements other than buildings	-	91,809,118	91,809,118
Machinery and equipment	25,718,138	135,879,529	161,597,667
Infrastructure	169,443,593	-	169,443,593
Less: Accumulated depreciation	(99,551,436)	(124,912,449)	(224,463,885)
TOTAL ASSETS	191,505,094	233,921,285	425,426,379
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	-	1,205,543	1,205,543
LIABILITIES			
Accounts payable	962,858	4,444,888	5,407,746
Accrued and other current liabilities	969,310	4,654,284	5,623,594
Accrued interest payable	717,691	212,046	929,737
Due to other governments	26,544,130	-	26,544,130
Deposits	303,244	290,514	593,758
Unearned revenues	179,599	-	179,599
Long-term Obligations			
Due within one year	10,152,669	4,434,465	14,587,134
Due in more than one year	54,565,353	26,090,473	80,655,826
TOTAL LIABILITIES	94,394,854	40,126,670	134,521,524
DEFERRED INFLOWS OF RESOURCES			
Property taxes	17,244,240	251,503	17,495,743
Gain on debt refunding	-	2,207,991	2,207,991
TOTAL DEFERRED INFLOWS OF RESOURCES	17,244,240	2,459,494	19,703,734
NET POSITION			
Net investment in capital assets	86,185,510	133,959,504	220,145,014
Restricted for			
Debt service	617,396	19,068,699	19,686,095
Future loans	7,663,830	-	7,663,830
Future capital improvements	550,348	13,816,481	14,366,829
Unrestricted (deficit)	(15,151,084)	25,695,980	10,544,896
TOTAL NET POSITION	$ 79,866,000	$ 192,540,664	$ 272,406,664

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

CITY OF MANITOWOC, WISCONSIN
Statement of Activities
For the Year Ended December 31, 2014

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	$ 4,393,330	$ 478,564	$ 111,239	$ -
Public safety	13,803,232	2,859,135	604,888	-
Public works	7,532,419	794,302	2,372,326	435,109
Health and human services	297,093	176,563	5,300	-
Culture and recreation	5,582,966	910,375	66,271	830,302
Conservation and development	1,438,342	20,586	127,132	-
Interest on debt	1,920,612	55,036	-	-
Total Governmental Activities	34,967,994	5,294,561	3,287,156	1,265,411
Business-type Activities				
Water utility	5,888,571	6,598,666	-	106,670
Electric utility	60,741,021	67,610,280	-	172,596
Steam utility	392,270	687,092	-	-
Broadband utility	84,069	169,901	-	-
Wastewater treatment plant	4,944,513	6,718,041	-	-
Transit system	2,346,301	199,353	1,756,616	-
Total Business-type Activities	74,396,745	81,983,333	1,756,616	279,266
Total Primary Government	$ 109,364,739	$ 87,277,894	$ 5,043,772	$ 1,544,677

General revenues
- Property taxes, Levied for general purposes
- Property taxes, Levied for debt service
- Property taxes, Levied for special revenue funds
- Property taxes, Levied for capital projects
- Room tax
- Other taxes
- Federal and state grants and other contributions not restricted to specific functions
- Interest and investment earnings
- Miscellaneous

Transfers
- Total general revenues and transfers

Change in net position

Net position - January 1

Net position - December 31

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

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Totals
$ (3,803,527)	$ -	$ (3,803,527)
(10,339,209)	-	(10,339,209)
(3,930,682)	-	(3,930,682)
(115,230)	-	(115,230)
(3,776,018)	-	(3,776,018)
(1,290,624)	-	(1,290,624)
(1,865,576)	-	(1,865,576)
(25,120,866)	-	(25,120,866)
-	816,765	816,765
-	7,041,855	7,041,855
-	294,822	294,822
-	85,832	85,832
-	1,773,528	1,773,528
-	(390,332)	(390,332)
-	9,622,470	9,622,470
(25,120,866)	9,622,470	(15,498,396)
5,083,721	-	5,083,721
6,793,819	-	6,793,819
1,459,096	-	1,459,096
3,557,607	-	3,557,607
537,718	-	537,718
151,802	-	151,802
6,114,432	-	6,114,432
240,795	1,401,893	1,642,688
1,164,659	282,502	1,447,161
3,914,043	(3,914,043)	-
29,017,692	(2,229,648)	26,788,044
3,896,826	7,392,822	11,289,648
75,969,174	185,147,842	261,117,016
$ 79,866,000	$ 192,540,664	$ 272,406,664

CITY OF MANITOWOC, WISCONSIN
Balance Sheet
Governmental Funds
December 31, 2014

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	$ 17,794,637	$ -	$ 6,573,043	$ 24,367,680
Receivables				
Taxes	9,931,089	6,793,819	5,091,697	21,816,605
Accounts	1,412,056	16,259	149,128	1,577,443
Special assessments	964,028	159,135	-	1,123,163
Loans	-	281,693	4,834,823	5,116,516
Interest	4,350	-	-	4,350
Due from other funds	4,627,545	606,551	-	5,234,096
Due from other governments	4,136,711	-	36,194	4,172,905
Inventories and prepaid items	561,424	-	-	561,424
TOTAL ASSETS	$ 39,431,840	$ 7,857,457	$ 16,684,885	$ 63,974,182
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	$ 571,465	$ -	$ 336,269	$ 907,734
Accrued and other current liabilities	616,515	-	193,188	809,703
Due to other funds	-	-	5,234,096	5,234,096
Due to other governments	26,544,130	-	-	26,544,130
Unearned revenues	-	5,414	174,185	179,599
Advance from other funds	-	-	2,053,789	2,053,789
Total Liabilities	27,732,110	5,414	7,991,527	35,729,051
Deferred Inflows of Resources				
Property taxes	5,358,724	6,793,819	5,091,697	17,244,240
Loans receivable	-	281,693	4,834,823	5,116,516
Special assessments	4,374	159,135	-	163,509
Total Deferred Inflows of Resources	5,363,098	7,234,647	9,926,520	22,524,265
Fund Balances				
Nonspendable				
Inventories and prepaid items	561,424	-	-	561,424
Long-term accounts and interfund receivables	4,267,385	-	-	4,267,385
Restricted				
Debt service	-	617,396	-	617,396
Future loans	-	-	2,829,007	2,829,007
Future projects or improvements	-	-	550,348	550,348
Committed for future spending	-	-	977,142	977,142
Assigned for future projects	91,312	-	1,748,027	1,839,339
Unassigned (deficit)	1,416,511	-	(7,337,686)	(5,921,175)
Total Fund Balances	6,336,632	617,396	(1,233,162)	5,720,866
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 39,431,840	$ 7,857,457	$ 16,684,885	$ 63,974,182

(Continued)

CITY OF MANITOWOC, WISCONSIN
Balance Sheet (Continued)
Governmental Funds
December 31, 2014

Reconciliation to the Statement of Net Position

Total Fund Balances as shown on previous page		$ 5,720,866
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.		131,602,876
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.		
Special assessments	$ 163,509	
Loans receivable	5,116,516	5,280,025
Internal service funds reported in the statement of net position as governmental activities (see page 40)		2,517,806
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and notes payable	(57,564,000)	
Bond premium	(327,487)	
Compensated absences and other post-employment benefits	(6,646,395)	
Accrued interest on long-term obligations	(717,691)	(65,255,573)
Net Position of Governmental Activities as Reported on the Statement of Net Position (see page 31)		$ 79,866,000

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

CITY OF MANITOWOC, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds
For the Year Ended December 31, 2014

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	$ 5,235,523	$ 6,793,819	$ 5,554,421	$ 17,583,763
Special assessments	206,005	226,654	2,863	435,522
Intergovernmental	8,576,376	-	1,119,895	9,696,271
Licenses and permits	806,819	-	-	806,819
Fines and forfeits	535,228	-	-	535,228
Public charges for services	2,490,613	-	242,457	2,733,070
Intergovernmental charges for services	211,165	-	117,096	328,261
Interdepartmental charges for services	1,748,152	-	-	1,748,152
Miscellaneous	1,366,978	135,167	732,812	2,234,957
Total Revenues	21,176,859	7,155,640	7,769,544	36,102,043
Expenditures				
Current				
General government	3,561,494	-	75,388	3,636,882
Public safety	13,291,771	-	132,970	13,424,741
Public works	5,324,273	-	2,108,423	7,432,696
Health and human services	294,883	-	12,800	307,683
Culture and recreation	1,787,844	-	2,786,319	4,574,163
Conservation and development	345,243	-	2,401,192	2,746,435
Debt service				
Principal	-	6,025,000	2,140,000	8,165,000
Interest and fiscal charges	-	1,573,193	370,372	1,943,565
Total Expenditures	24,605,508	7,598,193	10,027,464	42,231,165
Excess of Revenues Under Expenditures	(3,428,649)	(442,553)	(2,257,920)	(6,129,122)
Other Financing Sources (Uses)				
Long-term debt issued	209,000	1,690,000	2,475,000	4,374,000
Premium on debt issued	-	144,652	-	144,652
Payment to refunding escrow agent	-	(1,787,549)	-	(1,787,549)
Transfers in	4,082,288	70,417	627,717	4,780,422
Transfers out	(80,000)	-	(786,379)	(866,379)
Total Other Financing Sources (Uses)	4,211,288	117,520	2,316,338	6,645,146
Net Change in Fund Balances	782,639	(325,033)	58,418	516,024
Fund Balances (Deficit) - January 1	5,553,993	942,429	(1,291,580)	5,204,842
Fund Balances (Deficit) - December 31	$ 6,336,632	$ 617,396	$ (1,233,162)	$ 5,720,866

(Continued)

CITY OF MANITOWOC, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds (Continued)
For the Year Ended December 31, 2014

Reconciliation to the Statement of Activities		
Net Change in Fund Balances as shown on previous page		$ 516,024
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital assets reported as capital outlay in governmental fund statements	$ 3,369,731	
Net book value of capital assets disposed	(478,220)	
Depreciation expense reported in the statement of activities	(5,515,448)	
Amount by which depreciation is greater than capital outlays in current period		(2,623,937)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		637,362
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items, detailed as follows:		
Issuance of general obligation debt	$ (4,374,000)	
Premium on debt issued	(144,652)	
Principal paid on long-term debt	9,905,000	
Net adjustment		5,386,348
Bond premiums and discounts are reported in the governmental funds as revenues and expenditures. In the statement of activities these costs are capitalized and amortized over the life of the bonds.		
Bond premium amortized		31,803
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. The detail of this difference is as follows:		
Compensated absences and other benefits	$ (46,006)	
Accrued interest	38,699	
Net adjustment		(7,307)
Internal service funds are used by the City to charge the costs of insurance programs and data processing services to individual funds. The net revenue of certain activities of internal services is reported with governmental activities		(43,467)
Change in Net Position of Governmental Activities as Reported in the Statement of Activities (see pages 32 - 33)		$ 3,896,826

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

CITY OF MANITOWOC, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
General Fund
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance Final Budget - Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 5,259,821	$ 5,259,821	$ 5,235,523	$ (24,298)
Special assessments	197,000	197,000	206,005	9,005
Intergovernmental	8,566,017	8,566,017	8,576,376	10,359
Licenses and permits	824,555	824,555	806,819	(17,736)
Fines and forfeits	530,000	535,800	535,228	(572)
Public charges for services	2,857,460	2,857,460	2,490,613	(366,847)
Intergovernmental charges for services	217,036	217,036	211,165	(5,871)
Interdepartmental charges for services	1,782,899	1,782,899	1,748,152	(34,747)
Miscellaneous	637,692	637,692	1,366,978	729,286
Total Revenues	20,872,480	20,878,280	21,176,859	298,579
Expenditures				
Current				
General government	3,589,388	3,306,777	3,561,494	(254,717)
Public safety	13,714,919	13,921,421	13,291,771	629,650
Public works	5,576,005	5,582,443	5,324,273	258,170
Health and human services	267,059	267,059	294,883	(27,824)
Culture and recreation	1,784,070	1,802,250	1,787,844	14,406
Conservation and development	407,590	468,570	345,243	123,327
Total Expenditures	25,339,031	25,348,520	24,605,508	743,012
Excess of Revenues Under Expenditures	(4,466,551)	(4,470,240)	(3,428,649)	1,041,591
Other Financing Sources (Uses)				
Long term debt issued	208,900	208,900	209,000	100
Transfers in	4,067,650	4,067,650	4,082,288	14,638
Transfers out	-	-	(80,000)	(80,000)
Total Other Financing Sources (Uses)	4,276,550	4,276,550	4,211,288	(65,262)
Net Change in Fund Balance	(190,001)	(193,690)	782,639	976,329
Fund Balance - January 1	5,553,993	5,553,993	5,553,993	-
Fund Balance - December 31	$ 5,363,992	$ 5,360,303	$ 6,336,632	$ 976,329

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

CITY OF MANITOWOC, WISCONSIN
Statement of Net Position
Proprietary Funds
December 31, 2014

	Enterprise Funds			
	Water Utility	Electric Utility	Steam Utility	Broadband Utility
ASSETS				
Current Assets				
Cash and investments	$ 2,722,463	$ 21,401,871	$ 645,461	$ 665,421
Receivables				
Taxes	-	-	-	-
Accounts	1,001,716	5,064,094	169,781	13,422
Advance to other funds	-	1,051,271	-	-
Due from other governments	-	-	-	-
Inventories and prepaid items	184,206	2,649,665	14,588	120,089
Restricted assets				
Cash and investments	5,327,985	2,824,692	28,532	-
Total Current Assets	9,236,370	32,991,593	858,362	798,932
Noncurrent Assets				
Other assets	-	10,306,621	-	-
Notes receivable	-	920,000	-	-
Advance to other funds	-	1,374,828	-	-
Deposit with CVMIC	-	-	-	-
Capital assets, nondepreciable				
Land	263,009	1,292,080	47,353	-
Construction in progress	422,085	399,844	-	-
Capital assets, depreciable				
Buildings and improvements	4,508,656	15,110,743	175,813	-
Improvements other than buildings	39,866,234	50,224,411	685,364	1,033,109
Machinery and equipment	23,962,735	104,371,953	1,653,563	210,184
Less: Accumulated depreciation	(20,588,340)	(77,184,519)	(994,378)	(533,387)
Total Noncurrent Assets	48,434,379	106,815,961	1,567,715	709,906
TOTAL ASSETS	57,670,749	139,807,554	2,426,077	1,508,838
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	630,468	575,075	-	-
LIABILITIES				
Current Liabilities				
Accounts payable	613,666	3,660,770	4,209	820
Accrued and other current liabilities	828,121	3,762,125	42,563	20,542
Accrued interest payable	5,183	168,676	1,704	-
Due to other funds	-	-	-	-
Deposits	1,382	289,132	-	-
Unamortized premium on debt	-	132,014	1,333	-
Revenue bonds payable	495,000	2,351,250	23,750	-
Total Current Liabilities	1,943,352	10,363,967	73,559	21,362
Long-term obligations				
Compensated absences	292,623	1,608,331	-	-
Unamortized premium on debt	-	854,914	8,636	-
Revenue bonds payable	1,060,000	15,795,450	159,550	-
Other post employment benefits	49,151	195,927	1,610	-
Total Noncurrent Liabilities	1,401,774	18,454,622	169,796	-
TOTAL LIABILITIES	3,345,126	28,818,589	243,355	21,362
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
Unamortized gain on debt refunding	-	2,185,911	22,080	-
NET POSITION				
Net investment in capital assets	47,509,847	73,470,048	1,352,366	709,906
Restricted for				
Debt service	2,029,629	17,010,538	28,532	-
Capital projects	4,453,750	-	-	-
Unrestricted	962,865	18,897,543	779,744	777,570
TOTAL NET POSITION	$ 54,956,091	$ 109,378,129	$ 2,160,642	$ 1,487,476

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

Enterprise Funds (Continued)			Governmental Activities - Internal Service Funds
Wastewater Treatment Plant	Transit System	Totals	
$ 3,727,325	$ 151,237	$ 29,313,778	$ 1,988,726
-	251,503	251,503	-
573,952	72,478	6,895,443	29,472
-	-	1,051,271	-
-	238,292	238,292	-
-	114,700	3,083,248	120,567
9,362,731	-	17,543,940	-
13,664,008	828,210	58,377,475	2,138,765
-	-	10,306,621	-
-	-	920,000	-
-	-	1,374,828	-
-	-	-	1,111,426
330,600	90,000	2,023,042	-
-	-	821,929	338,040
35,456,335	2,069,645	57,321,192	-
-	-	91,809,118	-
2,787,163	2,893,931	135,879,529	-
(22,553,657)	(3,058,168)	(124,912,449)	-
16,020,441	1,995,408	175,543,810	1,449,466
29,684,449	2,823,618	233,921,285	3,588,231
-	-	1,205,543	-
125,293	40,130	4,444,888	55,124
-	933	4,654,284	462,851
36,483	-	212,046	-
-	-	-	372,310
-	-	290,514	-
-	-	133,347	-
1,431,118	-	4,301,118	-
1,592,894	41,063	14,036,197	890,285
167,239	153,555	2,221,748	180,140
-	-	863,550	-
5,667,394	-	22,682,394	-
35,917	40,176	322,781	-
5,870,550	193,731	26,090,473	180,140
7,463,444	234,794	40,126,670	1,070,425
-	251,503	251,503	-
-	-	2,207,991	-
8,921,929	1,995,408	133,959,504	-
-	-	19,068,699	-
9,362,731	-	13,816,481	-
3,936,345	341,913	25,695,980	2,517,806
$ 22,221,005	$ 2,337,321	$ 192,540,664	$ 2,517,806

CITY OF MANITOWOC, WISCONSIN
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2014

	Enterprise Funds			
	Water Utility	Electric Utility	Steam Utility	Broadband Utility
Operating Revenues				
Charges for services	$ 6,448,785	$ 67,306,556	$ 686,592	$ 169,901
Other	134,743	276,196	500	-
Total Operating Revenues	6,583,528	67,582,752	687,092	169,901
Operating Expenses				
Source of supply	5,032	-	-	-
Pumping	969,054	-	-	-
Power production	-	10,495,413	257,055	-
Other power supply	-	37,480,737	-	-
Water treatment	881,522	-	-	-
Transmission and distribution	1,281,290	1,400,576	14,115	-
Customer accounts	218,677	675,828	-	-
Administrative and general	736,166	2,259,494	14,798	40,225
Combined operation and maintenance	-	-	-	-
Depreciation and amortization	1,668,283	5,589,937	80,722	43,844
Taxes	54,031	222,911	1,305	-
Total Operating Expenses	5,814,055	58,124,896	367,995	84,069
Operating Income (Loss)	769,473	9,457,856	319,097	85,832
Nonoperating Revenues (Expenses)				
Property taxes	-	-	-	-
Intergovernmental	-	-	-	-
Interest revenue	12,652	1,366,334	22,907	-
Merchandising and jobbing	15,138	27,528	-	-
Amortization of debt premium	-	211,860	-	-
Amortization of gain on debt refunding	-	24,700	250	-
Interest and fiscal charges	(70,118)	(2,615,419)	(24,275)	-
Miscellaneous	(4,398)	(706)	-	-
Insurance recoveries	-	-	-	-
Total Nonoperating Revenues (Expenses)	(46,726)	(985,703)	(1,118)	-
Income (Loss) Before Contributions and Transfers	722,747	8,472,153	317,979	85,832
Capital contributions	106,670	172,596	-	-
Transfers out	(879,228)	(2,939,435)	(43,086)	(20,711)
Change in Net Position	(49,811)	5,705,314	274,893	65,121
Net Position - January 1	55,005,902	103,672,815	1,885,749	1,422,355
Net Position - December 31	$ 54,956,091	$ 109,378,129	$ 2,160,642	$ 1,487,476

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

Enterprise Funds (Continued)			Governmental Activities - Internal Service Funds
Wastewater Treatment Plant	Transit System	Totals	
$ 6,714,873	$ 199,353	$ 81,526,060	$ 4,047,480
3,168	-	414,607	-
6,718,041	199,353	81,940,667	4,047,480
-	-	5,032	-
-	-	969,054	-
-	-	10,752,468	-
-	-	37,480,737	-
-	-	881,522	-
-	-	2,695,981	-
-	-	894,505	-
-	-	3,050,683	-
3,673,279	1,961,604	5,634,883	4,239,088
1,037,582	384,697	8,805,065	-
-	-	278,247	1,245
4,710,861	2,346,301	71,448,177	4,240,333
2,007,180	(2,146,948)	10,492,490	(192,853)
-	251,503	251,503	-
-	1,505,113	1,505,113	-
-	-	1,401,893	-
-	-	42,666	-
-	-	211,860	-
-	-	24,950	-
(233,652)	-	(2,943,464)	-
1,922	43,770	40,588	-
-	-	-	149,386
(231,730)	1,800,386	535,109	149,386
1,775,450	(346,562)	11,027,599	(43,467)
-	-	279,266	-
(26,393)	(5,190)	(3,914,043)	-
1,749,057	(351,752)	7,392,822	(43,467)
20,471,948	2,689,073	185,147,842	2,561,273
$ 22,221,005	$ 2,337,321	$ 192,540,664	$ 2,517,806

CITY OF MANITOWOC, WISCONSIN
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2014

	Enterprise Funds			
	Water Utility	Electric Utility	Steam Utility	Broadband Utility
Cash Flows from Operating Activities				
Cash received from customers	$ 6,516,207	$ 72,261,579	$ 562,463	$ 174,392
Cash paid to suppliers	(3,434,421)	(50,722,418)	(264,614)	(139,155)
Cash paid to employees	(1,137,170)	(1,788,908)	(28,142)	-
Net Cash Provided (Used) by Operating Activities	1,944,616	19,750,253	269,707	35,237
Cash Flows from Noncapital Financing Activities				
General property taxes	-	-	-	-
Cash transferred to other funds	(879,228)	(3,311,745)	(43,086)	(20,711)
Operating grants	-	-	-	
Advance payment to MISO	-	(100,000)	-	-
Advance payment to City	-	681,180	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	(879,228)	(2,730,565)	(43,086)	(20,711)
Cash Flows from Capital and Related Financing Activities				
Proceeds from revenue bonds	-	5,831,100	58,900	-
Premium on debt issued	-	150,715	1,511	-
Principal paid on debt	(475,000)	(46,955,700)	(474,300)	-
Cash advanced from other funds	-	-	-	-
Interest and fiscal charges	(71,702)	(3,182,888)	(29,338)	-
Customer contributions	106,670	172,596	-	-
Cost of removal of capital assets	(18,271)	(32,120)	-	-
Proceeds on disposal of capital assets	10,157	77,471	-	-
Acquisition of capital assets	(1,103,768)	(1,393,067)	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,551,914)	(45,331,893)	(443,227)	-
Cash Flows from Investing Activities				
Interest received on investments	12,652	1,534,347	22,907	-
Cash paid to ATC LLC	-	(629,848)	-	-
Net Cash Provided by Investing Activities	12,652	904,499	22,907	-
Increase (Decrease) in Cash and Cash Equivalents	(473,874)	(27,407,706)	(193,699)	14,526
Cash and Cash Equivalents - January 1	8,524,322	51,634,269	867,692	650,895
Cash and Cash Equivalents - December 31	$ 8,050,448	$ 24,226,563	$ 673,993	$ 665,421
Reconciliation of cash and cash equivalents to the statement of net position:				
Unrestricted cash and investments	$ 2,722,463	$ 21,401,871	$ 645,461	$ 665,421
Restricted cash and investments	5,327,985	2,824,692	28,532	-
	$ 8,050,448	$ 24,226,563	$ 673,993	$ 665,421

(Continued)

Enterprise Fund (Continued)			Governmental Activities - Internal Service Funds
Wastewater Treatment Plant	Transit System	Totals	
$ 6,829,066	$ 205,655	$ 86,549,362	$ 4,192,507
(2,875,917)	(783,586)	(58,220,111)	(3,941,521)
(1,013,440)	(1,156,073)	(5,123,733)	(390,248)
2,939,709	(1,734,004)	23,205,518	(139,262)
-	251,503	251,503	-
(26,393)	(5,190)	(4,286,353)	-
-	1,539,230	1,539,230	-
-	-	(100,000)	-
-	-	681,180	-
(26,393)	1,785,543	(1,914,440)	-
-	-	5,890,000	-
-	-	152,226	-
(1,386,864)	-	(49,291,864)	-
-	-	-	372,310
(241,027)	-	(3,524,955)	-
-	-	279,266	-
-	-	(50,391)	-
-	-	87,628	-
(132,125)	-	(2,628,960)	(319,040)
(1,760,016)	-	(49,087,050)	53,270
-	-	1,569,906	-
-	-	(629,848)	-
-	-	940,058	-
1,153,300	51,539	(26,855,914)	(85,992)
11,936,756	99,698	73,713,632	2,074,718
$ 13,090,056	$ 151,237	$ 46,857,718	$ 1,988,726
$ 3,727,325	$ 151,237	$ 29,313,778	$ 1,988,726
9,362,731	-	17,543,940	-
$ 13,090,056	$ 151,237	$ 46,857,718	$ 1,988,726

CITY OF MANITOWOC, WISCONSIN
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended December 31, 2014

	Enterprise Funds			
	Water Utility	Electric Utility	Steam Utility	Broadband Utility
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	$ 769,473	$ 9,457,856	$ 319,097	$ 85,832
Adjustments to reconcile operating income (loss) to net cash provided (used) by operations				
Depreciation	1,668,283	5,589,937	80,722	41,324
Depreciation charged to operating accounts	97,876	111,113	-	-
Amortization	-	-	-	2,520
Insurance recoveries	-	-	-	-
Merchandising and jobbing	15,138	27,528	-	-
Miscellaneous income	(4,398)	(706)	-	-
Changes in assets and liabilities				
Accounts receivable	(76,721)	4,594,491	(124,629)	4,491
Inventories and prepaid items	102,864	135,966	(2,973)	(98,100)
Deferred charges	-	-	-	-
Accounts payable	(682,255)	24,826	4,064	(294)
Accrued and other current liabilities	50,336	(265,714)	(6,750)	(536)
Compensated absences and employee benefits	5,360	21,366	176	-
Deposits	(1,340)	53,590	-	-
Net Cash Provided (Used) by Operating Activities	$ 1,944,616	$ 19,750,253	$ 269,707	$ 35,237
Noncash Investing, Capital and Financing Activities				
Capital assets transferred from other funds	$ -	$ -	$ -	$ -

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

Enterprise Funds (Continued)			
Wastewater Treatment Plant	Transit System	Totals	Governmental Activities - Internal Service Funds
$ 2,007,180	$ (2,146,948)	$ 10,492,490	$ (192,853)
1,037,582	384,697	8,802,545	-
-	-	208,989	-
-	-	2,520	-
-	-	-	149,386
-	-	42,666	-
1,922	43,770	40,588	-
109,103	(37,468)	4,469,267	(4,359)
-	10,384	148,141	(50,981)
-	-	-	8,030
(182,281)	20	(835,920)	(192,153)
-	-	(222,664)	143,668
(33,797)	11,541	4,646	-
-	-	52,250	-
$ 2,939,709	$ (1,734,004)	$ 23,205,518	$ (139,262)
$ -	$ -	$ -	$ -

CITY OF MANITOWOC, WISCONSIN
Statement of Fiduciary Net Position
Poor Relief Fiduciary Fund
December 31, 2014

	Poor Relief
ASSETS	
Cash and investments	$ 16,699
LIABILITIES	
Accounts payable	$ -
NET POSITION	
Restricted for	
Trust activities	$ 16,699

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

CITY OF MANITOWOC, WISCONSIN
Statement of Changes in Fiduciary Net Position
Poor Relief Fiduciary Fund
Year Ended December 31, 2014

	Poor Relief
Additions	
Interest on investments	$ -
Deductions	
Benefits	875
Change in Net Position	(875)
Net Position - January 1	17,574
Net Position - December 31	$ 16,699

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Reporting Entity
   The City of Manitowoc is a municipal corporation governed by an elected ten member council. Included in the City's operations (the primary government) are the City's water, electric, steam and broadband utilities managed by a separate commission appointed by the City Council. In accordance with GAAP, the basic financial statements are required to include the City (the primary government) and any separate component units that have a significant operational or financial relationship with the City. The City has not identified any component units that are required to be included in the basic financial statements in accordance with standards established by GASB Statement No. 61.

2. Related Organization
   The City's officials are also responsible for appointing the members of the board of another organization, but the City's accountability for this organization does not extend beyond making the appointments. Therefore this organization is not included in the City's reporting entity. The City Council appoints the members of the following related organization:

   The Housing Authority of the City of Manitowoc - The Housing Authority was established by the City to administer the low and moderate income housing program funded by federal grants and rental income. Although board members of the Housing Authority are appointed by the City Council, there is no financial interdependency with the City of Manitowoc nor does the City have any significant influence over Housing Authority operations. The City does not provide funding for the Housing Authority. Additionally, the City does not hold title to any of the Housing Authority assets, nor does it have any right to the Housing Authority's surpluses. The City has no legal obligation to fund Housing Authority programs should grant funding no longer be available.

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

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

   Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Governmental funds include general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise and internal service funds. Major individual governmental funds and individual enterprise funds are reported as separate columns in the fund financial statements.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports the following major governmental funds:

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

DEBT SERVICE FUND
This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The City reports the following major enterprise funds:

WATER UTILITY
This funds accounts for the provision of water service to City residents, public authorities, and business entities.

ELECTRIC UTILITY
This fund accounts for the provision of electric service to City residents, public authorities, and business entities.

STEAM UTILITY
This fund accounts for the provision of sales of steam to public authorities and business entities.

BROADBAND UTILITY
This fund accounts for the provision of broadband communication services to public authorities.

WASTEWATER TREATMENT PLANT
This fund accounts for the provision of sewage treatment service to City residents, public authorities, and business entities.

TRANSIT SYSTEM
This fund accounts for the provision of mass transit services to residents of the Cities of Manitowoc and Two Rivers.

Additionally, the government reports the following fund types:

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted for specific purposes.

Capital projects funds 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.

Internal service funds account for health and liability self-insurance and data processing services provided to other departments of the City on a cost reimbursement basis.

The *private-purpose trust fund* is used to account for resources legally held in trust to provide annual holiday donations to area not-for-profit organizations. Generally, only the earnings on the invested resources are used to make the donations.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund (other than agency funds) financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Agency funds follow the accrual basis of accounting, and do not have a measurement focus.

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

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

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

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

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

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Assets, Liabilities, Deferred Outflows/Inflows and Net Position or Fund Balance

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

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

c. Interfund Receivables and Payables
During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds" in the fund financial statements. Noncurrent portions of the interfund receivables for the governmental funds are reported as "advances to other funds" and are offset by nonspendable fund balance since they do not constitute expendable available financial resources and therefore are not available for appropriation.

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

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

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

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

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Capital Assets

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

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

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

	Governmental Activities	Business-Type Activities
	Years	
Assets		
Buildings	50	25 - 50
Improvements other than buildings	-	25 - 100
Machinery and equipment	5 - 20	3 - 10
Infrastructure	50 - 100	-

g. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave benefits in accordance with bargaining unit agreements. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

h. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of items that qualify for reporting in this category, property taxes and the gain on debt refunding. The property taxes will be recognized as an inflow of resources in the subsequent year for which it was levied. The gain on debt refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The City also has an additional type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources, loans receivable and special assessments. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Long-term Obligations

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

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

j. Fund Equity

GOVERNMENTAL FUND FINANCIAL STATEMENTS

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

- Nonspendable fund balance - Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.

- Restricted fund balance - Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.

- Committed fund balance - Amounts that are constrained for specific purposes by action of the Common Council either through the passage of an ordinance or resolution. These constraints can only be removed or changed by the Common Council using the same action that was used to create them.

- Assigned fund balance - Amounts that are constrained for specific purposes by action of City management. The Common Council, through adoption of the fund balance policy, has authorized the Finance Director to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.

- Unassigned fund balance - Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

The City has not adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. When a policy does not specify the spend-down policy, GASB Statement No. 54 indicates that restricted funds would be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENT-WIDE AND PROPRIETARY FUND STATEMENTS

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

- Net investment in capital assets – Amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.

- Restricted net position - Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

- Unrestricted net position - Net position that is neither classified as restricted nor as net investment in capital assets.

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

NOTE B - STEWARDSHIP AND COMPLIANCE

1. Budgets and Budgetary Accounting
The City follows these procedures in establishing the budgetary data reflected in the basic financial statements:

   a. Prior to November, City management submits to the City Council a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by City Council action.

   b. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the governmental funds. Budget is defined as the originally approved budget plus or minus approved amendments. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.

NOTE B - STEWARDSHIP AND COMPLIANCE (Continued)

c. During the year, formal budgetary integration is employed as a management control device for the general fund, debt service fund, room tax, mandatory recycling, Tax Increment Districts No. 7, and 8, transit capital grant, library, and aquatic center special revenue funds, and sanitary and storm sewers, streets, harbor improvements, capital equipment, environmental remediation, buildings and other capital improvements, and Tax Increment Districts No. 9, 10, 11, 12, 13, 14, 15, 16 and 17 capital projects funds. Amendments to the budget during the year are initially reviewed by management and are subsequently authorized by the City Council. Management does not have authority to amend the legally adopted budget. Supplemental amendments were necessary during the year but were not material in relation to the original appropriation.

d. The budget as enacted includes total expenditures at the organization level. An organization can be a department, division, fund or other activity. Expenditures cannot legally exceed appropriations at this level.

The City did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2014.

2. Deficit Fund Equity
The following funds had deficit fund equity as of December 31, 2014:

Fund	Deficit Fund Equity
Special Revenue Funds	
CDBG	$ 32,383
Aquatic Center	79,387
Capital Projects Funds	
Sanitary and Storm Sewers	1,714,018
Streets	2,927,061
Tax Increment District No. 9	559,849
Tax Increment District No. 11	70,523
Tax Increment District No. 12	135,592
Tax Increment District No. 14	400,462
Tax Increment District No. 16	1,418,411
Internal Service Fund	
Data Processing	88,896

The above deficits are anticipated to be funded from future operations of the respective funds, proceeds of debt, or from available resources of the general fund.

NOTE C - DETAILED NOTES ON ALL FUNDS

1. Cash and Investments

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

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

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

In addition, 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. These sections give broad authority to use such funds to acquire various kinds of investments, including common stock.

The carrying amount of the City's cash and investments totaled $73,230,823 on December 31, 2014 as summarized below:

Petty cash funds	$ 15,675
Deposits with financial institutions	33,762,318
Investments	
U.S. Treasury Notes	4,346,111
Government National Mortgage Association	267,250
Federal National Mortgage Association	1,479,420
Federal Home Loan Bank	2,295,688
Federal Home Loan Mortgage Association	7,765,267
Small Business Administration	433,476
Money market mutual funds	11,814,153
Corporate obligations	1,792,910
Wisconsin local government investment pool	9,258,555
	$ 73,230,823

Reconciliation to the basic financial statements:

Government-Wide Statement of Net Position	
Cash and investments	$ 55,670,184
Restricted cash and investments	17,543,940
Fiduciary Funds Statement of Net Position	
Private-purpose trust fund	16,699
	$ 73,230,823

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

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. All security transactions, including collateral for repurchase agreements, entered into by the City of Manitowoc shall be conducted on a delivery-versus-payment (DIP) basis. Securities will be held by a third party custodian designated by the Finance Director/Treasurer and Mayor and approved by the Finance Committee and Common Council.

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

As of December 31, 2014, $29,089,938 of the City's deposits with financial institutions were in excess of federal and state depository insurance limits and uncollateralized.

Credit Risk

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

Investment Type	Amount	Exempt From Disclosure	AAA	AA	A	Not Rated
U.S. Treasury notes	$ 4,346,111	$ 4,346,111	$ -	$ -	$ -	$ -
U.S. Government agencies	11,807,625	-	11,807,625	-	-	-
Small Business Administration	433,476	-	-	-	433,476	-
Corporate obligations	1,792,910	-	123,566	1,618,981	50,363	-
Money market mutual funds	11,814,153	-	-	-	-	11,814,153
Wisconsin local government investment pool	9,258,555	-	-	-	-	9,258,555
Totals	$ 39,452,830	$ 4,346,111	$ 11,931,191	$ 1,618,981	$ 483,839	$ 21,072,708

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Concentration of Credit Risk

The City's investment policy states that it will diversify its investments by security type and institution. With the exception of U.S. Treasury securities and authorized pools, no more than 50% of the City's total investment portfolio will be invested in a single type or with a single financial institution. The City had the following investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments.

Issuer	Reported Amount
Federal National Mortgage Association	$ 1,479,420
Federal Home Loan Bank	2,295,688
Federal Home Loan Mortgage Corporation	7,765,267
Small Business Administration	433,476
	$ 11,973,851

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. In accordance with its investment policy, to the extent possible, the City of Manitowoc will attempt to match its investments with anticipated cash flow liquidity requirements. Unless matched to a specific cash flow, the City of Manitowoc will not invest in securities maturing more than 5 years from the date of purchase. Reserve funds may be invested in securities exceeding 5 years if the maturity of such investment is made to coincide as nearly as practicable with the expected use of funds. In no event will the City invest in securities with maturities exceeding 7 years. Because of the inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as Local Government Investment Pools, money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

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

		Remaining Maturity (in Months)			
Investment Type	Amount	12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
U.S. Treasury notes	$ 4,346,111	$ 1,950,673	$ 218,610	$ 2,176,828	$ -
U.S. Government agencies	11,807,625	3,497,885	153,480	5,445,145	2,711,115
Small Business Administration	433,476	-	-	8,358	425,118
Corporate obligations	1,792,910	256,279	157,491	1,379,140	-
Money market mutual funds	11,814,153	11,814,153	-	-	-
Wisconsin local government investment pool	9,258,555	9,258,555	-	-	-
Totals	$ 39,452,830	$ 26,777,545	$ 529,581	$ 9,009,471	$ 3,136,233

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations
The City's investments include the following investments that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above):

Highly Sensitive Investments	Fair Value at Year End
Government National Mortgage Association	$ 267,250
Federal National Mortgage Association	1,479,420
Federal Home Loan Bank	2,295,688
Federal Home Loan Mortgage Corporation	7,765,267
Small Business Administration	433,476
	$ 12,241,101

Investment in Wisconsin Local Government Investment Pool
The City has investments in the Wisconsin local government investment pool of $9,258,555 at year-end. The Wisconsin local government investment pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2014, the fair value of the City's share of the LGIP's assets was substantially equal to the carrying value.

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

The City bills and collects its own property taxes and also levies and collects taxes for the Manitowoc School District, Manitowoc County, Lakeshore Technical College and the State of Wisconsin. Collections and remittances of taxes for other entities are accounted for in the general fund.

3. Restricted Assets
Restricted assets on December 31, 2014 totaled $17,543,940 and consisted of cash and investments held for the following purposes:

Enterprise Funds	
Water Utility	
Retirement of waterworks system revenue bonds	$ 874,235
Membrane replacement	4,453,750
Electric Utility	
Retirement of electric system revenue bonds	2,824,692
Steam Utility	
Retirement of revenue bonds	28,532
Wastewater Treatment Plant	
Plant replacement	9,362,731
Total Restricted Assets	$ 17,543,940

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

4. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 7,541,918	$ 46,100	$ 393,000	$ 7,195,018
Construction in progress	19,000	319,040	-	338,040
Total capital assets, not being depreciated	7,560,918	365,140	393,000	7,533,058
Capital assets, being depreciated:				
Buildings	28,870,150	-	72,587	28,797,563
Machinery and equipment	24,704,413	1,353,340	339,615	25,718,138
Infrastructure	185,586,409	1,970,291	18,113,107	169,443,593
Subtotals	239,160,972	3,323,631	18,525,309	223,959,294
Less accumulated depreciation for:				
Buildings	10,169,012	1,131,002	66,569	11,233,445
Machinery and equipment	12,947,792	1,310,725	260,413	13,998,104
Infrastructure	89,359,273	3,073,721	18,113,107	74,319,887
Subtotals	112,476,077	5,515,448	18,440,089	99,551,436
Total capital assets, being depreciated, net	126,684,895	(2,191,817)	85,220	124,407,858
Governmental activities capital assets, net	$ 134,245,813	$ (1,826,677)	$ 478,220	131,940,916
Less related long-term debt outstanding and unamortized premium				45,755,406
Net investment in capital assets				$ 86,185,510
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 2,023,040	$ 2	$ -	$ 2,023,042
Construction in progress	312,622	690,304	180,997	821,929
Total capital assets, not being depreciated	2,335,662	690,306	180,997	2,844,971
Capital assets, being depreciated:				
Buildings	57,321,191	1	-	57,321,192
Improvements other than buildings	90,689,455	1,577,427	457,764	91,809,118
Machinery and equipment	135,863,816	542,225	526,512	135,879,529
Subtotals	283,874,462	2,119,653	984,276	285,009,839
Less accumulated depreciation for:				
Buildings	26,373,030	1,407,598	-	27,780,628
Improvements other than buildings	35,422,153	2,364,308	455,639	37,330,822
Machinery and equipment	54,739,424	5,239,628	178,053	59,800,999
Subtotals	116,534,607	9,011,534	633,692	124,912,449
Total capital assets, being depreciated, net	167,339,855	(6,891,881)	350,584	160,097,390
Business-type activities capital assets, net	$ 169,675,517	$ (6,201,575)	$ 531,581	162,942,361
Less related long-term debt outstanding, unamortized premium and deferred inflows and outflows				28,982,857
Net investment in capital assets				$ 133,959,504

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

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

Governmental activities	
General government	$ 197,298
Public safety	369,499
Public works	4,720,249
Health and human services	11,488
Culture and recreation	533,126
Conservation and development	45,950
Total depreciation expense - governmental activities	$ 5,877,610
Business-type activities	
Water utility	$ 1,668,283
Electric utility	5,589,937
Steam utility	80,722
Broadband utility	41,324
Wastewater treatment plant	1,037,582
Transit system	384,697
Depreciation charged to operating accounts and other adjustments	208,989
Total depreciation expense - business-type activities	$ 9,011,534

5. Interfund Receivable, Payables, and Transfers

Interfund receivables and payables between individual funds of the City, as reported in the fund financial statements, as of December 31, 2014 are detailed below:

	Interfund Receivables	Interfund Payables
Temporary Cash Advances to Finance Operating Cash Deficits of Other Funds		
General Fund	$ 4,627,545	$ -
Debt Service Fund	606,551	-
Nonmajor Governmental Funds	-	5,234,096
Electric utility enterprise fund	372,310	-
Data processing internal service fund	-	372,310
Advances Between Funds		
Electric Utility Enterprise Fund	2,053,789	-
Sanitary and Storm Sewers Capital Projects Fund	-	1,736,306
Streets Capital Projects Fund	-	317,483
Totals	$ 7,660,195	$ 7,660,195

The outstanding balances between funds result mainly 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, (3) payments between funds are made, and (4) long-term advances have been made.

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Interfund transfers for the year ended December 31, 2014 were as follows:

	Transfers in:			
Transfers Out:	General Fund	Debt Service	Nonmajor Governmental	Total
General Fund	$ -	$ -	$ 80,000	$ 80,000
Nonmajor Governmental Funds				
Special Revenue Funds	199,828	38,834	57,425	296,087
Capital Projects Funds	-	-	490,292	490,292
Proprietary Funds				
Water Utility	879,228	-	-	879,228
Electric Utility	2,939,435	-	-	2,939,435
Steam Utility	43,086	-	-	43,086
Broadband Utility	20,711	-	-	20,711
Wastewater Treatment Plant	-	26,393	-	26,393
Transit System	-	5,190	-	5,190
Totals	$ 4,082,288	$ 70,417	$ 627,717	$ 4,780,422

Transfers are used to: (1) move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; (2) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; and (3) move receipts restricted to or allowed for debt service from the funds collecting the receipts to the debt service funds as debt service payments become due.

6. Long-term Obligations

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

	Outstanding 1/1/14	Issued	Retired	Outstanding 12/31/14	Due Within One Year
Governmental activities:					
General Obligation Debt					
Bonds	$ 40,200,000	$ -	$ 5,155,000	$ 35,045,000	$ 4,940,000
Notes	22,895,000	4,374,000	4,750,000	22,519,000	3,175,000
Total General Obligation Debt	63,095,000	4,374,000	9,905,000	57,564,000	8,115,000
Bond premium	214,638	144,652	31,803	327,487	37,669
Compensated absences	5,632,377	1,860,371	1,751,864	5,740,884	2,000,000
Other post employment benefits	1,080,122	27,611	22,082	1,085,651	-
Governmental activities					
Long-term obligations	$ 70,022,137	$ 6,406,634	$ 11,710,749	$ 64,718,022	$ 10,152,669
Business-type activities:					
Revenue bonds	$ 70,385,376	$ 5,890,000	$ 49,291,864	$ 26,983,512	$ 4,301,118
Unamortized premium	3,290,417	152,227	2,445,747	996,897	133,347
Compensated absences	2,279,935	11,128	69,315	2,221,748	-
Other post employment benefits	295,148	30,552	2,919	322,781	-
Business-type activities					
Long-term obligations	$ 76,250,876	$ 6,083,907	$ 51,809,845	$ 30,524,938	$ 4,434,465

Total interest paid during the year on long-term debt totaled $5,393,719.

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

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

Bonds	
$4,760,000 capital improvement and development bonds issued 4/15/05; $440,000 due in 2015; interest 4.15%	$ 440,000
$4,390,000 capital improvement and revaluation bonds issued 5/22/06; $330,000 to $410,000 due annually through 2018; interest 4.125% to 4.15%	1,515,000
$8,220,000 capital improvement bonds issued 4/9/07; $560,000 to $755,000 due annually through 2022; interest 3.875% to 3.9%	5,215,000
$5,600,000 capital improvement bonds issued 6/27/08; $345,000 to $495,000 due annually through 2023; interest 3.25% to 4.00%	3,825,000
$6,225,000 capital improvement bonds issued 2/17/09; $380,000 to $550,000 due annually through 2024; interest 3.0% to 4.125%	4,565,000
$5,850,000 capital improvement bonds issued 2/16/10; $385,000 to $520,000 due annually through 2025; interest 1.25% to 5.1%	4,870,000
$10,615,000 refunding bonds issued 2/16/10; $200,000 to $1,845,000 due annually through 2021; interest 2.0% to 4.0%	5,625,000
$3,280,000 capital improvement bonds issued 4/25/11; $200,000 to $305,000 due annually through 2026; interest 1.5% to 3.65%	2,950,000
$6,690,000 refunding bonds issued 11/28/11; $450,000 to $905,000 due annually through 2023; interest 1.1% to 3.95%	6,040,000
Total Bonds	35,045,000
Notes	
$525,000 capital improvement notes issued 4/15/05; $55,000 due in 2015; interest 3.95%	55,000
$3,660,000 capital improvement notes issued 5/23/08; $385,000 due in 2015; interest 3.75%	385,000
$2,955,000 capital improvement notes issued 2/17/09; $150,000 to $165,000 due annually through 2019; interest 3.0% to 3.25%	785,000
$1,605,000 capital improvement notes issued 2/17/09; $170,000 to $210,000 due annually through 2021; interest 3.0% to 3.25%	1,335,000
$7,655,000 capital improvement notes issued 7/11/12; $325,000 to $1,330,000 due annually through 2022; interest 2.0% to 3.0%	6,360,000
$9,995,000 capital improvement notes issued 5/17/13; $575,000 to $1,570,000 due annually through 2023; interest 2.0% to 2.5%	9,225,000
$3,965,000 capital improvement notes issued 3/24/14; $275,000 to $915,000 due annually 2016 through 2022; interest 2.0% to 3.0%	3,965,000
$409,000 capital improvement notes issued 11/17/14; $40,000 to $190,000 due annually 2016 through 2019; interest 3.0%	409,000
Total Notes	22,519,000
Total Outstanding General Obligation Debt	$ 57,564,000

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Annual principal and interest maturities of the outstanding general obligation debt of $57,564,000 on December 31, 2014 are detailed below:

Year Ended December 31	Governmental Activities		
	Principal	Interest	Total
2015	$ 8,115,000	$ 1,868,764	$ 9,983,764
2016	7,580,000	1,722,446	9,302,446
2017	7,660,000	1,489,837	9,149,837
2018	7,055,000	1,262,281	8,317,281
2019	5,784,000	1,045,980	6,829,980
2020 - 2024	20,255,000	2,549,662	22,804,662
2025 - 2026	1,115,000	116,024	1,231,024
	$ 57,564,000	$ 10,054,994	$ 67,618,994

Legal Margin for New Debt

The City's legal margin for creation of additional general obligation debt on December 31, 2014 was $37,745,856 as follows:

Equalized valuation of the City		$ 1,893,849,200
Statutory limitation percentage		(x) 5%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes		94,692,460
Outstanding general obligation debt applicable to debt limitation	$ 57,564,000	
Less amount available in debt service fund	617,396	56,946,604
Legal Margin for New Debt		$ 37,745,856

Revenue Bonds

Revenue bond debt service requirements are financed from operations of the enterprise funds. Revenue bonds outstanding on December 31, 2014 totaled $26,983,512 and were composed of the following issues:

Water Utility	
$3,720,000 issued 3/5/07; $475,000 to $540,000 due annually through 2017; interest 4.0% to 4.25%	$ 1,555,000
Electric and Steam Utilities	
$21,740,000 issued 11/23/09; $1,955,000 to $3,750,000 due annually through 2019; interest 3.00% to 5.00%.	12,440,000
$5,890,000 issued 11/10/14; $340,000 to $475,000 due annually through 2029; interest 2.00% to 3.15%.	5,890,000
Wastewater Treatment Plant	
$19,739,053 State of Wisconsin Clean Water Fund Loan issued 1999; $1,292,642 to $1,422,608 due annually through 2018; interest 3.245%.	5,427,735
$1,772,798 State of Wisconsin Clean Water Fund Loan issued 12/23/02; $94,463 to $115,531 due annually through 2022; interest 2.918%.	837,555
$1,000,000 State of Wisconsin Clean Water Fund Loan issued 03/24/10; $44,013 to $61,001 due annually through 2030; interest 2.668%.	833,222
Total	$ 26,983,512

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

The annual principal and interest maturities of the above outstanding revenue bonds are detailed below:

Year Ended December 31	Business-type Activities		
	Principal	Interest	Total
2015	$ 4,301,118	$ 982,026	$ 5,283,144
2016	4,451,788	839,418	5,291,206
2017	4,618,922	668,229	5,287,151
2018	4,242,566	495,994	4,738,560
2019	4,258,995	345,819	4,604,814
2020 - 2024	2,523,255	585,148	3,108,403
2025 - 2029	2,525,866	232,539	2,758,405
2030	61,002	671	61,673
	$ 26,983,512	$ 4,149,844	$ 31,133,356

Utility Revenues Pledged

The City has pledged future water, electric, steam and wastewater customer revenues, net of specific operating expenses, to repay the water, electric, and wastewater system mortgage revenue bonds. Proceeds from the bonds provided financing for the construction or acquisition of capital assets used by the utilities. The bonds are payable solely from the water, electric, steam and wastewater customer net revenues and are payable through 2030. The total principal and interest remaining to be paid on the water bonds is $1,650,100. Principal and interest paid for the current year and total customer net revenues were $546,700 and $2,428,212, respectively. The total principal and interest remaining to be paid on the electric and steam bonds is $21,768,903. Principal and interest paid for the current year and total customer net revenues were $50,642,226 and $16,812,334, respectively. The total principal and interest remaining to be paid on the wastewater bonds is $7,714,354. Principal and interest paid for the current year and total customer net revenues were $1,627,891 and $3,044,762, respectively.

Advance Refunding

On March 24, 2014, the City issued general obligation promissory notes and also utilized cash on hand to call outstanding portions of the 2007 and 2008 general obligation notes. As a result, the called notes are considered to be paid and the liability has been removed from the Statement of Net Position. This advance refunding was undertaken to reduce total debt service payments by $125,314 and to obtain an economic gain (difference between the present value of the debt service payments of the refunded and refunding debt) of $57,486.

During 2014, the electric utility used cash reserves of $34,215,000 to call the outstanding balance of the 2005 electric utility revenue bonds and a portion of the outstanding 2004 electric utility revenue bonds. The electric utility also issued $5,890,000 of 2014 electric utility revenue bonds to call the remaining outstanding portion of the 2004 electric utility revenue bonds. This current refunding was undertaken to reduce total debt service payments over the next 14 years by $1,403,999 and to obtain an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of $1,080,882. The result of these two transactions generated a gain on debt refunding of $2,207,991 that is being amortized over the life of the current refunding issue.

7. Conduit Debt Obligations

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2014, there were a number of Industrial Revenue Bonds outstanding, the aggregate principal amount payable is undetermined.

NOTE D - OTHER POST-EMPLOYMENT BENEFITS

Plan Description - The City provides health care insurance coverage for employees who retire until they reach the age of 65. The retired employee contributes 100% of the premium for family coverage or 100% of the premium for single coverage. There are 267 active and 12 retired employees in the plan.

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

Component	Amount
Annual required contribution	$ 85,025
Interest on net OPEB	41,259
Adjustment to annual required contribution	(68,122)
Annual OPEB cost (expense)	58,162
Contributions made	25,000
Change in net OPEB obligation	33,162
OPEB obligation - beginning of year	1,375,270
OPEB obligation - end of year	$ 1,408,432

The annual required contribution for the current year was determined as part of the January 1, 2014 actuarial valuation using the projected unit credit method. The actuarial assumptions included (a) 4.0% discount rate, and (b) projected salary increases at 3%.

The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with a long-term perspective of the calculations. The unfunded actuarial accrued liability is being amortized in level dollar payments on an open basis. The remaining amortization period is 30 years, and the remaining amount is $727,060.

Trend Information - The City's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation for 2010 through 2014 is as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage Of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2010	$ 310,984	29%	$ 725,066
12/31/2011	293,824	32%	923,890
12/31/2012	344,733	29%	1,167,036
12/31/2013	293,412	23%	1,375,270
12/31/2014	58,162	43%	1,408,432

NOTE D - OTHER POST-EMPLOYMENT BENEFITS (Continued)

Funded Status and Funding Progress - As of January 1, 2014, the most recent actuarial valuation date, the City's unfunded actuarial accrued liability (UAAL) was $727,060. The annual payroll for active employees covered by the plan for the 2014 fiscal year was $21,456,603 for a ratio of the UAAL to covered payroll of 3.4%.

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

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

In the January 1, 2014 actuarial valuation, the projected unit credit method was used. The actuarial assumptions included a rate of 3.00% to discount expected liabilities to the valuation date and an inflation rate of 4%. The initial healthcare trend rate was 5.82%, reduced by decrements to an ultimate rate of 4.4% after 40 years. The UAAL is being amortized in level dollar payments on an open basis. The remaining amortization period was 30 years.

NOTE E - OTHER INFORMATION

1. Retirement Commitments

All eligible City employees participate in the Wisconsin Retirement System (WRS), a cost-sharing, multiple-employer, defined benefit, public employee retirement system. All employees initially employed by a participating WRS employer prior to July 1, 2011, expected to work at least 600 hours a year (440 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. All employees initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. Employees hired to work nine or ten months per year, (e.g. teachers contracts), but expected to return year after year are considered to have met the one-year requirement.

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

Contribution rates for 2014 were:

	Employee	Employer
General (including Teachers)	7.00%	7.00%
Executives & Elected Officials	7.75%	7.75%
Protective with Social Security	7.00%	10.56%
Protective without Social Security	7.00%	14.16%

NOTE E - OTHER INFORMATION (Continued)

The payroll for City employees covered by the WRS for the year ended December 31, 2014 was $21,308,496; the employer's total payroll was $21,456,603. The total required contribution for the year ended December 31, 2014 was $3,434,503, which consisted of $1,942,339 or 9.1% of covered payroll from the employer, and $1,492,164 or 7.0% of covered payroll from employees. Total contributions for the years ended December 31, 2013 and 2012 were $3,094,528 and $3,420,272, respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 (62 for elected officials and 54 for protective occupation employees with less than 25 years of service, 53 for protective occupation employees with more than 25 years of service) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor. A final average earnings is the average of the employee's three highest year's earnings. Employees terminating covered employment and submitting application before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefit. For employees beginning participation 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.

The WRS also provides death and disability benefits for employees. Eligibility and the amount of all benefits are determined under Chapter 40 of Wisconsin Statutes.

The WRS issues an annual financial report that may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931.

2. Risk Management

The City is exposed to various risks of loss related to torts; theft, damage or destruction of assets; errors or omissions; employee health and accident claims; or acts of God. The City has chosen to retain a portion of the risks through a self-insurance program and has also purchased insurance to transfer other risks to outside parties. A description of the City's risk management program is presented starting on the next page.

Liability Self-Insurance Fund

The City, together with certain other units of government within the State of Wisconsin, created the Cities and Villages Mutual Insurance Company (CVMIC) to provide liability insurance services to its members. At that time, the City issued $1,111,426 in general obligation bonds for its share of the initial capitalization of CVMIC. The City is partially self-insured for liability insurance and pays premiums to CVMIC for its excess liability insurance coverage. The actuary for CVMIC determines premium charges to its members required to pay the expected claims and loss adjustment expenses. CVMIC's ongoing operational expenses, other than loss adjustment expenses, are apportioned pro rata to each member. CVMIC provides general liability, police and nurses professional liability, public official's liability and vehicle liability coverage for the City. The City's self-insured retention limit is $50,000 for each occurrence with a maximum limit of $200,000 annually. Premiums paid to CVMIC for insurance coverage are recorded in a self-insurance internal service fund. The self-insurance internal service fund charges various City departments and operations for their portion of insurance coverage for the year. A separate financial report is issued annually by CVMIC. Since the City considers it probable that its initial capitalization contribution in CVMIC will be returned upon either dissolution of CVMIC or the approved withdrawal from CVMIC, the initial capitalization amount of $1,111,426 has been recorded as a deposit in the liability self-insurance internal service fund.

NOTE E - OTHER INFORMATION (Continued)

Health Self-Insurance Fund

City employees, retirees and employee dependents, other than those of the water, electric and broadband enterprise funds and the data processing internal service fund are eligible for medical and dental benefits from a health self-insurance fund. Employees, retirees and employee dependents of the water, electric and broadband enterprise funds and the date processing internal service fund are covered under a separate health insurance plan. Funding is provided by charges to City departments, employees and retirees. Retirees are billed monthly premiums for health benefits based on actual costs for providing such benefits. The program is supplemented by stop loss protection, which limits the City's annual liability. The limit is $100,000 per specific claim. Fund expenses consist of payments to a third-party administrator for medical and dental claims, stop loss insurance premiums and administrative fees. On December 31, 2014, the health self-insurance internal service fund had established a reserve of $1,495,276 for future unreported claims. The claims liability of $381,765 reported in the fund at December 31, 2014 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount for 2014 and 2013 follow:

	Liability January 1	Current Year Claims and Changes in Estimates	Claim Payments	Liability December 31
2014	$ 229,746	$ 3,753,551	$ 3,601,532	$ 381,765
2013	$ 397,806	$ 3,953,210	$ 4,121,270	$ 229,746

Transit System Liability Insurance

The City's transit system is exposed to various risks of loss related to torts; theft, damage or destruction of assets; errors or omissions; injuries to employees; or acts of God. The transit system is a member of the Transit Mutual Insurance Corporation of Wisconsin (TMI). TMI was created by several governmental units within the State of Wisconsin to provide liability insurance services to its members. The transit system pays premiums to TMI for its liability insurance coverage. The actuary for TMI determines charges to its members for the expected losses and loss adjustment expenses on which premiums are based.

Other Risk Management Programs

The City also purchases commercial insurance policies for various property and other liability risks. Payments of premiums for these policies are recorded as expenditures or expenses in various other funds of the City. Insurance settlements have not exceeded insurance coverage for each of the past three years. There have been no significant changes in insurance coverage from the prior year.

3. Tax Incremental Districts

The City has established nine separate capital projects funds for Tax Incremental Districts (TID) Nos. 9 - 17. Two special revenue funds record transactions for TID No. 7 and No. 8. The TID's were created by the City in accordance with Section 66.1105 of the Wisconsin Statutes. At the time the Districts were created, the property tax base within each District was "frozen" and increment taxes resulting from increases to the property tax base are used to finance District improvements, including principal and interest on long-term debt issued by the City to finance such improvements. Except for certain exceptions under Section 66.1105(6)(am)(2), the Statutes allow eligible project costs to be incurred up to five years prior to the maximum life of the district. The intent of the City is to recover all project costs from future TID surplus funds, if any, prior to termination of the respective District.

NOTE E - OTHER INFORMATION (Continued)

Additional information about the City's TID's follows:

TID	Creation Date	Termination Date
8	7/18/94	7/18/31
9	5/15/95	5/15/22
10	6/16/97	6/16/20
11	6/16/97	6/16/34
12	8/16/99	8/16/32
13	8/21/00	8/21/23
14	9/12/01	9/12/28
15	5/20/02	5/20/29
16	8/18/03	8/18/30
17	8/6/07	8/6/07

4. Property Tax Levy Limit
Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2014 and 2015 budget years, the increase in the maximum allowable tax levy is limited to the percentage change in the City's January 1 equalized value as a result of net new construction. The actual limit for the City for the 2014 budget was 0.54%. The actual limit for the City for the 2015 budget was 0.59%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

5. Contingencies
   a. The City participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. An audit under OMB Circular A-133 and the *State Single Audit Guidelines* has been conducted but final acceptance is still pending. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

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

6. Upcoming Accounting Pronouncements
In June 2012, the GASB issued GASB Statements No. 68, Accounting and Financial Reporting for Pensions. Statement No. 68 requires governments providing defined benefit pensions to recognize their unfunded pension benefit obligation as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. This net pension liability that will be recorded on the government-wide proprietary and discretely presented component units statements will be computed differently than the current unfunded actuarial accrued liability, using specific parameters set forth by the GASB. The Statement also enhances accountability and transparency through revised note disclosures and required supplemental information (RSI). The City is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this Statement are effective for financial statements for the year ending December 31, 2015.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MANITOWOC, WISCONSIN
Schedule of Funding Progress
Other Post-Employment Benefit Plan
For the Year Ended December 31, 2014

Actuarial Valuation Date January 1,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Projected Unit Credit	(3) Funded Ratio (1) / (2)	(4) Unfunded Actuarial Accrued Liability (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2014	$ -	$ 727,060	0.0%	$ 727,060	$ 21,456,603	3.4%
2012	-	3,593,008	0.0%	3,593,008	22,543,331	15.9%
2010	-	2,795,170	0.0%	2,795,170	24,890,559	11.2%
2008	-	3,465,544	0.0%	3,465,544	24,830,782	14.0%

The City implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008. Information for prior years is not available.

CITY OF MANITOWOC, WISCONSIN
Schedule of Employer Contributions
Other Post-Employment Benefit Plan
For the Year Ended December 31, 2014

Year Ended December 31,	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2008	$ 116,200	$ 367,591	31.61%
2009	116,200	357,283	32.52%
2010	88,700	313,255	28.32%
2011	95,000	316,469	30.02%
2012	101,587	362,106	28.05%
2013	67,000	314,692	21.29%
2014	25,000	85,025	29.40%

The City implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008. Information for prior years is not available.

SUPPLEMENTARY INFORMATION

CITY OF MANITOWOC, WISCONSIN
General Fund
Schedule of Budgeted and Actual Revenues
For the Year Ended December 31, 2014
(With comparative actual amounts for the year ended December 31, 2013)

	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Prior Year Actual
	Original	Final	Actual		
Taxes					
General property	$ 5,083,721	$ 5,083,721	$ 5,083,721	$ -	$ 4,676,015
Tax roll over run	-	-	(2)	(2)	15
Occupational - grain	1,900	1,900	-	(1,900)	499
Occupational - coal	1,700	1,700	-	(1,700)	1,000
Omitted taxes	500	500	33	(467)	43
Mobile home	50,000	50,000	42,522	(7,478)	43,145
Payments in lieu of taxes	40,000	40,000	43,372	3,372	42,681
Other taxes	-	-	-	-	73,936
Interest	82,000	82,000	65,877	(16,123)	72,962
Total Taxes	5,259,821	5,259,821	5,235,523	(24,298)	4,910,296
Special Assessments					
Seal coating	70,000	70,000	51,193	(18,807)	21,818
Dust palliatives	2,000	2,000	1,626	(374)	1,934
Housing code	-	-	413	413	-
Weed cutting	15,000	15,000	34,789	19,789	46,842
Snow removal	110,000	110,000	117,984	7,984	105,548
Total Special Assessments	197,000	197,000	206,005	9,005	176,142
Intergovernmental					
Shared taxes from state	5,403,811	5,403,811	5,399,123	(4,688)	5,398,138
Expenditure restraint payment	413,518	413,518	401,668	(11,850)	414,941
Exempt computer aid	92,000	92,000	101,472	9,472	101,292
Payment for municipal services	41,000	41,000	39,846	(1,154)	42,301
Fire insurance tax	72,000	72,000	79,138	7,138	71,253
Highway aids	1,652,529	1,652,529	1,652,173	(356)	1,732,118
Connecting street aid	226,588	226,588	225,417	(1,171)	224,958
Lift bridge aid	244,549	244,549	206,079	(38,470)	160,156
Highway safety grants	15,000	15,000	22,951	7,951	42,760
Public safety grants	9,500	9,500	8,436	(1,064)	11,344
Other grants	395,522	395,522	440,073	44,551	252,600
Total Intergovernmental	8,566,017	8,566,017	8,576,376	10,359	8,451,861

(Continued)

CITY OF MANITOWOC, WISCONSIN
General Fund
Schedule of Budgeted and Actual Revenues (Continued)
For the Year Ended December 31, 2014
(With comparative actual amounts for the year ended December 31, 2013)

	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Prior Year Actual
	Original	Final	Actual		
Licenses and Permits					
Licenses					
Liquor and malt beverages	59,500	59,500	54,808	(4,692)	52,117
Nonfermented malt beverages	-	-	-	-	5
Operators	25,800	25,800	20,445	(5,355)	20,330
Cigarettes	4,300	4,300	4,100	(200)	4,100
Soda water	1,500	1,500	1,295	(205)	1,265
Bowling alley	250	250	250	-	250
Adult entertainment	3,000	3,000	2,000	(1,000)	2,150
Mobile home park	375	375	375	-	375
Taxicab	300	300	570	270	-
Taxicab drivers	700	700	1,010	310	950
Ambulance and hearse	150	150	120	(30)	240
Garbage collectors	900	900	960	60	1,380
Theater	450	450	600	150	600
Bicycle	300	300	190	(110)	211
Dog and cat	15,120	15,120	19,185	4,065	24,956
Amusement	100	100	-	(100)	100
Direct sellers	1,200	1,200	285	(915)	8,785
Christmas tree dealers	200	200	150	(50)	150
Pawn broker	900	900	550	(350)	1,515
Electrical	-	-	-	-	185
Change of agent/transfer	50	50	80	30	60
Cable television	266,000	266,000	266,293	293	272,745
Permits					
Sidewalk cafe	75	75	-	(75)	-
Building	235,000	235,000	233,674	(1,326)	473,976
Sign	8,000	8,000	6,643	(1,357)	6,632
Electrical	80,000	80,000	66,375	(13,625)	77,895
Plumbing	50,000	50,000	57,500	7,500	55,630
Heating	42,000	42,000	36,800	(5,200)	46,168
Zoning Board of Appeals	600	600	100	(500)	600
Housing code	7,800	7,800	7,807	7	7,841
Well operation	100	100	130	30	70
Alarm ordinance	60	60	330	270	165
Sprinkler system	3,800	3,800	6,580	2,780	3,565
Street opening	10,000	10,000	13,210	3,210	14,580
Driveway/sidewalk	4,000	4,000	1,750	(2,250)	1,660
Storm water	2,000	2,000	2,579	579	3,089
Fire Department permits	25	25	75	50	25
Total Licenses and Permits	824,555	824,555	806,819	(17,736)	1,084,365

(Continued)

CITY OF MANITOWOC, WISCONSIN
General Fund
Schedule of Budgeted and Actual Revenues (Continued)
For the Year Ended December 31, 2014
(With comparative actual amounts for the year ended December 31, 2013)

	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Prior Year Actual
	Original	Final	Actual		
Fines and Forfeitures					
Parking violations	120,000	125,800	145,707	19,907	147,797
Municipal court fines	405,000	405,000	388,453	(16,547)	395,551
Late fees dog licenses	1,000	1,000	503	(497)	2,777
Other	4,000	4,000	565	(3,435)	4,020
Total Fines and Forfeitures	530,000	535,800	535,228	(572)	550,145
Public Charges for Services					
Clerk	16,600	16,600	14,604	(1,996)	15,309
Treasurer	60,000	60,000	56,761	(3,239)	55,588
Attorney	20,858	20,858	20,857	(1)	22,016
Assessor	200	200	405	205	626
Engineer	1,000	1,000	-	(1,000)	3,415
GIS land record management	300	300	71	(229)	1,125
Planning	8,400	8,400	7,400	(1,000)	13,187
Police Department	5,000	5,000	6,938	1,938	7,524
Police service fees	1,000	1,000	4,349	3,349	6,152
Impounded vehicles	175	175	-	(175)	-
Rescue squad	2,272,545	2,272,545	1,858,667	(413,878)	1,736,653
Inspection and zoning fees	200	200	310	110	220
Sealer	14,500	14,500	15,103	603	296
Museum	8,500	8,500	11,228	2,728	11,958
Recreation building	20,000	20,000	20,382	382	27,573
Recreation team sports	55,000	55,000	32,548	(22,452)	37,140
Recreation program fees	29,600	29,600	34,198	4,598	33,806
Recreation rentals	37,500	37,500	27,708	(9,792)	38,747
Recreation concessions	1,200	1,200	2,840	1,640	3,314
Recreation other	7,550	7,550	24,185	16,635	7,119
Special events	5,500	5,500	2,026	(3,474)	7,058
Senior citizens	20,000	20,000	17,651	(2,349)	17,849
Street permit repairs	70,000	70,000	148,048	78,048	99,867
Transit system	-	-	2,341	2,341	1,334
Columbarium sales	5,272	5,272	3,640	(1,632)	4,262
Sale of cemetery lots	50,155	50,155	31,623	(18,532)	50,288
Foundations	10,905	10,905	10,558	(347)	13,785
Burial fees	130,000	130,000	124,675	(5,325)	135,510
Fire Department Fees	5,500	5,500	11,497	5,997	23,620
Total Public Charges for Services	2,857,460	2,857,460	2,490,613	(366,847)	2,375,341

(Continued)

CITY OF MANITOWOC, WISCONSIN
General Fund
Schedule of Budgeted and Actual Revenues (Continued)
For the Year Ended December 31, 2014
(With comparative actual amounts for the year ended December 31, 2013)

	Budgeted Amounts			Variance with Final Budget Positive	Prior Year
	Original	Final	Actual	(Negative)	Actual
Intergovernmental Charges for Services					
Counties and municipalities	50,000	50,000	44,048	(5,952)	45,680
City administrative fees	44,036	44,036	44,195	159	37,476
Schools and special districts	3,000	3,000	1,790	(1,210)	1,143
Police - school liaison	120,000	120,000	121,132	1,132	120,766
Total Intergovernmental Charges for Services	217,036	217,036	211,165	(5,871)	205,065
Interdepartmental Charges for Services					
TIF administrative fees	1,500	1,500	2,659	1,159	2,536
Street department labor	128,030	128,030	169,277	41,247	126,463
DPW materials	1,344,796	1,344,796	1,346,153	1,357	1,294,765
Sewer major repairs	12,500	12,500	-	(12,500)	-
Sewer maintenance	296,073	296,073	230,063	(66,010)	211,108
Total Interdepartmental Charges for Services	1,782,899	1,782,899	1,748,152	(34,747)	1,634,872
Miscellaneous					
Interest on investments	266,780	266,780	239,623	(27,157)	54,693
Rent	38,000	38,000	46,102	8,102	25,842
Sale of general capital assets	20,000	20,000	2,979	(17,021)	16,139
Sale of salvage and waste products	6,800	6,800	4,599	(2,201)	7,666
Marina lease	152,000	152,000	151,265	(735)	156,913
Carferry lease	40,000	40,000	40,000	-	40,000
Other leases	60,500	60,500	61,303	803	60,845
Sale of photo copies	1,050	1,050	755	(295)	794
Donations	43,872	43,872	19,951	(23,921)	79,641
Other	8,690	8,690	800,401	791,711	48,857
Total Miscellaneous	637,692	637,692	1,366,978	729,286	491,390
Total Revenues	$ 20,872,480	$ 20,878,280	$ 21,176,859	$ 298,579	$ 19,879,477

CITY OF MANITOWOC, WISCONSIN
General Fund
Schedule of Budgeted and Actual Expenditures
For the Year Ended December 31, 2014
(With comparative actual amounts for the year ended December 31, 2013)

	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Prior Year Actual
	Original	Final	Actual		
General Government					
Council	$ 56,631	$ 56,631	$ 55,831	$ 800	$ 54,368
Mayor	133,023	133,023	132,910	113	137,940
Clerk	274,699	274,699	266,704	7,995	248,115
Elections	96,301	96,301	67,441	28,860	43,864
Postage	40,000	40,000	35,797	4,203	37,628
Board of review	1,330	1,330	246	1,084	287
Assessor	134,849	134,849	128,502	6,347	123,892
Finance	220,002	220,002	217,430	2,572	227,921
Treasurer	199,781	197,031	193,766	3,265	193,590
Data processing	458,525	458,525	424,519	34,006	479,042
Payroll	114,855	114,855	107,569	7,286	101,823
Attorney	288,830	288,830	199,848	88,982	286,650
Cable television	1,075	1,075	1,045	30	1,045
Personnel	111,499	111,499	143,197	(31,698)	137,553
Municipal court	94,814	94,814	94,136	678	91,221
Duplicating	25,317	25,317	20,239	5,078	18,794
City hall	212,570	212,570	185,358	27,212	187,192
Buildings and grounds shop	9,825	9,825	6,741	3,084	4,807
Property insurance	76,663	76,663	68,925	7,738	72,884
Other insurance	467,569	467,569	472,748	(5,179)	241,797
Miscellaneous	571,230	291,369	738,542	(447,173)	16,654
Total General Government	3,589,388	3,306,777	3,561,494	(254,717)	2,707,067
Public Safety					
Police	7,255,341	7,329,489	7,055,828	273,661	7,099,558
Fire	6,158,120	6,290,474	5,932,548	357,926	6,248,412
Building inspection	296,508	296,508	300,607	(4,099)	270,972
Civil defense	4,950	4,950	2,788	2,162	2,552
Total Public Safety	13,714,919	13,921,421	13,291,771	629,650	13,621,494
Public Works					
Engineer	605,333	605,333	563,327	42,006	503,808
Streets administration	226,692	226,692	190,008	36,684	165,864
Street repairs	504,623	504,623	615,004	(110,381)	555,441
Seal coating	89,141	89,141	80,522	8,619	55,200
Alley and local roads	5,829	5,829	5,109	720	9,926
8th St. bridge	197,049	197,049	181,715	15,334	172,297
10th St. bridge	27,750	27,750	24,593	3,157	15,473
Other bridges	1,278	1,278	1,817	(539)	566

(Continued)

CITY OF MANITOWOC, WISCONSIN
General Fund
Schedule of Budgeted and Actual Expenditures (Continued)
For the Year Ended December 31, 2014
(With comparative actual amounts for the year ended December 31, 2013)

	Budgeted Amounts			Variance with Final Budget Positive	Prior Year
	Original	Final	Actual	(Negative)	Actual
Public Works (Continued)					
Curb and walks	11,455	11,455	4,665	6,790	9,704
Snow and ice removal	634,798	634,798	629,655	5,143	792,795
Traffic control	191,597	191,597	164,212	27,385	125,230
Street lighting	753,100	753,100	762,107	(9,007)	769,571
Docks and harbors	65,333	65,333	15,297	50,036	36,221
Gravel pit	2,669	2,669	2,796	(127)	4,191
Solid waste disposal	7,000	7,000	4,348	2,652	4,725
Sanitary sewers	256,280	256,280	203,437	52,843	156,599
Weed cutting	50,649	50,649	83,885	(33,236)	48,769
Storm sewers	676,989	676,989	645,252	31,737	620,446
Lift stations	56,093	56,093	52,135	3,958	46,572
Interdepartmental charges	11,058	11,058	12,548	(1,490)	11,487
Other	1,201,289	1,207,727	1,081,841	125,886	1,181,342
Total Public Works	5,576,005	5,582,443	5,324,273	258,170	5,286,227
Health and Human Services					
Evergreen cemetery	267,059	267,059	294,883	(27,824)	319,724
Culture and Recreation					
Rahr West Museum	327,242	327,242	339,515	(12,273)	312,289
Marine band	15,000	15,000	15,000	-	18,000
Civic orchestra	7,200	7,200	7,200	-	7,200
Recreation					
Administration	72,876	72,876	49,758	23,118	109,843
Buildings and grounds	779,368	797,548	739,730	57,818	774,343
Recreational programs	177,265	177,265	111,117	66,148	125,037
Senior citizens center	147,000	147,000	228,377	(81,377)	163,769
July 4th picnic/fireworks	25,000	25,000	4,082	20,918	4,189
Special events	229,619	229,619	289,559	(59,940)	272,928
Banners and decorations	3,500	3,500	3,506	(6)	5,125
Total Culture and Recreation	1,784,070	1,802,250	1,787,844	14,406	1,792,723
Conservation and Development					
Planning	406,890	467,870	345,240	122,630	385,775
Community Development Authority	700	700	3	697	25,144
Total Conservation and Development	407,590	468,570	345,243	123,327	410,919
Total Expenditures	$ 25,339,031	$ 25,348,520	$ 24,605,508	$ 743,012	$ 24,138,154

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

To account for the proceeds of specific revenue sources (other than major capital projects or expendable trust) that are legally restricted to expenditures for specific purposes. The City utilizes Special Revenue Funds to record financial transactions pertaining to the following activities:

Room Tax
To account for collections of room tax from City businesses and record disbursements to the Manitowoc Area Visitor and Convention Bureau, Inc. and other area promotional and development expenditures.

Farmer's Market
To account for rents received from individuals for space to sell agricultural products.

Mandatory Recycling
To account for all transactions relating to the City's recycling program.

Tax Increment Districts
To account for tax increment revenues of Tax Increment Districts No. 7 and No. 8 for which the construction period for eligible projects has elapsed. All project expenditures were originally recorded in Capital Projects Funds.

Revolving Loans
To account for transactions relating to the commercial, industrial and housing revolving loan programs. Additional loans are made as previous loans are repaid.

Grants
Funds have been established to account for transactions of the City's various grant programs.

Transit Capital Grant
To account for the acquisition of capital assets for the City's Transit System.

Library
To account for all transactions relating to the operation of the Manitowoc Public Library.

Manitowoc International Relations Association
Funds have been established to account for transactions relating to the sister-city relationship with Kamogawa, Japan.

Donations
Funds have been established to account for the accumulation and subsequent disbursement of donations received by the City from individuals and businesses for the Rahr West Museum, Police Department, Senior Center, Parks, Zoo and Eternal Flame

Aquatic Center
To account for all transactions relating to the operation of the Manitowoc Family Aquatic Center.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

CAPITAL PROJECTS FUNDS

To account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by Proprietary Funds. The City utilizes Capital Projects Funds to record financial transactions pertaining to the following activities:

Sanitary and Storm Sewers
To account for transactions relating to sanitary and storm sewer construction other than that accounted for in the Proprietary Funds.

Streets
To account for transactions relating to street construction.

Harbor Improvements
To account for transactions relating to harbor and dock improvements.

Capital Equipment
To account for transactions relating to equipment purchases of the City.

Environmental Remediation
To account for transactions relating to the City's share of the investigation and clean-up of the Lemberger Landfill site (a private landfill) and gravel pit.

Cemetery Improvements
To account for transactions relating to capital improvements of the City's cemetery.

Buildings and Other Improvements
To account for transactions relating to building improvement projects.

Tax Increment Districts
To account for activity of Tax Increment Districts No. 9, 10, 11, 12, 13, 14, 15, 16 and 17.

CITY OF MANITOWOC, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	Special Revenue Funds					
	Room Tax	Farmer's Market	Mandatory Recycling	TID 7	TID 8	Commercial Revolving Loan
ASSETS						
Cash and investments	$ 337,629	$ 37,728	$ -	$ 130,779	$ -	$ 746,913
Receivables						
Taxes	-	-	-	-	23,255	-
Accounts	2,161	-	117,096	-	-	-
Loans	-	-	-	-	-	11,944
Due from other governments	-	-	-	-	-	-
TOTAL ASSETS	$ 339,790	$ 37,728	$ 117,096	$ 130,779	$ 23,255	$ 758,857
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	$ 1,830	$ -	$ 12,184	$ -	$ -	$ -
Accrued and other current liabilities	-	-	-	-	-	-
Due to other funds	-	-	104,912	-	-	-
Unearned revenue	-	-	-	-	-	-
Advance from other funds	-	-	-	-	-	-
Total Liabilities	1,830	-	117,096	-	-	-
Deferred Inflows of Resources						
Property taxes	-	-	-	-	23,255	-
Loans receivable	-	-	-	-	-	11,944
Total Deferred Inflows of Resources	-	-	-	-	23,255	11,944
Fund Balances (Deficits)						
Restricted						
Future loans	-	-	-	-	-	746,913
Future projects or improvements	-	-	-	-	-	-
Committed for future spending	337,960	37,728	-	130,779	-	-
Assigned for future projects	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total Fund Balances (Deficits)	337,960	37,728	-	130,779	-	746,913
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 339,790	$ 37,728	$ 117,096	$ 130,779	$ 23,255	$ 758,857

(Continued)

CITY OF MANITOWOC, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	Special Revenue Funds (Continued)						
	Transit Capital Grant	Housing Revolving Loan	CDBG	HCRI Revolving Loan	Industrial Revolving Loan	Library	Mani International Relations Assoc
ASSETS							
Cash and investments	$ 1	$ 283,695	$ -	$ 36,919	$ 1,761,605	$ 69,777	$ 8,036
Receivables							
Taxes	-	-	-	-	-	1,370,425	-
Accounts	-	-	-	-	-	-	-
Loans	-	2,845,511	-	131,626	1,845,742	-	-
Due from other governments	36,194	-	-	-	-	-	-
TOTAL ASSETS	$ 36,195	$ 3,129,206	$ -	$ 168,545	$ 3,607,347	$ 1,440,202	$ 8,036
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities							
Accounts payable	$ -	$ -	$ -	$ -	$ 125	$ 43,666	$ -
Accrued and other current liabilities	-	-	-	-	-	-	-
Due to other funds	1,216	-	32,383	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Advance from other funds	-	-	-	-	-	-	-
Total Liabilities	1,216	-	32,383	-	125	43,666	-
Deferred Inflows of Resources							
Property taxes	-	-	-	-	-	1,370,425	-
Loans receivable	-	2,845,511	-	131,626	1,845,742	-	-
Total Deferred Inflows of Resources	-	2,845,511	-	131,626	1,845,742	1,370,425	-
Fund Balances (Deficits)							
Restricted							
Future loans	-	283,695	-	36,919	1,761,480	-	-
Future projects or improvements	34,979	-	-	-	-	-	-
Committed for future spending	-	-	-	-	-	26,111	8,036
Assigned for future projects	-	-	-	-	-	-	-
Unassigned	-	-	(32,383)	-	-	-	-
Total Fund Balances (Deficits)	34,979	283,695	(32,383)	36,919	1,761,480	26,111	8,036
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 36,195	$ 3,129,206	$ -	$ 168,545	$ 3,607,347	$ 1,440,202	$ 8,036

(Continued)

CITY OF MANITOWOC, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	Special Revenue Funds (Continued)					
	Rahr West Museum	Police Programs	Parkland Dedications	Aquatic Center	Senior Center	Eternal Flame
ASSETS						
Cash and investments	$ 307,107	$ 122,795	$ 262,988	$ -	$ 131,262	$ 34,441
Receivables						
Taxes	-	-	-	64,070	-	-
Accounts	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
TOTAL ASSETS	$ 307,107	$ 122,795	$ 262,988	$ 64,070	$ 131,262	$ 34,441
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	$ -	$ 55	$ -	$ 1,074	$ 1,841	$ 300
Accrued and other current liabilities	-	30,146	-	-	-	-
Due to other funds	-	-	-	78,313	-	-
Unearned revenue	-	-	-	-	-	-
Advance from other funds	-	-	-	-	-	-
Total Liabilities	-	30,201	-	79,387	1,841	300
Deferred Inflows of Resources						
Property taxes	-	-	-	64,070	-	-
Loans receivable	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	64,070	-	-
Fund Balances (Deficits)						
Restricted						
Future loans	-	-	-	-	-	-
Future projects or improvements	-	92,594	262,988	-	-	34,141
Committed for future spending	307,107	-	-	-	129,421	-
Assigned for future projects	-	-	-	-	-	-
Unassigned	-	-	-	(79,387)	-	-
Total Fund Balances (Deficits)	307,107	92,594	262,988	(79,387)	129,421	34,141
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 307,107	$ 122,795	$ 262,988	$ 64,070	$ 131,262	$ 34,441

(Continued)

CITY OF MANITOWOC, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	(Continued)		Capital Projects Funds			
	Centennial	Park & Rec Donations	Sanitary and Storm Sewers	Streets	Harbor Improvements	Capital Equipment
ASSETS						
Cash and investments	$ 11,244	$ 114,402	$ 69,095	$ -	$ -	$ 1,345,737
Receivables						
Taxes	-	-	580,941	282,133	-	-
Accounts	-	-	-	29,791	-	-
Loans	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
TOTAL ASSETS	$ 11,244	$ 114,402	$ 650,036	$ 311,924	$ -	$ 1,345,737
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	$ -	$ -	$ 8,683	$ 22,486	$ -	$ 29,185
Accrued and other current liabilities	-	-	-	-	-	-
Due to other funds	-	-	-	2,568,027	-	-
Unearned revenue	-	-	38,124	48,856	-	-
Advance from other funds	-	-	1,736,306	317,483	-	-
Total Liabilities	-	-	1,783,113	2,956,852	-	29,185
Deferred Inflows of Resources						
Property taxes	-	-	580,941	282,133	-	-
Loans receivable	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	580,941	282,133	-	-
Fund Balances (Deficits)						
Restricted						
Future loans	-	-	-	-	-	-
Future projects or improvements	11,244	114,402	-	-	-	-
Committed for future spending	-	-	-	-	-	-
Assigned for future projects	-	-	-	-	-	1,316,552
Unassigned	-	-	(1,714,018)	(2,927,061)	-	-
Total Fund Balances (Deficits)	11,244	114,402	(1,714,018)	(2,927,061)	-	1,316,552
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 11,244	$ 114,402	$ 650,036	$ 311,924	$ -	$ 1,345,737

(Continued)

CITY OF MANITOWOC, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	Capital Projects Funds (Continued)						
	Environmental Remediation	Cemetery Improvements	Buildings and Other Improvements	TID 9	TID 10	TID 11	TID 12
ASSETS							
Cash and investments	$ 288,884	$ 24,062	$ 333,266	$ -	$ -	$ -	$ 27,450
Receivables							
Taxes	56,484	-	-	202,131	103,407	86,812	166,261
Accounts	-	80	-	-	-	-	-
Loans	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-
TOTAL ASSETS	$ 345,368	$ 24,142	$ 333,266	$ 202,131	$ 103,407	$ 86,812	$ 193,711
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities							
Accounts payable	$ 212,734	$ -	$ 2,083	$ -	$ -	$ -	$ -
Accrued and other current liabilities	-	-	-	-	-	-	163,042
Due to other funds	-	-	-	559,849	-	70,523	-
Unearned revenue	-	-	-	-	-	-	-
Advance from other funds	-	-	-	-	-	-	-
Total Liabilities	212,734	-	2,083	559,849	-	70,523	163,042
Deferred Inflows of Resources							
Property taxes	56,484	-	-	202,131	103,407	86,812	166,261
Loans receivable	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	56,484	-	-	202,131	103,407	86,812	166,261
Fund Balances (Deficits)							
Restricted							
Future loans	-	-	-	-	-	-	-
Future projects or improvements	-	-	-	-	-	-	-
Committed for future spending	-	-	-	-	-	-	-
Assigned for future projects	76,150	24,142	331,183	-	-	-	-
Unassigned	-	-	-	(559,849)	-	(70,523)	(135,592)
Total Fund Balances (Deficits)	76,150	24,142	331,183	(559,849)	-	(70,523)	(135,592)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 345,368	$ 24,142	$ 333,266	$ 202,131	$ 103,407	$ 86,812	$ 193,711

(Continued)

CITY OF MANITOWOC, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	Capital Projects Funds (Continued)					Total Nonmajor Governmental Funds
	TID 13	TID 14	TID 15	TID 16	TID 17	
ASSETS						
Cash and investments	$ -	$ -	$ 23	$ -	$ 87,205	$ 6,573,043
Receivables						
Taxes	176,762	2,205	1,509,809	290,035	176,967	5,091,697
Accounts	-	-	-	-	-	149,128
Loans	-	-	-	-	-	4,834,823
Due from other governments	-	-	-	-	-	36,194
TOTAL ASSETS	$ 176,762	$ 2,205	$ 1,509,832	$ 290,035	$ 264,172	$ 16,684,885
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	$ -	$ -	$ 23	$ -	$ -	$ 336,269
Accrued and other current liabilities	-	-	-	-	-	193,188
Due to other funds	-	400,462	-	1,418,411	-	5,234,096
Unearned revenue	-	-	-	-	87,205	174,185
Advance from other funds	-	-	-	-	-	2,053,789
Total Liabilities	-	400,462	23	1,418,411	87,205	7,991,527
Deferred Inflows of Resources						
Property taxes	176,762	2,205	1,509,809	290,035	176,967	5,091,697
Loans receivable	-	-	-	-	-	4,834,823
Total Deferred Inflows of Resources	176,762	2,205	1,509,809	290,035	176,967	9,926,520
Fund Balances (Deficits)						
Restricted						
Future loans	-	-	-	-	-	2,829,007
Future projects or improvements	-	-	-	-	-	550,348
Committed for future spending	-	-	-	-	-	977,142
Assigned for future projects	-	-	-	-	-	1,748,027
Unassigned	-	(400,462)	-	(1,418,411)	-	(7,337,686)
Total Fund Balances (Deficits)	-	(400,462)	-	(1,418,411)	-	(1,233,162)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 176,762	$ 2,205	$ 1,509,832	$ 290,035	$ 264,172	$ 16,684,885

CITY OF MANITOWOC, WISCONSIN
Combining Statement of Revenues, Expenses and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	Special Revenue Funds					
	Room Tax	Farmer's Market	Mandatory Recycling	TID 7	TID 8	Commercial Revolving Loan
Revenues						
Taxes	$ 537,718	$ -	$ -	$ -	$ 24,101	$ -
Special assessments	-	-	-	-	-	-
Intergovernmental	32,000	-	216,380	-	24	-
Public charges for services	-	-	-	-	-	-
Intergovernmental charges for services	-	-	117,096	-	-	-
Miscellaneous	4,600	13,310	-	-	-	28,935
Total Revenues	574,318	13,310	333,476	-	24,125	28,935
Expenditures						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	150,357	-	-	-
Health and human services	-	-	-	-	-	-
Culture and recreation	-	11,541	-	-	-	-
Conservation and development	507,475	-	-	-	150	-
Debt service						
Principal	-	-	-	15,000	50,000	-
Interest and fiscal charges	-	-	-	3,714	1,400	-
Total Expenditures	507,475	11,541	150,357	18,714	51,550	-
Excess of Revenues Over (Under) Expenditures	66,843	1,769	183,119	(18,714)	(27,425)	28,935
Other Financing Sources (Uses)						
Long-term debt issued	-	-	-	-	-	-
Transfers in	-	-	-	-	27,425	-
Transfers out	(16,709)	-	(183,119)	-	-	-
Total Other Financing Sources (Uses)	(16,709)	-	(183,119)	-	27,425	-
Net Change in Fund Balances	50,134	1,769	-	(18,714)	-	28,935
Fund Balances (Deficits) - January 1	287,826	35,959	-	149,493	-	717,978
Fund Balances (Deficits) - December 31	$ 337,960	$ 37,728	$ -	$ 130,779	$ -	$ 746,913

(Continued)

CITY OF MANITOWOC, WISCONSIN
Combining Statement of Revenues, Expenses and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	Special Revenue Funds (Continued)						
	Transit Capital Grant	Housing Revolving Loan	CDBG	HCRI Revolving Loan	Industrial Revolving Loan	Library	Mani International Relations Assoc
Revenues							
Taxes	$ -	$ -	$ -	$ -	$ -	$ 1,370,425	$ -
Special assessments	-	-	-	-	-	-	-
Intergovernmental	42,578	-	80,964	-	-	535,046	-
Public charges for services	-	-	-	-	-	52,745	-
Intergovernmental charges for services	-	-	-	-	-	-	-
Miscellaneous	-	47,651	23,010	10,288	371,106	17,121	200
Total Revenues	42,578	47,651	103,974	10,288	371,106	1,975,337	200
Expenditures							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public works	44,523	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	2,110,061	-
Conservation and development	-	-	147,487	-	1,264,741	-	-
Debt service							
Principal	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
Total Expenditures	44,523	-	147,487	-	1,264,741	2,110,061	-
Excess of Revenues Over (Under) Expenditures	(1,945)	47,651	(43,513)	10,288	(893,635)	(134,724)	200
Other Financing Sources (Uses)							
Long-term debt issued	9,000	-	-	-	-	-	-
Transfers in	-	-	-	-	-	30,000	-
Transfers out	-	-	-	-	-	(68,834)	-
Total Other Financing Sources (Uses)	9,000	-	-	-	-	(38,834)	-
Net Change in Fund Balances	7,055	47,651	(43,513)	10,288	(893,635)	(173,558)	200
Fund Balances (Deficits) - January 1	27,924	236,044	11,130	26,631	2,655,115	199,669	7,836
Fund Balances (Deficits) - December 31	$ 34,979	$ 283,695	$ (32,383)	$ 36,919	$ 1,761,480	$ 26,111	$ 8,036

(Continued)

CITY OF MANITOWOC, WISCONSIN
Combining Statement of Revenues, Expenses and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	Special Revenue Funds (Continued)						
	Rahr West Museum	Police Programs	Parkland Dedications	Aquatic Center	Senior Center	X Sports Complex	Eternal Flame
Revenues							
Taxes	$ -	$ -	$ -	$ 64,570	$ -	$ -	$ -
Special assessments	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Public charges for services	-	-	-	111,705	49,213	-	-
Intergovernmental charges for services	-	-	-	-	-	-	-
Miscellaneous	53,045	64,670	3,853	1,871	14,670	2,599	5
Total Revenues	53,045	64,670	3,853	178,146	63,883	2,599	5
Expenditures							
General government	-	-	-	-	-	-	-
Public safety	-	4,257	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	-
Culture and recreation	106,375	-	-	262,291	41,526	-	6,429
Conservation and development	-	-	-	-	-	-	-
Debt service							
Principal	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
Total Expenditures	106,375	4,257	-	262,291	41,526	-	6,429
Excess of Revenues Over (Under) Expenditures	(53,330)	60,413	3,853	(84,145)	22,357	2,599	(6,424)
Other Financing Sources (Uses)							
Long-term debt issued	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(13,294)	-
Total Other Financing Sources (Uses)	-	-	-	-	-	(13,294)	-
Net Change in Fund Balances	(53,330)	60,413	3,853	(84,145)	22,357	(10,695)	(6,424)
Fund Balances (Deficits) - January 1	360,437	32,181	259,135	4,758	107,064	10,695	40,565
Fund Balances (Deficits) - December 31	$ 307,107	$ 92,594	$ 262,988	$ (79,387)	$ 129,421	$ -	$ 34,141

(Continued)

CITY OF MANITOWOC, WISCONSIN
Combining Statement of Revenues, Expenses and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	Special Revenue Funds (Continued)			Capital Projects Funds		
	Centennial	Ball Diamond Improvements	Park & Rec Donations	Sanitary and Storm Sewers	Streets	Harbor Improvements
Revenues						
Taxes	$ -	$ -	$ -	$ 580,941	$ 274,944	$ -
Special assessments	-	-	-	-	2,863	-
Intergovernmental	-	-	-	-	18,231	-
Public charges for services	-	-	-	-	24,704	-
Intergovernmental charges for services	-	-	-	-	-	-
Miscellaneous	819	2,010	25,839	-	-	-
Total Revenues	819	2,010	25,839	580,941	320,742	-
Expenditures						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	218,022	841,270	-
Health and human services	-	-	-	-	-	-
Culture and recreation	-	-	17,425	-	-	-
Conservation and development	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	5,060	926	-
Total Expenditures	-	-	17,425	223,082	842,196	-
Excess of Revenues Over (Under) Expenditures	819	2,010	8,414	357,859	(521,454)	-
Other Financing Sources (Uses)						
Long-term debt issued	-	-	-	164,512	580,000	-
Transfers in	-	-	-	-	102,773	-
Transfers out	-	(16,362)	(344)	(45,000)	-	(30,063)
Total Other Financing Sources (Uses)	-	(16,362)	(344)	119,512	682,773	(30,063)
Net Change in Fund Balances	819	(14,352)	8,070	477,371	161,319	(30,063)
Fund Balances (Deficits) - January 1	10,425	14,352	106,332	(2,191,389)	(3,088,380)	30,063
Fund Balances (Deficits) - December 31	$ 11,244	$ -	$ 114,402	$ (1,714,018)	$ (2,927,061)	$ -

(Continued)

CITY OF MANITOWOC, WISCONSIN
Combining Statement of Revenues, Expenses and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	Capital Projects Funds (Continued)						
	Capital Equipment	Environmental Remediation	Cemetery Improvements	Buildings and Other Improvements	TID 9	TID 10	TID 11
Revenues							
Taxes	$ -	$ 50,000	$ -	$ -	$ 180,955	$ 103,792	$ 95,189
Special assessments	-	-	-	-	-	-	-
Intergovernmental	-	-	-	22,373	3,880	787	24,801
Public charges for services	-	-	4,090	-	-	-	-
Intergovernmental charges for services	-	-	-	-	-	-	-
Miscellaneous	-	-	-	47,210	-	-	-
Total Revenues	-	50,000	4,090	69,583	184,835	104,579	119,990
Expenditures							
General government	6,165	-	-	69,223	-	-	-
Public safety	119,824	-	-	8,889	-	-	-
Public works	179,833	607,938	-	62,497	3,975	-	-
Health and human services	-	-	12,800	-	-	-	-
Culture and recreation	59,619	-	-	171,052	-	-	-
Conservation and development	-	-	-	-	150	1,934	150
Debt service							
Principal	-	-	-	-	15,000	35,000	175,000
Interest and fiscal charges	-	-	-	-	3,608	9,463	15,363
Total Expenditures	365,441	607,938	12,800	311,661	22,733	46,397	190,513
Excess of Revenues Over (Under) Expenditures	(365,441)	(557,938)	(8,710)	(242,078)	162,102	58,182	(70,523)
Other Financing Sources (Uses)							
Long-term debt issued	1,086,736	450,000	-	184,752	-	-	-
Transfers in	-	75,000	-	140,063	-	-	-
Transfers out	-	-	-	(132,773)	-	(58,182)	-
Total Other Financing Sources (Uses)	1,086,736	525,000	-	192,042	-	(58,182)	-
Net Change in Fund Balances	721,295	(32,938)	(8,710)	(50,036)	162,102	-	(70,523)
Fund Balances (Deficits) - January 1	595,257	109,088	32,852	381,219	(721,951)	-	-
Fund Balances (Deficits) - December 31	$ 1,316,552	$ 76,150	$ 24,142	$ 331,183	$ (559,849)	$ -	$ (70,523)

(Continued)

CITY OF MANITOWOC, WISCONSIN
Combining Statement of Revenues, Expenses and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	Capital Projects Funds (Continued)						
	TID 12	TID 13	TID 14	TID 15	TID 16	TID 17	Total Nonmajor Governmental Funds
Revenues							
Taxes	$ 101,850	$ 181,042	$ 46,298	$ 1,483,418	$ 297,358	$ 161,820	$ 5,554,421
Special assessments	-	-	-	-	-	-	2,863
Intergovernmental	2,255	70,488	1,702	21,628	39,679	7,079	1,119,895
Public charges for services	-	-	-	-	-	-	242,457
Intergovernmental charges for services	-	-	-	-	-	-	117,096
Miscellaneous	-	-	-	-	-	-	732,812
Total Revenues	104,105	251,530	48,000	1,505,046	337,037	168,899	7,769,544
Expenditures							
General government	-	-	-	-	-	-	75,388
Public safety	-	-	-	-	-	-	132,970
Public works	-	-	-	-	-	8	2,108,423
Health and human services	-	-	-	-	-	-	12,800
Culture and recreation	-	-	-	-	-	-	2,786,319
Conservation and development	551	150	151	477,952	151	150	2,401,192
Debt service							
Principal	310,000	80,000	95,000	910,000	400,000	55,000	2,140,000
Interest and fiscal charges	47,028	9,150	12,511	113,623	126,322	22,204	370,372
Total Expenditures	357,579	89,300	107,662	1,501,575	526,473	77,362	10,027,464
Excess of Revenues Over (Under) Expenditures	(253,474)	162,230	(59,662)	3,471	(189,436)	91,537	(2,257,920)
Other Financing Sources (Uses)							
Long-term debt issued	-	-	-	-	-	-	2,475,000
Transfers in	252,456	-	-	-	-	-	627,717
Transfers out	-	(162,230)	-	(3,471)	-	(55,998)	(786,379)
Total Other Financing Sources (Uses)	252,456	(162,230)	-	(3,471)	-	(55,998)	2,316,338
Net Change in Fund Balances	(1,018)	-	(59,662)	-	(189,436)	35,539	58,418
Fund Balances (Deficits) - January 1	(134,574)	-	(340,800)	-	(1,228,975)	(35,539)	(1,291,580)
Fund Balances (Deficits) - December 31	$ (135,592)	$ -	$ (400,462)	$ -	$ (1,418,411)	$ -	$ (1,233,162)

CITY OF MANITOWOC, WISCONSIN
Room Tax Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Room	$ 485,000	$ 537,718	$ 52,718
Intergovernmental	-	32,000	32,000
Miscellaneous			
Donations	-	4,600	4,600
Total Revenues	485,000	574,318	89,318
Expenditures			
Conservation and development	469,868	507,475	(37,607)
Excess of Revenues Over Expenditures	15,132	66,843	51,711
Other Financing Uses			
Transfers out	(15,132)	(16,709)	(1,577)
Net Change in Fund Balance	-	50,134	50,134
Fund Balance - January 1	287,826	287,826	-
Fund Balance - December 31	$ 287,826	$ 337,960	$ 50,134

CITY OF MANITOWOC, WISCONSIN
Mandatory Recycling Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental			
State aid	$ 220,000	$ 216,380	$ (3,620)
Charges for services	117,000	117,096	96
Total Revenues	337,000	333,476	(3,524)
Expenditures			
Public works	144,000	150,357	(6,357)
Excess of Revenues Over Expenditures	193,000	183,119	(9,881)
Other Financing Uses			
Transfers out	(193,000)	(183,119)	9,881
Net Change in Fund Balance	-	-	-
Fund Balance - January 1	-	-	-
Fund Balance - December 31	$ -	$ -	$ -

CITY OF MANITOWOC, WISCONSIN
Tax Increment District No. 7 Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Total Revenues	$ -	$ -	$ -
Expenditures			
Debt service			
Principal	15,000	15,000	-
Interest and fiscal charges	3,714	3,714	-
Total Expenditures	18,714	18,714	-
Excess of Revenues Under Expenditures	(18,714)	(18,714)	-
Fund Balance - January 1	149,493	149,493	-
Fund Balance - December 31	$ 130,779	$ 130,779	$ -

CITY OF MANITOWOC, WISCONSIN
Tax Increment District No. 8 Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property tax increment	$ 51,400	$ 24,101	$ (27,299)
Intergovernmental			
Exempt computer aid	-	24	24
Total Revenues	51,400	24,125	(27,275)
Expenditures			
Conservation and development	-	150	(150)
Debt service			
Principal	50,000	50,000	-
Interest and fiscal charges	1,400	1,400	-
Total Expenditures	51,400	51,550	(150)
Excess of Revenues Under Expenditures	-	(27,425)	(27,425)
Other Financing Sources			
Transfers in	-	27,425	27,425
Net Change in Fund Balance	-	-	-
Fund Balance - January 1	-	-	-
Fund Balance - December 31	$ -	$ -	$ -

CITY OF MANITOWOC, WISCONSIN
Transit Capital Grant Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental			
State aid	$ 36,000	$ 42,578	$ 6,578
Expenditures			
Public works	45,000	44,523	477
Excess of Revenues Under Expenditures	(9,000)	(1,945)	7,055
Other Financing Sources			
Long-term debt issued	9,000	9,000	-
Net Change in Fund Balance	-	7,055	7,055
Fund Balance - January 1	27,924	27,924	-
Fund Balance - December 31	$ 27,924	$ 34,979	$ 7,055

CITY OF MANITOWOC, WISCONSIN
Library Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property taxes	$ 1,370,425	$ 1,370,425	$ -
Intergovernmental			
County aids	542,113	535,046	(7,067)
Public charges for services			
User fees	70,000	52,745	(17,255)
Miscellaneous	-	17,121	17,121
Total Revenues	1,982,538	1,975,337	(7,201)
Expenditures			
Culture and recreation	2,108,717	2,110,061	(1,344)
Excess of Revenues Under Expenditures	(126,179)	(134,724)	(8,545)
Other Financing Sources (Uses)			
Transfers in	30,000	30,000	-
Transfers out	(35,000)	(68,834)	(33,834)
Total Other Financing Sources (Uses)	(5,000)	(38,834)	(33,834)
Net Change in Fund Balance	(131,179)	(173,558)	(42,379)
Fund Balance - January 1	199,669	199,669	-
Fund Balance - December 31	$ 68,490	$ 26,111	$ (42,379)

CITY OF MANITOWOC, WISCONSIN
Aquatic Center Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property taxes	64,570	64,570	$ -
Public charges for services			
User fees	157,000	111,705	(45,295)
Miscellaneous			
Donations	-	1,871	1,871
Total Revenues	221,570	178,146	(43,424)
Expenditures			
Culture and recreation	221,570	262,291	(40,721)
Excess of Revenues Under Expenditures	-	(84,145)	(84,145)
Fund Balance - January 1	4,758	4,758	-
Fund Balance (Deficit) - December 31	$ 4,758	$ (79,387)	$ (84,145)

CITY OF MANITOWOC, WISCONSIN
Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Property taxes	$ 6,793,819	$ 6,793,819	$ 6,793,819	$ -
Special assessments	147,905	147,905	226,654	78,749
Miscellaneous	126,982	126,982	135,167	8,185
Total Revenues	7,068,706	7,068,706	7,155,640	86,934
Expenditures				
Principal retirement	6,025,000	6,025,000	6,025,000	-
Interest charges	1,502,656	1,502,656	1,494,913	7,743
Bond/Note issuance costs	-	-	78,280	(78,280)
Total Expenditures	7,527,656	7,527,656	7,598,193	(70,537)
Excess of Revenues Under Expenditures	(458,950)	(458,950)	(442,553)	16,397
Other Financing Sources (Uses)				
Long-term debt issued	-	-	1,690,000	1,690,000
Premium on debt	-	-	144,652	144,652
Payment to refunding escrow agent	-	-	(1,787,549)	(1,787,549)
Transfers in	70,417	70,417	70,417	-
Total Other Financing Sources (Uses)	70,417	70,417	117,520	47,103
Net Change in Fund Balance	(388,533)	(388,533)	(325,033)	63,500
Fund Balance - January 1	942,429	942,429	942,429	-
Fund Balance - December 31	$ 553,896	$ 553,896	$ 617,396	$ 63,500

CITY OF MANITOWOC, WISCONSIN
Sanitary and Storm Sewers Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes	$ 580,941	$ 580,941	-
Expenditures			
Public works			
Sanitary and storm sewers	175,860	218,022	(42,162)
Debt service			
Interest expense	580,941	5,060	575,881
Total Expenditures	756,801	223,082	533,719
Excess of Revenues Over (Under) Expenditures	(175,860)	357,859	533,719
Other Financing Sources (Uses)			
Long-term debt issued	164,512	164,512	-
Transfers out	(45,000)	(45,000)	-
Total Other Financing Sources (Uses)	119,512	119,512	-
Net Change in Fund Balance	(56,348)	477,371	533,719
Fund Balance (Deficit) - January 1	(2,191,389)	(2,191,389)	-
Fund Balance (Deficit) - December 31	$ (2,247,737)	$ (1,714,018)	$ 533,719

CITY OF MANITOWOC, WISCONSIN
Streets Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes	$ 274,944	$ 274,944	$ -
Special assessments			
Streets and sidewalks	-	2,863	2,863
Intergovernmental			
DOT grant	50,000	18,231	(31,769)
Public charges for services			
Fees	-	24,704	24,704
Total Revenues	324,944	320,742	(4,202)
Expenditures			
Public works			
Streets	797,267	371,645	425,622
Curbs and sidewalks	-	315,962	(315,962)
Traffic control	-	102,502	(102,502)
Pavement markings	-	47,361	(47,361)
Bridges	-	3,800	(3,800)
Debt service			
Interest and fiscal charges	274,944	926	274,018
Total Expenditures	1,072,211	842,196	230,015
Excess of Revenues Under Expenditures	(747,267)	(521,454)	225,813
Other Financing Sources			
Long-term debt issued	580,000	580,000	-
Transfers in	45,000	102,773	57,773
Total Other Financing Sources	625,000	682,773	57,773
Net Change in Fund Balance	(122,267)	161,319	283,586
Fund Balance (Deficit) - January 1	(3,088,380)	(3,088,380)	-
Fund Balance (Deficit) - December 31	$ (3,210,647)	$ (2,927,061)	$ 283,586

CITY OF MANITOWOC, WISCONSIN
Harbor Improvements Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Total Revenues	$ -	$ -	$ -
Expenditures			
Total Expenditures	-	-	-
Excess of Revenues Over (Under) Expenditures	-	-	-
Other Financing Sources (Uses)			
Transfers out	-	(30,063)	30,063
Net Change in Fund Balance	-	(30,063)	30,063
Fund Balance - January 1	30,063	30,063	-
Fund Balance - December 31	$ 30,063	$ -	$ 30,063

CITY OF MANITOWOC, WISCONSIN
Capital Equipment Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Sale of property	$ 20,500	$ -	$ (20,500)
Expenditures			
General government			
Data processing	492,915	6,165	486,750
Public safety			
Police	206,821	84,991	121,830
Fire	-	34,833	(34,833)
Public works			
Streets	408,615	179,833	228,782
Culture and recreation			
Parks	25,000	59,619	(34,619)
Total Expenditures	1,133,351	365,441	767,910
Excess of Revenues Under Expenditures	(1,112,851)	(365,441)	747,410
Other Financing Sources			
Long-term debt issued	1,086,736	1,086,736	-
Net Change in Fund Balance	(26,115)	721,295	747,410
Fund Balance - January 1	595,257	595,257	-
Fund Balance - December 31	$ 569,142	$ 1,316,552	$ 747,410

CITY OF MANITOWOC, WISCONSIN
Environmental Remediation Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property taxes	$ 50,000	$ 50,000	$ -
Expenditures			
Public works			
Landfill cleanup	475,000	607,938	(132,938)
Excess of Revenues Under Expenditures	(425,000)	(557,938)	(132,938)
Other Financing Sources			
Long-term debt issued	250,000	450,000	200,000
Transfers in	-	75,000	75,000
Total Other Financing Sources	250,000	525,000	275,000
Net Change in Fund Balance	(175,000)	(32,938)	142,062
Fund Balance - January 1	109,088	109,088	-
Fund Balance (Deficit) - December 31	$ (65,912)	$ 76,150	$ 142,062

CITY OF MANITOWOC, WISCONSIN
Cemetery Improvements Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Public charges for services	$ -	$ 4,090	$ 4,090
Expenditures			
Health and human services			
Site preparation	-	12,800	(12,800)
Net Change in Fund Balance	-	(8,710)	(8,710)
Fund Balance - January 1	32,852	32,852	-
Fund Balance - December 31	$ 32,852	$ 24,142	$ (8,710)

CITY OF MANITOWOC, WISCONSIN
Buildings and Other Improvements Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	$ -	$ 22,373	$ 22,373
Miscellaneous			
Donations	129,086	47,210	(81,876)
Total Revenues	129,086	69,583	(59,503)
Expenditures			
General government	28,173	69,223	(41,050)
Public safety	6,665	8,889	(2,224)
Public works	49,063	62,497	(13,434)
Culture and recreation	340,000	171,052	168,948
Total Expenditures	423,901	311,661	112,240
Excess of Revenues Over (Under) Expenditures	(294,815)	(242,078)	52,737
Other Financing Sources (Uses)			
Long-term debt issued	184,752	184,752	-
Transfers in	-	140,063	140,063
Transfers out	-	(132,773)	(132,773)
Total Other Financing Sources (Uses)	184,752	192,042	7,290
Net Change in Fund Balance	(110,063)	(50,036)	60,027
Fund Balance - January 1	381,219	381,219	-
Fund Balance - December 31	$ 271,156	$ 331,183	$ 60,027

CITY OF MANITOWOC, WISCONSIN
Tax Increment District No. 9 Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property tax increment	$ 18,608	$ 180,955	$ 162,347
Intergovernmental			
Exempt computer aid	-	3,880	3,880
Total Revenues	18,608	184,835	166,227
Expenditures			
Public works	-	3,975	(3,975)
Conservation and development			
City admin fees	-	150	(150)
Debt service			
Principal	-	15,000	(15,000)
Interest and fiscal charges	-	3,608	(3,608)
Total Expenditures	-	22,733	(22,733)
Excess of Revenues Over Expenditures	18,608	162,102	143,494
Fund Balance (Deficit) - January 1	(721,951)	(721,951)	-
Fund Balance (Deficit) - December 31	$ (703,343)	$ (559,849)	$ 143,494

CITY OF MANITOWOC, WISCONSIN
Tax Increment District No. 10 Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property tax increment	$ 44,463	$ 103,792	$ 59,329
Intergovernmental			
Exempt computer aid	-	787	787
Total Revenues	44,463	104,579	60,116
Expenditures			
Conservation and development	-	1,934	(1,934)
Debt service			
Principal	35,000	35,000	-
Interest and fiscal charges	9,463	9,463	-
Total Expenditures	44,463	46,397	(1,934)
Excess of Revenues Over Expenditures	-	58,182	58,182
Other Financing Uses			
Transfers out	-	(58,182)	(58,182)
Net Change in Fund Balance	-	-	-
Fund Balance - January 1	-	-	-
Fund Balance - December 31	$ -	$ -	$ -

CITY OF MANITOWOC, WISCONSIN
Tax Increment District No. 11 Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property tax increment	$ 190,363	$ 95,189	$ (95,174)
Intergovernmental			
Exempt computer aid	-	24,801	24,801
Total Revenues	190,363	119,990	(70,373)
Expenditures			
Conservation and development	-	150	(150)
Debt service			
Principal	175,000	175,000	-
Interest and fiscal charges	15,363	15,363	-
Total Expenditures	190,363	190,513	(150)
Excess of Revenues Under Expenditures	-	(70,523)	(70,523)
Fund Balance - January 1	-	-	-
Fund Balance (Deficit) - December 31	$ -	$ (70,523)	$ (70,523)

CITY OF MANITOWOC, WISCONSIN
Tax Increment District No. 12 Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property tax increment	$ 357,028	$ 101,850	$ (255,178)
Intergovernmental			
Exempt computer aid	-	2,255	2,255
Total Revenues	357,028	104,105	(252,923)
Expenditures			
Conservation and development	-	551	(551)
Debt service			
Principal	310,000	310,000	-
Interest and fiscal charges	47,028	47,028	-
Total Expenditures	357,028	357,579	(551)
Excess of Revenues Under Expenditures	-	(253,474)	(253,474)
Other Financing Sources			
Transfers in	-	252,456	252,456
Net Change in Fund Balance	-	(1,018)	(1,018)
Fund Balance (Deficit) - January 1	(134,574)	(134,574)	-
Fund Balance (Deficit) - December 31	$ (134,574)	$ (135,592)	$ (1,018)

CITY OF MANITOWOC, WISCONSIN
Tax Increment District No. 13 Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property tax increment	$ 89,150	$ 181,042	$ 91,892
Intergovernmental			
Exempt computer aid	-	70,488	70,488
Total Revenues	89,150	251,530	162,380
Expenditures			
Conservation and development	-	150	(150)
Debt service			
Principal	80,000	80,000	-
Interest and fiscal charges	9,150	9,150	-
Total Expenditures	89,150	89,300	(150)
Excess of Revenues Over Expenditures	-	162,230	162,230
Other Financing Uses			
Transfers out	-	(162,230)	(162,230)
Net Change in Fund Balance	-	-	-
Fund Balance - January 1	-	-	-
Fund Balance - December 31	$ -	$ -	$ -

CITY OF MANITOWOC, WISCONSIN
Tax Increment District No. 14 Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property tax increment	$ 107,511	$ 46,298	$ (61,213)
Intergovernmental			
Exempt computer aid	-	1,702	1,702
Total Revenues	107,511	48,000	(59,511)
Expenditures			
Conservation and development	-	151	(151)
Debt service			
Principal	95,000	95,000	-
Interest and fiscal charges	12,511	12,511	-
Total Expenditures	107,511	107,662	(151)
Excess of Revenues Under Expenditures	-	(59,662)	(59,662)
Fund Balance (Deficit) - January 1	(340,800)	(340,800)	-
Fund Balance (Deficit) - December 31	$ (340,800)	$ (400,462)	$ (59,662)

CITY OF MANITOWOC, WISCONSIN
Tax Increment District No. 15 Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property tax increment	$ 1,036,145	$ 1,483,418	$ 447,273
Intergovernmental			
Exempt computer aid	-	21,628	21,628
Total Revenues	1,036,145	1,505,046	468,901
Expenditures			
Conservation and development	-	477,952	(477,952)
Debt service			
Principal	910,000	910,000	-
Interest and fiscal charges	126,145	113,623	12,522
Total Expenditures	1,036,145	1,501,575	(465,430)
Excess of Revenues Over Expenditures	-	3,471	3,471
Other Financing Uses			
Transfers out	-	(3,471)	(3,471)
Net Change in Fund Balance	-	-	-
Fund Balance - January 1	-	-	-
Fund Balance - December 31	$ -	$ -	$ -

CITY OF MANITOWOC, WISCONSIN
Tax Increment District No. 16 Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property tax increment	$ 532,072	$ 297,358	$ (234,714)
Intergovernmental			
Exempt computer aid	-	39,679	39,679
Total Revenues	532,072	337,037	(195,035)
Expenditures			
Conservation and development	-	151	(151)
Debt service			
Principal	400,000	400,000	-
Interest and fiscal charges	132,072	126,322	5,750
Total Expenditures	532,072	526,473	5,599
Excess of Revenues Under Expenditures	-	(189,436)	(189,436)
Fund Balance (Deficit) - January 1	(1,228,975)	(1,228,975)	-
Fund Balance (Deficit) - December 31	$ (1,228,975)	$ (1,418,411)	$ (189,436)

CITY OF MANITOWOC, WISCONSIN
Tax Increment District No. 17 Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

	2014		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property tax increment	$ 77,204	$ 161,820	$ 84,616
Intergovernmental			
Exempt computer aid	-	7,079	7,079
Total Revenues	77,204	168,899	91,695
Expenditures			
Public works			
Stormwater	-	8	(8)
Conservation and development	-	150	(150)
Debt service			
Principal	55,000	55,000	-
Interest and fiscal charges	22,204	22,204	-
Total Expenditures	77,204	77,362	(158)
Excess of Revenues Over Expenditures	-	91,537	91,537
Other Financing Uses			
Transfers out	-	(55,998)	(55,998)
Net Change in Fund Balance	-	35,539	35,539
Fund Balance (Deficit) - January 1	(35,539)	(35,539)	-
Fund Balance (Deficit) - December 31	$ (35,539)	$ -	$ 35,539

INTERNAL SERVICE FUNDS

To account for the financing of goods or services provided by one department to other departments of the City, or to other governmental units, on a cost reimbursement basis. The City utilizes internal service fund accounting for the following:

Data Processing
To account for electronic data processing services provided to other City departments.

Health Self-Insurance
To account for funds held by the City, generated by charges to other City departments, employees and retirees, to finance employee health claims.

General Liability Self-Insurance
To account for the City's capitalization deposit in the Cities and Villages Mutual Insurance Company (CVMIC).

CITY OF MANITOWOC, WISCONSIN
Combining Statement of Net Position
Internal Service Funds
December 31, 2014

	Data Processing	Health Self Insurance	General Liability Self Insurance	Totals
ASSETS				
Current Assets				
Cash and investments	$ -	$ 1,988,726	$ -	$ 1,988,726
Receivables				
Accounts	21,325	8,147	-	29,472
Inventories and prepaid items	120,567	-	-	120,567
Total Current Assets	141,892	1,996,873	-	2,138,765
Noncurrent Assets				
Deposit with CVMIC	-	-	1,111,426	1,111,426
Capital assets, nondepreciable				
Construction in progress	338,040	-	-	338,040
TOTAL ASSETS	479,932	1,996,873	1,111,426	3,588,231
LIABILITIES				
Current Liabilities				
Accounts payable	10,586	44,538	-	55,124
Accrued and other current liabilities	5,792	457,059	-	462,851
Due to other funds	372,310	-	-	372,310
Total Current Liabilities	388,688	501,597	-	890,285
Noncurrent Liabilities				
Compensated absences	180,140	-	-	180,140
TOTAL LIABILITIES	568,828	501,597	-	1,070,425
NET POSITION				
Unrestricted (deficit)	(88,896)	1,495,276	1,111,426	2,517,806
TOTAL NET POSITION (DEFICIT)	$ (88,896)	$ 1,495,276	$ 1,111,426	$ 2,517,806

CITY OF MANITOWOC, WISCONSIN
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2014

	Data Processing	Health Self Insurance	General Liability Self Insurance	Totals
Operating Revenues				
Charges for services	$ 480,434	$ 3,567,046	$ -	$ 4,047,480
Operating Expenses				
Operation and maintenance	485,537	-	-	485,537
Insurance payments and claims	-	3,753,551	-	3,753,551
Taxes	1,245	-	-	1,245
Total Operating Expenses	486,782	3,753,551	-	4,240,333
Operating Loss	(6,348)	(186,505)	-	(192,853)
Nonoperating Revenues				
Insurance recoveries	-	149,386	-	149,386
Change in Net Position	(6,348)	(37,119)	-	(43,467)
Net Position (Deficit) - January 1	(82,548)	1,532,395	1,111,426	2,561,273
Net Position (Deficit) - December 31	$ (88,896)	$ 1,495,276	$ 1,111,426	$ 2,517,806

CITY OF MANITOWOC, WISCONSIN
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2014

	Data Processing	Health Self Insurance	Totals
Cash Flows from Operating Activities			
Cash from interfund services provided	$ 479,873	$ 3,712,634	$ 4,192,507
Payments to suppliers	(142,895)	(3,798,626)	(3,941,521)
Payments to employees	(390,248)	-	(390,248)
Net Cash Provided (Used) by Operating Activities	(53,270)	(85,992)	(139,262)
Cash Flows from Capital and Related Financing Activities			
Acquisition of capital assets	(319,040)	-	(319,040)
Cash advanced from other funds	372,310	-	372,310
Net Cash Provided by Capital and Related Financing Activities	53,270	-	53,270
Change in Cash and Cash Equivalents	-	(85,992)	(85,992)
Cash and Cash Equivalents - January 1	-	2,074,718	2,074,718
Cash and Cash Equivalents - December 31	$ -	$ 1,988,726	$ 1,988,726
Reconciliation of Operating Loss to Net Cash Used by Operating Activities:			
Operating loss	$ (6,348)	$ (186,505)	$ (192,853)
Adjustments to reconcile operating loss to net cash used by operating activities:			
Insurance recoveries	-	149,386	149,386
Changes in assets and liabilities			
Receivables	(561)	(3,798)	(4,359)
Inventories and prepaid items	(50,981)	-	(50,981)
Deferred charges	8,030	-	8,030
Accounts payable	4,941	(197,094)	(192,153)
Accrued and other liabilities	(8,351)	152,019	143,668
Net Cash Used by Operating Activities	$ (53,270)	$ (85,992)	$ (139,262)
Noncash Investing, Capital and Financing Activities			
None	$ -	$ -	$ -

CITY OF MANITOWOC, WISCONSIN
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedules by Source
December 31, 2014 and 2013

	2014	2013
Capital Assets		
Land	$ 7,195,018	$ 7,541,918
Buildings	28,797,563	28,870,150
Machinery and equipment	25,718,138	24,704,413
Infrastructure	169,443,593	185,586,409
Total Governmental Funds Capital Assets	$ 231,154,312	$ 246,702,890
Investments in Governmental Funds Capital Assets By Source		
General fund	$ 24,157,972	$ 23,993,720
Federal, state and local grants	8,206,146	7,373,844
Capital projects funds		
General obligation debt	198,790,194	215,335,326
Total Governmental Funds Capital Assets	$ 231,154,312	$ 246,702,890

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

CITY OF MANITOWOC, WISCONSIN
Capital Assets Used in the Operation of Governmental Funds
Schedule by Function
December 31, 2014

Function	Total	Land	Buildings	Machinery and Equipment	Infrastructure
General government	$ 13,706,285	$ 5,655,165	$ 7,501,175	$ 549,945	$ -
Public safety	9,888,562	347,400	4,604,417	4,936,745	-
Public works	185,318,865	392,240	4,343,364	11,139,668	169,443,593
Health and human services	475,955	-	117,711	358,244	-
Culture and recreation	20,822,883	800,213	11,773,467	8,249,203	-
Conservation and development	941,762	-	457,429	484,333	-
Total General Capital Assets	$ 231,154,312	$ 7,195,018	$ 28,797,563	$ 25,718,138	$ 169,443,593

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

CITY OF MANITOWOC, WISCONSIN
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes By Function
For the Year Ended December 31, 2014

Function	Governmental Funds Capital Assets 1/1/14	Additions	Retirements	Governmental Funds Capital Assets 12/31/14
General government	$ 14,059,203	$ 46,100	$ 399,018	$ 13,706,285
Public safety	9,735,043	167,143	13,624	9,888,562
Public works	201,474,476	2,158,064	18,313,675	185,318,865
Health and human services	467,626	23,021	14,692	475,955
Culture and recreation	20,100,350	899,833	177,300	20,822,883
Conservation and development	866,192	75,570	-	941,762
Total Governmental Funds Capital Assets	$ 246,702,890	$ 3,369,731	$ 18,918,309	$ 231,154,312

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

STATISTICAL SECTION

This part of the City of Manitowoc's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about Manitowoc's overall financial health.

Contents **Page**

Financial Trends 122

These schedules contain trend information to help the reader understand how Manitowoc's financial performance and well-being have changed over time.

Revenue Capacity 130

These schedules contain information to help the reader assess Manitowoc's most significant local revenue source, the property tax.

Debt Capacity 135

These schedules present information to help the reader assess the affordability of Manitowoc's current levels of outstanding debt and Manitowoc's ability to issue additional debt in the future.

Demographic and Economic Information 149

These schedules offer demographic and economic indicators to help the reader understand the environment within which Manitowoc's financial activities take place.

Operating Information 151

These schedules contain service and infrastructure data to help the reader understand how the information in Manitowoc's financial report relates to the services Manitowoc provides and the activities it performs.

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

CITY OF MANITOWOC, WISCONSIN
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities										
Invested in capital assets, net of related debt	$ 99,544,772	$ 91,651,520	$ 84,351,471	$ 85,055,705	$ 82,397,585	$ 78,408,781	$ 82,948,335	$ 81,463,401	$ 84,679,258	$ 86,185,510
Restricted	-	-	-	-	-	-	3,318,623	3,350,548	8,114,185	8,831,574
Unrestricted (deficit)	3,319,385	4,196,938	5,783,990	(4,838,894)	(7,338,552)	(11,370,850)	(15,749,380)	(13,165,749)	(16,824,269)	(15,151,084)
Total governmental activities net assets	$ 102,864,157	$ 95,848,458	$ 90,135,461	$ 80,216,811	$ 75,059,033	$ 67,037,931	$ 70,517,578	$ 71,648,200	$ 75,969,174	$ 79,866,000
Business-type activities										
Invested in capital assets, net of related debt	$ 82,111,719	$ 108,717,186	$ 107,018,216	$ 103,680,120	$ 100,181,138	$ 94,937,833	$ 93,859,889	$ 96,411,771	$ 95,999,724	$ 133,959,504
Restricted	11,967,017	12,744,881	13,527,007	14,135,766	13,872,760	14,068,192	50,428,742	44,375,746	55,160,265	32,885,180
Unrestricted	17,609,040	22,053,805	33,021,269	43,086,021	49,214,832	52,275,971	21,780,335	34,352,072	33,987,853	25,695,980
Total business-type activities net assets	$ 111,687,776	$ 143,515,872	$ 153,566,492	$ 160,901,907	$ 163,268,730	$ 161,281,996	$ 166,068,966	$ 175,139,589	$ 185,147,842	$ 192,540,664
Primary government										
Invested in capital assets, net of related debt	$ 181,656,491	$ 200,368,706	$ 191,369,687	$ 188,735,825	$ 182,578,723	$ 173,346,614	$ 176,808,224	$ 177,875,172	$ 180,678,982	$ 220,145,014
Restricted	11,967,017	12,744,881	13,527,007	14,135,766	13,872,760	14,068,192	53,747,365	47,726,294	63,274,450	41,716,754
Unrestricted	20,928,425	26,250,743	38,805,259	38,247,127	41,876,280	40,905,121	6,030,955	21,186,323	17,163,584	10,544,896
Total primary government net assets	$ 214,551,933	$ 239,364,330	$ 243,701,953	$ 241,118,718	$ 238,327,763	$ 228,319,927	$ 236,586,544	$ 246,787,789	$ 261,117,016	$ 272,406,664

CITY OF MANITOWOC, WISCONSIN
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental activities:										
General government	$ 4,809,245	$ 4,986,172	$ 3,254,368	$ 4,307,042	$ 4,295,657	$ 4,649,699	$ 3,072,360	$ 3,938,219	$ 3,611,218	$ 4,393,330
Public safety	12,795,781	14,641,739	14,269,506	15,193,488	15,299,834	16,553,734	14,665,705	14,445,022	14,380,253	13,803,232
Public works	12,142,877	12,036,480	14,166,272	12,831,693	14,624,459	13,837,037	12,547,700	11,045,943	7,123,677	7,532,419
Health and human services	446,459	461,828	475,799	523,071	505,417	546,432	539,339	271,019	337,553	297,093
Culture and recreation	5,533,273	6,134,585	6,127,795	6,337,825	6,410,617	6,671,335	5,794,316	4,922,559	4,726,866	5,582,966
Development	3,425,300	1,831,028	2,148,368	5,951,961	2,578,143	1,871,549	1,306,096	1,572,350	1,760,407	1,438,342
Interest on debt	2,610,510	2,768,177	2,903,263	3,017,661	2,989,602	3,941,695	2,480,672	2,268,177	2,499,847	1,920,612
Total governmental activities expenses	41,763,445	42,860,009	43,345,391	48,162,741	46,703,729	48,071,481	40,408,188	38,463,289	34,439,821	34,967,994
Business-type activities:										
Water utility	3,717,492	3,972,955	4,624,516	5,665,651	5,976,464	5,822,531	5,750,971	5,468,625	5,504,372	5,888,571
Electric utility	38,912,665	42,762,568	47,521,200	48,273,428	44,287,845	46,581,595	49,737,531	58,697,745	59,503,436	60,741,021
Steam utility	2,649,182	3,599,632	3,636,524	3,726,855	3,441,973	2,692,941	1,895,580	285,953	374,930	392,270
Broadband utility	88,482	155,984	112,275	121,311	99,484	100,286	58,713	73,837	76,631	84,089
Wastewater treatment plant	6,022,139	6,457,444	5,575,906	6,898,944	6,775,626	5,843,812	4,729,671	4,433,388	4,889,792	4,944,513
Transit system	1,346,906	1,936,499	2,202,062	2,476,436	2,304,946	2,458,989	2,474,960	2,306,296	2,228,542	2,346,301
Total business-type activities expenses	52,736,866	58,885,082	63,672,483	69,162,625	62,886,338	63,500,154	64,647,426	71,265,844	72,577,703	74,398,745
Total primary government expenses	$ 94,500,311	$ 101,745,091	$ 107,017,874	$ 117,325,366	$ 109,590,067	$ 111,571,635	$ 105,053,614	$ 109,729,133	$ 107,017,524	$ 109,364,739

(Continued)

CITY OF MANITOWOC, WISCONSIN
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 193,265	$ 404,721	$ 628,488	$ 364,561	$ 361,486	$ 354,642	$ 470,516	$ 495,393	$ 461,920	$ 478,564
Public safety	2,563,260	2,815,602	2,750,012	2,907,803	2,470,162	2,456,433	2,332,258	2,375,809	3,054,210	2,859,135
Culture and recreation	357,049	319,683	302,485	284,979	202,684	581,468	1,084,730	1,030,925	1,000,494	910,375
Other activities	1,033,148	2,312,693	1,516,507	2,058,554	1,222,632	1,465,935	3,404,449	1,331,898	1,034,074	1,046,487
Operating grants and contributions	5,196,700	4,024,587	4,129,199	3,975,594	3,811,709	3,760,579	3,575,437	4,640,641	3,637,937	3,287,156
Capital grants and contributions	3,596,333	2,656,238	3,272,031	1,448,952	4,569,538	2,942,698	3,592,144	1,467,078	1,256,237	1,265,411
Total governmental activities program revenues	12,939,755	12,533,524	12,598,722	11,040,443	12,638,211	11,561,755	14,459,532	11,341,744	10,444,872	9,847,128
Business-type activities:										
Charges for services:										
Water utility	4,945,177	4,579,587	5,052,775	6,860,998	6,623,124	5,953,586	5,907,447	6,901,030	6,688,886	6,598,666
Electric utility	38,871,385	49,758,451	54,661,738	57,456,101	49,875,214	52,689,004	57,313,333	65,957,316	66,281,306	67,610,280
Steam utility	2,689,657	3,501,244	4,231,300	4,743,307	3,985,780	2,361,255	1,497,632	477,640	544,992	687,092
Broadband utility	163,689	153,390	139,705	167,659	145,932	150,649	162,316	152,309	176,815	169,901
Wastewater treatment plant	6,620,727	6,703,344	6,615,654	6,423,450	6,181,047	5,362,958	5,250,862	6,028,570	6,466,960	6,718,041
Transit system	164,077	161,517	273,440	213,051	208,447	216,506	183,558	185,298	193,404	199,353
Operating grants and contributions	1,058,956	1,462,145	1,975,526	1,955,205	1,948,833	1,987,087	1,972,194	1,807,210	1,621,982	1,756,616
Capital grants and contributions	2,016,280	26,172,711	1,962,388	827,710	609,685	257,491	392,686	1,499,199	173,697	279,266
Total business-type activities program revenues	56,529,948	92,492,389	74,912,526	78,647,481	69,578,062	68,958,536	72,680,028	83,008,572	82,148,022	84,019,215
Total primary government program revenues	$ 69,469,703	$ 105,025,913	$ 87,511,248	$ 89,687,924	$ 82,216,273	$ 80,520,291	$ 87,139,560	$ 94,350,316	$ 92,592,894	$ 93,866,343
Net (expense)/revenue										
Governmental activities	$ (28,823,690)	$ (30,326,485)	$ (30,746,669)	$ (37,122,298)	$ (34,065,518)	$ (36,509,726)	$ (25,946,656)	$ (27,121,545)	$ (23,994,949)	$ (25,120,866)
Business-type activities	3,793,082	33,607,307	11,240,043	9,484,856	6,691,724	5,458,382	8,032,602	11,742,728	9,570,319	9,622,470
Total primary government net expense	$ (25,030,608)	$ 3,280,822	$ (19,506,626)	$ (27,637,442)	$ (27,373,794)	$ (31,051,344)	$ (17,914,054)	$ (15,378,817)	$ (14,424,630)	$ (15,498,396)

(Continued)

CITY OF MANITOWOC, WISCONSIN
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Property taxes	$ 10,488,321	$ 10,940,949	$ 12,066,248	$ 13,774,903	$ 14,265,247	$ 15,286,914	$ 15,687,287	$ 17,145,312	$ 16,896,523	$ 16,894,243
Other taxes	525,419	534,998	603,072	493,192	533,298	470,540	418,429	415,842	770,332	689,520
Unrestricted state and federal aids	6,436,045	6,438,639	6,510,348	6,724,262	6,667,779	6,609,782	6,490,811	6,038,857	6,124,673	6,114,432
Interest earnings	1,122,596	1,520,526	2,042,220	1,782,827	1,449,891	619,090	275,315	184,573	55,869	240,795
Miscellaneous	934,205	719,805	753,937	939,946	869,195	675,787	305,173	658,504	620,353	1,164,659
Transfers	3,916,130	3,155,869	3,057,847	3,488,518	5,122,330	4,826,511	4,371,291	3,772,312	3,884,940	3,914,043
Total governmental activities	23,422,716	23,310,786	25,033,672	27,203,648	28,907,740	28,488,624	27,548,306	28,215,400	28,352,690	29,017,692
Business-type activities:										
Interest earnings	1,407,896	1,376,658	1,858,424	1,339,077	797,429	810,460	1,078,616	1,159,912	1,197,317	1,401,893
Miscellaneous	-	-	-	-	-	-	47,043	286,959	274,808	282,502
Special item-gain/(loss) sale of asset	-	-	-	-	-	-	-	(346,664)	-	-
Transfers	(3,916,130)	(3,155,869)	(3,057,847)	(3,488,518)	(5,122,330)	(4,826,511)	(4,371,291)	(3,772,312)	(3,884,940)	(3,914,043)
Total business-type activities	(2,508,234)	(1,779,211)	(1,189,423)	(2,149,441)	(4,324,901)	(4,016,051)	(3,245,632)	(2,672,105)	(2,412,815)	(2,229,648)
Total primary government	$ 20,914,482	$ 21,531,575	$ 23,844,249	$ 25,054,207	$ 24,582,839	$ 24,472,573	$ 24,302,674	$ 25,543,295	$ 25,939,875	$ 26,788,044
Change in Net Assets										
Governmental activities	$ (5,400,974)	$ (7,015,699)	$ (5,712,997)	$ (9,918,650)	$ (5,157,778)	$ (8,021,102)	$ 1,601,650	$ 1,093,855	$ 4,357,741	$ 3,898,826
Business-type activities	1,284,848	31,828,096	10,050,620	7,335,415	2,366,823	1,442,331	4,786,970	9,070,623	7,157,504	7,392,822
Special Item (disposal of plant)						(3,429,065)				
Total primary government	$ (4,116,126)	$ 24,812,397	$ 4,337,623	$ (2,583,235)	$ (2,790,955)	$ (10,007,836)	$ 6,388,620	$ 10,164,478	$ 11,515,245	$ 11,289,648

CITY OF MANITOWOC, WISCONSIN
Fund Balances of Governmental Funds
Years Ended 2005 - 2010
(modified accrual basis of accounting)

	2005	2006	2007	2008	2009	2010
General fund						
Reserved	$ 833,638	$ 433,574	$ 611,795	$ 726,271	$ 790,933	$ 4,907,025
Unreserved						
Designated	594,175	246,457	268,948	319,440	505,594	-
Undesignated	4,084,547	4,475,758	4,896,200	5,281,765	4,352,886	16,981
Total general fund	$ 5,512,360	$ 5,155,789	$ 5,776,943	$ 6,327,476	$ 5,649,413	$ 4,924,006
All other governmental funds						
Reserved						
Long-term accounts and receivables	$ -	$ -	$ -	$ -	$ -	$ 1,104,155
Designated, reported in:						
Special revenue funds	566,678	430,137	205,466	283,296	117,777	172,809
Undesignated, reported in:						
Special revenue funds	3,481,066	4,529,840	4,939,578	4,720,504	4,803,639	4,141,080
Debt service fund	-	-	-	-	-	(13,250)
Capital projects funds	(602,387)	778,958	3,004,471	1,348,438	(1,318,561)	(4,238,225)
Total all other governmental funds	$ 3,445,357	$ 5,738,935	$ 8,149,515	$ 6,352,238	$ 3,602,855	$ 1,166,569
Total governmental funds	$ 8,957,717	$ 10,894,724	$ 13,926,458	$ 12,679,714	$ 9,252,268	$ 6,090,575

CITY OF MANITOWOC, WISCONSIN
Fund Balances of Governmental Funds
Last Four Fiscal Years*
(modified accrual basis of accounting)

	2011	2012	2013	2014
General fund				
Nonspendable				
Inventories and prepaid items	$ 545,077	$ 572,952	$ 534,358	$ 561,424
Long term accounts and interfund receivables	3,610,186	3,568,735	3,781,606	4,267,385
Restricted	-	-	-	-
Committed for future spending	-	266,698	-	-
Assigned	-	-	53,708	91,312
Unassigned	1,205,370	1,332,914	1,184,321	1,416,511
Total general fund	5,360,633	5,741,299	5,553,993	6,336,632
All other governmental funds				
Nonspendable				
Long term accounts and interfund receivables	$ 1,289,965	$ -	$ -	$ -
Restricted				
Debt service	2,327,586	1,348,597	942,429	617,396
Future loans	2,164,446	2,882,921	3,635,768	2,829,007
Future spending	416,399	464,648	487,692	517,965
Committed for future spending	1,501,423	1,173,265	1,028,596	766,976
Assigned	391,119	1,085,561	1,148,479	1,778,090
Unassigned	(11,377,555)	(8,327,541)	(7,592,115)	(7,125,200)
Total all other governmental funds	(3,286,617)	(1,372,549)	(349,151)	(615,766)
Total governmental funds	$ 2,074,016	$ 4,368,750	$ 5,204,842	$ 5,720,866

* Not practical to restate fund balances for years prior to 2011 before implementation of GASB #54.

CITY OF MANITOWOC, WISCONSIN
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Taxes	$ 11,070,987	$ 11,533,302	$ 12,584,206	$ 12,981,862	$ 12,601,435	$ 14,974,094	$ 15,157,110	$ 17,561,154	$ 17,666,855	$ 17,583,763
Special assessments	1,473,380	1,775,994	1,522,973	1,354,468	2,894,588	2,267,061	1,099,443	1,081,192	554,246	435,522
Intergovernmental	13,668,241	11,630,698	11,436,199	10,885,951	10,595,513	10,997,650	13,555,901	11,646,390	10,389,688	9,696,271
Licenses and permits	848,121	815,526	893,088	984,614	744,236	786,147	682,477	752,161	1,084,365	806,819
Fines and forfeitures	332,620	277,008	305,283	374,917	398,766	446,068	510,663	509,517	550,145	535,228
Public charges for services	2,350,070	2,694,432	3,190,894	3,182,798	2,789,478	3,146,325	2,535,498	2,342,459	2,640,547	2,733,070
Intergovernmental charges for services	107,011	173,942	158,892	209,276	217,642	234,356	314,421	340,357	322,161	328,261
Interdepartmental charges for services	2,529,664	3,095,320	1,867,893	5,487,499	3,840,958	2,513,141	3,344,680	1,671,131	1,634,872	1,748,152
Miscellaneous	3,127,154	3,445,057	3,836,625	3,880,692	4,522,006	1,987,947	3,389,654	2,108,026	2,231,690	2,234,957
Total revenues	35,507,248	35,441,279	35,796,053	39,342,077	38,604,622	37,352,789	40,589,847	38,012,387	37,074,569	36,102,043
Expenditures										
General government	3,115,150	3,060,546	4,260,655	3,746,635	3,759,301	3,524,745	3,322,766	3,018,867	2,896,866	3,636,882
Public safety	12,163,870	13,539,545	14,189,301	14,658,840	15,331,451	14,991,505	15,115,462	14,051,845	14,097,392	13,424,741
Public works	7,757,317	6,776,796	12,730,680	15,025,530	14,135,590	13,024,767	15,046,265	8,765,962	7,604,324	7,432,696
Health and human services	462,645	324,904	458,436	502,732	535,988	511,120	516,530	271,483	319,724	307,683
Culture and recreation	5,042,108	5,472,286	5,827,144	5,808,034	9,135,278	6,291,765	5,855,832	4,731,538	4,944,686	4,574,163
Conservation and development	2,794,638	1,806,069	2,136,426	6,038,371	2,875,858	2,734,168	3,508,398	1,442,368	2,283,727	2,746,435
Capital Outlay	11,942,025	8,011,219	-	-	-	-	-	-	-	-
Debt service										
Principal retirement	2,830,993	3,259,721	4,078,643	4,977,735	6,072,116	6,826,840	8,295,000	7,695,000	8,020,000	8,165,000
Interest and fiscal charges	2,529,685	2,609,575	2,798,486	3,062,370	3,071,264	3,085,792	2,990,159	2,400,933	2,314,712	1,943,565
Bond issuance costs	25,000	77,360	31,750	81,890	42,559	172,179	-	-	-	-
Total Expenditures	48,663,431	44,938,021	46,511,521	53,902,137	54,959,405	51,162,881	54,650,412	42,377,996	42,481,431	42,231,165
Excess of revenues over (under) expenditures	(13,156,183)	(9,496,742)	(10,715,468)	(14,560,060)	(16,354,783)	(13,810,092)	(14,060,565)	(4,365,609)	(5,406,862)	(6,129,122)

(continued)

CITY OF MANITOWOC, WISCONSIN
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Other financing sources (uses)										
General obligation debt issued	5,285,000	8,995,000	10,000,000	9,260,000	9,180,000	16,465,000	11,575,569	7,934,930	9,995,000	4,374,000
Note anticipation notes issued	-	1,005,000	-	-	-	-	-	-	-	-
Premium on debt issued	-	63,936	26,029	47,709	226,302	267,933	-	-	232,041	144,652
Payment to refunding bond escrow agent	-	(2,788,961)	-	-	(1,591,362)	(10,912,927)	(6,112,782)	(5,046,899)	(8,084,027)	(1,787,549)
Sale of capital assets	-	-	-	-	-	-	-	-	215,000	-
Transfers in	8,004,399	8,958,843	9,516,270	11,414,087	13,269,987	12,843,835	14,988,448	6,481,304	4,742,008	4,780,422
Transfers out	(3,602,090)	(4,800,069)	(5,795,097)	(7,421,991)	(8,144,079)	(8,715,442)	(10,407,229)	(2,708,992)	(857,068)	(866,379)
Total other financing sources (uses)	9,687,309	11,433,749	13,747,202	13,299,805	12,940,848	9,948,399	10,044,006	6,660,343	6,242,954	6,645,146
Net change in fund balances	$ (3,468,874)	$ 1,937,007	$ 3,031,734	$ (1,260,255)	$ (3,413,935)	$ (3,861,693)	$ (4,016,559)	$ 2,294,734	$ 836,092	$ 516,024
Debt service as a percentage of noncapital expenditures	14.1%	14.8%	16.4%	16.2%	19.9%	21.3%	23.9%	24.9%	27.5%	26.0%

CITY OF MANITOWOC, WISCONSIN
General Governmental Tax Revenues By Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Occupational Tax	Mobile Home Tax	Tax Exempt Tax	Room Tax	Other Tax (1)	Total
2005	$ 10,488,321	$ 8,513	$ 62,204	$ 66,248	$ 372,347	$ 73,354	$ 11,070,987
2006	10,940,949	6,867	61,554	77,686	381,856	64,390	11,533,302
2007	11,919,211	7,981	56,151	67,690	377,805	155,368	12,584,206
2008	12,429,108	8,274	50,047	32,880	401,529	60,024	12,981,862
2009	12,002,377	7,684	46,205	133,198	344,599	67,412	12,601,475
2010	14,417,637	8,561	61,842	24,457	366,098	95,499	14,974,094
2011	14,594,734	4,388	22,732	52,568	394,224	88,464	15,157,110
2012	16,992,173	3,567	47,609	40,230	368,104	109,471	17,561,154
2013	16,896,523	1,499	43,145	42,681	536,051	146,956	17,666,855
2014	16,894,243	-	42,522	43,372	537,718	65,908	17,583,763

(1) Other tax consists of omitted, tax roll over (under), retained sales,interest and closeout of TID (2013).

CITY OF MANITOWOC, WISCONSIN
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended December 31	Real Property			Personal Property		Total Taxable Assessed Valuation	Total Direct Tax Rate	Estimated Actual Taxable Valuation	Assessed Value as a Percentage of Actual Value
	Residential	Commercial and Manufacturing	Other	Machinery and Equipment	Other				
2005	$ 950,124,210	$ 393,899,500	$ 2,213,400	$ 35,950,440	$ 5,552,160	$ 1,387,739,710	$ 7.4004	$ 1,745,244,100	79.55%
2006	963,406,610	407,623,400	921,800	37,916,950	9,534,000	1,419,402,760	7.8426	1,830,003,400	77.53%
2007	1,289,270,850	559,100,100	307,600	52,553,400	9,686,400	1,910,918,350	8.1483	1,894,017,500	100.84%
2008	1,298,476,600	558,735,900	304,900	55,964,300	10,447,700	1,923,929,400	6.4819	1,943,542,900	98.31%
2009	1,310,653,200	579,190,900	371,800	64,307,600	14,394,400	1,968,917,900	6.7569	2,057,147,400	95.71%
2010	1,314,301,200	587,046,100	317,500	69,633,200	15,545,900	1,986,843,900	6.7569	1,991,325,300	99.77%
2011	1,318,841,800	591,628,600	271,000	64,441,600	14,166,100	1,989,349,100	7.5931	1,976,679,300	100.64%
2012	1,317,694,400	591,216,200	275,300	64,862,200	14,877,600	1,988,925,700	7.5931	1,914,413,300	103.89%
2013	1,319,280,000	595,276,200	288,000	63,199,700	15,796,700	1,993,840,600	7.7251	1,868,987,700	106.68%
2014	1,320,252,500	597,197,100	290,900	58,870,400	16,456,600	1,993,067,500	7.8993	1,893,849,200	105.24%

Information obtained from Statistical Reports of Property Values, Bureau of Property Tax, Wisconsin Department of Revenue.
Wisconsin State Statute 70.05 (5) (b) requires each taxation district to assess property at full value at least once in every 5-year period.
In 2006, the City contracted with Cole-Layer-Trumble for a City-wide revaluation to be completed by 2007 fiscal year end.

CITY OF MANITOWOC, WISCONSIN
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

	City of Manitowoc				Overlapping Rates								Total Direct & Overlapping Rates
					State of Wisconsin		County		School District		Lakeshore Technical College		
Fiscal Year	Operating Rate	General Obligation Debt Rate	Total Rate	Percent of Total Tax Bill	Rate	Percent	Rate	Percent	Rate	Percent	Rate	Percent	
2005	$ 5.1489	$ 2.2515	$ 7.4004	26.9%	$ 0.2508	0.9%	$ 7.2378	26.3%	$ 10.6334	38.6%	$ 2.0219	7.3%	$ 27.5443
2006	5.2583	2.5843	7.8426	28.6%	0.2359	0.9%	7.2038	26.3%	10.1571	37.1%	1.9582	7.1%	27.3976
2007	5.2156	2.9327	8.1483	30.2%	0.2264	0.8%	7.1049	26.4%	9.5422	35.4%	1.9397	7.2%	26.9615
2008	4.0373	2.4446	6.4819	31.1%	0.1682	0.8%	5.2895	25.4%	7.4240	35.7%	1.4625	7.0%	20.8261
2009	4.2039	2.5530	6.7569	31.7%	0.1714	0.8%	5.3174	24.9%	7.5824	35.7%	1.4875	7.0%	21.3156
2010	4.0212	2.7357	6.7569	31.1%	0.1773	0.8%	5.3768	24.7%	7.8641	36.3%	1.5577	7.2%	21.7328
2011	4.6891	2.9040	7.5931	35.1%	0.1686	0.8%	5.2668	24.3%	7.0696	32.8%	1.5530	7.2%	21.6511
2012	4.1773	3.4158	7.5931	35.0%	0.1633	0.8%	5.3199	24.5%	7.0606	32.7%	1.5463	7.1%	21.6832
2013	4.3177	3.4074	7.7251	34.6%	0.1591	0.7%	5.2678	23.6%	7.6340	34.3%	1.5463	6.9%	22.3323
2014	4.4906	3.4087	7.8993	35.7%	0.1613	0.7%	5.3359	24.1%	7.9593	36.1%	0.7404	3.4%	22.0962

Property tax rates are per thousand dollar of assessed valuation.
The 2008 property tax rates reflect the total revaluation of the entire City.

CITY OF MANITOWOC, WISCONSIN
Principal Property Taxpayers
Current Year and 9 Years Prior

		2014			2005		
Taxpayer	Type of Business	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Valuation*	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Valuation**
Manitowoc Public Utilities	Power, water, steam, broadband utilty	$ 213,292,025	---*		$ 141,935,513	---*	
Manitowoc Company, Inc.	Mfg cranes and food service machines	31,825,900	1	1.60%	18,596,600	1	1.34%
Holy Family Memorial, Inc.	Health care provider	22,936,385	2	1.15%	9,772,060	3	0.70%
Dewey Properties LLC	Retail shopping center	12,642,800	3	0.63%			
Wal-Mart Stores, Inc.	Discount retail	12,203,923	4	0.61%	11,069,690	2	0.80%
Great Lakes Energy Technologies	Renewable/energy saving technology	11,422,200	5	0.57%			
Menards	Home improvement retail	10,382,608	6	0.52%	7,185,010	4	0.52%
Lowe's	Home improvement retail	9,009,325	7	0.45%			
Lakeside Foods Inc.	Mfg canned vegetables and sauces	8,187,500	8	0.41%	6,452,500	7	0.46%
Northern Labs	Industrial/commercial cleaning products	7,489,600	9	0.38%			
Jagemann Stamping Co.	Component manufacturing	7,481,100	10	0.38%	6,407,900	8	0.46%
Busch Agricultural Resources	Malting plant				6,858,900	5	0.49%
Southbrook Apartments	Residential apartments				6,814,840	6	0.49%
Arbors at Toledo, Inc.	Assisted living provider				5,793,020	9	0.42%
Aurora Medical Group, Inc.	Heath care provider				4,425,750	10	0.32%
Totals		$ 346,873,366		6.70%	$ 225,311,783		6.01%

* 2014 Assessed Valuation $1,993,067,500
** 2005 Assessed Valuation $1,387,739,710

Note: The Manitowoc Public Utilities (MPU) is not among the largest taxpayers as their payment is concidered a payment in lieu of taxes and not a property tax payment. MPU is assessed the payment similarly to a taxible entity in such that their asset value is used to determine the payment. MPU's 2013 valuation is $212,639,860; the 2014 payment in lieu of taxes is $3,622,710.

Source: City of Manitowoc Official Statements Bond Documents.

CITY OF MANITOWOC, WISCONSIN
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	$ 37,688,819	$ 37,047,039	98.30%	$ 634,729	$ 37,681,768	99.98%
2006	38,020,740	38,372,834	100.93%	$ (362,605)	38,010,229	99.97%
2007	38,269,228	38,722,330	101.18%	$ (462,258)	38,260,072	99.98%
2008	39,797,083	39,014,338	98.03%	$ 775,615	39,789,953	99.98%
2009	41,009,720	40,476,615	98.70%	$ 524,769	41,001,384	99.98%
2010	42,790,100	42,646,587	99.66%	$ 131,878	42,778,465	99.97%
2011	43,761,031	43,596,285	99.62%	$ 146,653	43,742,938	99.96%
2012	45,449,669	45,349,870	99.78%	$ 85,702	45,435,572	99.97%
2013	45,521,769	45,469,731	99.89%	$ 37,669	45,507,400	99.97%
2014	44,504,564	44,433,212	99.84%	$ 62,749	44,495,961	99.98%

For each fiscal period that appears the tax levy represents the prior year and the levy is collected in the fiscal period that is identified.
In August of each year, the City settles with the County Treasurer for 100% of all real property taxes.
For each fiscal period listed unpaid City special assessments are turned over to the County for collection and unpaid personal property taxes remain the responsibility of the City.

CITY OF MANITOWOC, WISCONSIN
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities						Business-Type Activities					
Fiscal Year	General Obligation Bonds	TIF General Obligation Bonds	General Obligation Notes	TIF General Obligation Notes	Note Anticipation Notes	State Trust Fund Loan	Water Utility Bonds	Electric and Steam Utility Bonds	Wastewater Plant Clean Water Loan	Total Primary Government	Percentage of Assessed Valuation (1)	Per Capita (2)
2005	$ 39,662,874	$ 17,717,210	$ 3,645,054	$ -	$ -	$ -	$ 6,260,000	$ 83,205,000	$ 16,954,248	$ 167,444,386	12.07%	$ 4,822
2006	40,435,213	18,714,873	4,880,333	-	1,005,000	-	5,675,000	81,215,000	15,911,585	167,837,004	11.82%	4,834
2007	43,724,331	20,200,669	5,906,690	-	1,005,000	-	5,060,000	78,990,000	14,835,327	169,722,017	8.88%	4,902
2008	46,708,469	18,786,531	5,708,955	2,910,000	1,005,000	-	4,400,000	76,655,000	13,724,389	169,898,344	8.83%	4,900
2009	47,963,049	17,161,951	7,836,839	2,675,000	1,005,000	-	3,710,000	74,275,000	12,577,654	167,204,493	8.49%	4,819
2010	49,694,668	16,320,332	6,223,203	2,741,797	1,005,000	-	3,325,000	70,755,000	11,393,967	161,458,967	8.13%	4,640
2011	49,460,000	14,630,000	6,693,328	2,346,672	-	-	2,915,000	67,265,000	11,131,794	154,441,794	7.76%	4,580
2012	43,555,000	10,580,000	9,751,520	4,843,480	-	-	2,485,000	63,640,000	9,829,360	144,684,360	7.27%	4,287
2013	33,565,000	6,635,000	16,220,000	6,675,000	-	-	2,030,000	59,870,000	8,485,376	133,480,376	6.69%	3,963
2014	29,595,000	5,450,000	16,395,000	5,715,000		409,000	1,555,000	18,330,000	7,098,512	84,547,512	4.24%	2,513

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
(1) See the schedule of Assessed Value and Estimated Actual Value of Taxable property for property value data.
(2) See the schedule of Demographic Statistics for population data.

CITY OF MANITOWOC, WISCONSIN
Ratios of Net General Obligation Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	TIF General Obligation Bonds	General Obligation Notes	TIF General Obligation Notes	Less Amounts Available in Debt Service Fund	Less TIF District Revenues	Net General Obligation Bonded Debt	Percentage of Net Bonded Debt to Estimated Actual Value (1)	Net Bonded Debt Per Capita (2)
2005	$ 39,662,874	$ 17,717,210	$ 3,645,054	$ -	$ -	$ 17,717,210	$ 43,307,928	2.48%	$ 1,247
2006	40,435,213	18,714,873	4,880,333	-	-	18,714,873	45,315,546	2.48%	1,305
2007	43,724,331	20,200,669	5,906,690	-	-	20,200,669	49,631,021	2.62%	1,434
2008	46,708,469	18,786,531	5,708,955	2,910,000	-	21,696,531	52,417,424	2.70%	1,512
2009	47,963,049	17,161,951	7,836,839	2,675,000	-	19,836,951	55,799,888	2.83%	1,608
2010	49,694,668	16,320,332	6,223,203	2,741,797	-	19,062,129	55,917,871	2.81%	1,607
2011	49,460,000	14,630,000	6,693,328	2,346,672	2,235,989	16,976,672	53,917,339	2.71%	1,599
2012	43,555,000	10,580,000	9,751,520	4,843,480	1,345,618	15,423,480	51,960,902	2.61%	1,540
2013	33,565,000	6,635,000	16,220,000	6,675,000	942,429	13,310,000	48,842,571	2.45%	1,450
2014	29,595,000	5,450,000	16,395,000	5,715,000	617,396	11,165,000	45,372,604	2.28%	1,348

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
(1) See the schedule of Assessed Value and Estimated Actual Value of Taxable property for property value data.
(2) See the schedule of Demographic Statistics for population data.

CITY OF MANITOWOC, WISCONSIN
Debt Service Requirements to Maturity
General Obligation Bonds
December 31, 2014

Year	Principal	Interest	Total Requirements
2015	$ 3,860,000	$ 1,017,657	$ 4,877,657
2016	3,685,000	899,878	4,584,878
2017	3,150,000	785,984	3,935,984
2018	2,785,000	682,297	3,467,297
2019	2,680,000	583,253	3,263,253
2020	2,810,000	480,834	3,290,834
2021	2,960,000	370,054	3,330,054
2022	2,890,000	255,462	3,145,462
2023	2,505,000	147,124	2,652,124
2024	1,245,000	69,621	1,314,621
2025	720,000	27,173	747,173
2026	305,000	5,566	310,566
Total	$ 29,595,000	$ 5,324,903	$ 34,919,903

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements. Does not included general obligation debt scheduled to be repaid from tax increment revenues. This debt is shown on a separate schedule.

CITY OF MANITOWOC, WISCONSIN
Debt Service Requirements to Maturity
General Obligation Bonds
Scheduled to be Repaid from Tax Increment District Revenues
December 31, 2014

Year	Principal	Interest	Total Requirements
2015	$ 1,080,000	$ 180,679	$ 1,260,679
2016	990,000	146,274	1,136,274
2017	945,000	113,859	1,058,859
2018	395,000	90,135	485,135
2019	395,000	75,027	470,027
2020	410,000	59,734	469,734
2021	500,000	42,077	542,077
2022	400,000	24,180	424,180
2023	160,000	12,420	172,420
2024	85,000	6,715	91,715
2025	90,000	2,295	92,295
Total	$ 5,450,000	$ 753,395	$ 6,203,395

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

CITY OF MANITOWOC, WISCONSIN
Debt Service Requirements to Maturity
General Obligation Notes
December 31, 2014

Year	Principal	Interest	Total Requirements
2015	$ 2,105,000	$ 390,475	$ 2,495,475
2016	1,820,000	323,198	2,143,198
2017	2,445,000	275,634	2,720,634
2018	2,605,000	216,928	2,821,928
2019	2,245,000	161,077	2,406,077
2020	1,820,000	114,893	1,934,893
2021	1,465,000	73,949	1,538,949
2022	955,000	40,000	995,000
2023	625,000	17,875	642,875
2024	310,000	4,650	314,650
Total	$ 16,395,000	$ 1,618,679	$ 18,013,679

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

CITY OF MANITOWOC, WISCONSIN
Debt Service Requirements to Maturity
General Obligation Notes
Scheduled to be Repaid from Tax Increment District Revenues
December 31, 2014

Year	Principal	Interest	Total Requirements
2015	$ 1,070,000	$ 129,353	$ 1,199,353
2016	1,045,000	99,000	1,144,000
2017	1,075,000	74,875	1,149,875
2018	1,125,000	46,900	1,171,900
2019	285,000	29,750	314,750
2020	195,000	24,950	219,950
2021	385,000	18,189	403,189
2022	265,000	10,063	275,063
2023	270,000	3,375	273,375
Total	$ 5,715,000	$ 436,455	$ 6,151,455

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

CITY OF MANITOWOC, WISCONSIN
Debt Service Requirements to Maturity
General Obligation Borrowing
Scheduled to be Repaid for State Trust Fund Loan
December 31, 2014

Year	Principal	Interest	Total Requirements
2015	$ -	$ 42,161	$ 42,161
2016	40,000	16,001	56,001
2017	45,000	11,070	56,070
2018	145,000	9,720	154,720
2019	179,000	5,370	184,370
Total	$ 409,000	$ 84,322	$ 493,322

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

CITY OF MANITOWOC, WISCONSIN
Debt Service Requirements to Maturity
Water Mortgage Revenue Bonds
December 31, 2014

Year	Principal	Interest	Total Requirements
2015	$ 495,000	$ 52,300	$ 547,300
2016	520,000	32,000	552,000
2017	540,000	10,800	550,800
Total	$ 1,555,000	$ 95,100	$ 1,650,100

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

CITY OF MANITOWOC, WISCONSIN
Debt Service Requirements to Maturity
Electric Power System Mortgage Revenue Bonds
December 31, 2014

Year	Principal	Interest	Total Requirements
2015	$ 2,375,000	$ 733,661	$ 3,108,661
2016	2,455,000	657,755	3,112,755
2017	2,555,000	555,655	3,110,655
2018	2,670,000	443,643	3,113,643
2019	4,105,000	320,643	4,425,643
2020	365,000	126,043	491,043
2021	375,000	115,093	490,093
2022	385,000	103,843	488,843
2023	395,000	92,293	487,293
2024	410,000	80,443	490,443
2025	425,000	68,143	493,143
2026	435,000	55,393	490,393
2027	445,000	42,343	487,343
2028	460,000	28,993	488,993
2029	475,000	14,963	489,963
Total	$ 18,330,000	$ 3,438,907	$ 21,768,907

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

CITY OF MANITOWOC, WISCONSIN
Debt Service Requirements to Maturity
Wastewater Treatment Plant Revenue Bonds
December 31, 2014

Year	Principal	Interest	Total Requirements
2015	$ 1,431,118	$ 196,066	$ 1,627,184
2016	1,476,788	149,663	1,626,451
2017	1,523,922	101,775	1,625,697
2018	1,572,567	52,352	1,624,919
2019	153,996	25,176	179,172
2020	158,145	20,970	179,115
2021	162,407	16,649	179,056
2022	166,786	12,211	178,997
2023	52,382	8,593	60,975
2024	53,535	8,220	61,755
2025	54,712	7,030	61,742
2026	55,916	5,813	61,729
2027	57,146	4,569	61,715
2028	58,403	3,298	61,701
2029	59,688	1,999	61,687
2030	61,001	671	61,672
	$ 7,098,512	$ 615,055	$ 7,713,567

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

CITY OF MANITOWOC, WISCONSIN
Direct and Overlapping Governmental Activities Debt
As of December 31, 2014

Governmental Unit	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
Direct Debt:			
City of Manitowoc	$ 45,990,000	100.000%	$ 45,990,000
Overlapping Debt:			
Manitowoc School	9,295,000	77.900%	7,240,805
Manitowoc County	23,160,000	36.700%	8,499,720
VTAE District	23,745,000	13.500%	3,205,575
Total Overlapping Debt	56,200,000		18,946,100
Total Direct and Overlapping Debt	$ 102,190,000		$ 64,936,100

Source: Information on overlapping debt was obtained from financial consultant, Robert W. Baird & Co., Inc. The City share percentage was obtained from each jurisdictions tax levy reports as allocated by estimated actual valuations.

CITY OF MANITOWOC, WISCONSIN
Legal Debt Margin Information
Last Ten Fiscal Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt limit	$ 87,262,205	$ 91,500,170	$ 94,700,875	$ 97,177,145	$ 102,857,370	$ 99,566,265	$ 98,833,965	$ 95,720,665	$ 93,449,385	$ 94,692,460
Total net debt applicable to limit	61,025,138	64,030,419	69,831,690	74,113,955	75,636,839	74,980,000	73,130,000	68,730,000	63,095,000	56,946,604
Legal debt margin	$ 26,237,067	$ 27,469,751	$ 24,869,185	$ 23,063,190	$ 27,220,531	$ 24,586,265	$ 25,703,965	$ 26,990,665	$ 30,354,385	$ 37,745,856
Total net debt applicable to the limit as a percentage of debt limit	69.93%	69.98%	73.74%	76.27%	73.54%	75.31%	73.99%	71.80%	67.52%	60.14%

Computation of Legal Debt Margin
12/31/2014

Equalized Value		$ 1,893,849,200
Debt limitation - 5 percent of total equalized value		$ 94,692,460
Debt applicable to limitation		
Total outstanding debt	$ 84,547,512	
Less: Revenue bonds and notes	(26,983,512)	
Total debt applicable to limitation		57,564,000
Amount available in debt service fund		617,396
Legal Debt Margin		$ 37,745,856

Note: Under state finance law, the City of Manitowoc's outstanding debt should not exceed 5% of the total equalized valuation.

CITY OF MANITOWOC, WISCONSIN
Water Mortgage Revenue Bond Coverage
Last Ten Fiscal Years

Fiscal Year	Gross Revenue	(1) Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			(2)
				Principal	Interest	Total	Coverage
2005	$ 4,938,596	$ 2,682,381	$ 2,256,215	$ 550,000	$ 297,038	$ 847,038	2.66
2006	4,573,560	3,021,938	1,551,622	585,000	277,437	862,437	1.80
2007	4,995,031	3,274,572	1,720,459	615,000	254,628	869,628	1.98
2008	6,839,041	3,878,535	2,960,506	660,000	190,933	850,933	3.48
2009	6,609,237	4,178,637	2,430,600	690,000	165,316	855,316	2.84
2010	5,914,048	3,826,381	2,087,667	385,000	143,535	528,535	3.95
2011	5,896,990	3,878,375	2,018,615	410,000	126,388	536,388	3.76
2012	6,894,375	3,645,038	3,249,337	430,000	108,538	538,538	6.03
2013	6,692,272	3,671,060	3,021,212	455,000	90,300	545,300	5.54
2014	6,583,528	4,145,772	2,437,756	495,000	52,300	547,300	4.45

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
(1) Total operating expenses exclusive of depreciation.
(2) Ratio of net revenue available for debt service to total requirements.

CITY OF MANITOWOC, WISCONSIN
Electric Power System Mortgage Revenue Bond Coverage
Last Ten Fiscal Years

Fiscal Year	Gross Revenue	(1) Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			(2)
				Principal	Interest	Total	Coverage
2005	$ 38,739,692	$ 31,660,432	$ 7,079,260	$ 2,215,000	$ 4,136,233	$ 6,351,233	1.11
2006	49,638,028	33,774,365	15,863,663	1,990,000	4,190,221	6,180,221	2.57
2007	54,545,071	38,527,039	16,018,032	2,225,000	4,129,875	6,354,875	2.52
2008	57,339,434	39,395,933	17,943,501	2,335,000	4,019,125	6,354,125	2.82
2009	49,751,603	35,430,629	14,320,974	2,370,000	3,904,563	6,274,563	2.28
2010	52,489,003	38,317,392	14,171,611	3,520,000	3,399,928	6,919,928	2.05
2011	57,052,023	41,440,217	15,611,806	3,490,000	3,428,475	6,918,475	2.26
2012	65,908,750	50,019,043	15,889,707	3,625,000	3,292,000	6,917,000	2.30
2013	66,257,828	50,897,543	15,360,285	3,770,000	3,149,400	6,919,400	2.22
2014	68,269,844	52,822,232	15,447,612	2,375,000	733,661	3,108,661	4.97

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
(1) Total operating expenses exclusive of depreciation.
(2) Ratio of net revenue available for debt service to total requirements.

CITY OF MANITOWOC, WISCONSIN
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	(1) Population	(2) Personal Income (amounts expressed in thousands)	(2) Per Capita Personal Income	(2) Unemployment Rate	(3) Median Age	(4) School Enrollment
2005	34,727	$ 1,325,148	$ 38,159	5.6%	40.2	5,398
2006	34,720	1,410,847	40,635	6.0%	40.5	5,479
2007	34,620	1,437,976	41,536	5.4%	41.0	5,544
2008	34,670	1,431,490	41,289	6.8%	41.0	5,574
2009	34,700	1,363,779	39,302	11.7%	40.6	5,551
2010	33,736	1,381,219	40,942	9.2%	40.3	5,452
2011	33,721	1,439,212	42,680	8.3%	41.7	5,310
2012	33,750	1,363,298	40,394	8.6%	41.5	5,335
2013	33,685	1,392,403	41,336	7.6%	41.7	5,210
2014	33,649	N/A	N/A	5.4%	N/A	5,179

(1) Wisconsin Department of Administration, Demographic Services Center.
(2) Wisconsin Department of Workforce Development.
(3) City of Manitowoc Planning Department
(4) Wiscosin Information System for Education Date Dashboard (wisedash.dpi.wi.gov/dashboard website)
N/A - Information was not available at time of publication

CITY OF MANITOWOC, WISCONSIN
Principal Employers
Current Year and Eight years Ago

2014

Employer	Employees
Franciscan Sisters - Christian	1000+
Holy Family Memorial Medical Center	1000+
Lakeside Foods Inc	1000+
Manitowoc Public School District	500-999
Eck Industries Inc	250-499
Felician Village	250-499
Holiday House	250-499
KI Inc	250-499
Manitowoc Ice Machine	250-499
Manitowoc Tool & Machining	250-499
Northern Labs	250-499
Parker Hose Products Division	250-499
St. Mary's at Felician Village	250-499
Walmart Supercenter	250-499
Wisconsin Aluminum Foundry Co	250-499

2006

Employer	Employees	Rank
Fischer-Hamilton	1,600	1
Holy Family Memorial Medical Center	1,359	2
Manitowoc Public School District	975	3
The Manitowoc Co (cranes & ice)	925	4
Manitowoc County	640	5
Federal-Mogul Powertrain Systems	585	6
City of Manitowoc/Public Utilities	456	7
Wisconsin Aluminum Foundry Co.	369	8
Parker-Hannifin	320	9
Lakeside Foods Inc.	310	10

The actual number of employees for each employer is not readily available.
Ranges are used on the State's system as the State has given employers confidentiality with respect to releasing that information.
For further information regarding the City of Manitowoc's largest employers,
please visit the State of Wisconsin's web site at: http://worknet.wisconsin.gov/worknet .

CITY OF MANITOWOC, WISCONSIN
Full-time Equivalent City of Manitowoc Employees by Function
Last Ten Fiscal Years

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government										
Assessor	2.75	2.75	2.75	3.00	3.00	3.00	3.00	1.00	1.00	1
Attorney/Personnel	5.00	5.00	5.00	5.00	6.00	6.00	6.00	4.50	4.50	3.73
City Clerk	3.63	3.63	3.63	3.63	3.93	3.93	4.00	3.50	3.50	3.5
Finance/Payroll/Treasury	7.25	7.25	7.25	7.25	7.25	7.25	7.18	5.50	5.50	5.5
Planning	5.00	5.00	5.00	5.00	5.00	5.00	5.00	3.50	2.50	3
Mayor	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.50	1.50	2
Muncipal Court	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.10	1.10	1.25
Buildings & Grounds	7.00	6.00	6.00	6.00	6.30	6.30	8.60	4.45	4.45	4.45
Public Safety										
Police/Crossing Guards	80.00	80.00	80.00	81.00	81.00	81.00	81.60	78.25	78.25	73.5
Fire	59.00	59.00	59.00	59.00	59.30	60.30	61.30	58.00	60.00	56
Building Inspection	6.00	6.00	6.00	6.00	6.00	6.00	6.00	2.50	2.50	3.5
Public Works										
Engineering/DPW	76.42	76.52	76.52	76.52	76.52	76.52	74.10	39.30	39.30	38.1
Transit	17.79	19.49	19.49	19.49	19.49	19.49	19.70	19.35	19.35	18.18
Culture and Recreation										
Park/Recreation	30.20	30.20	30.20	30.20	30.20	23.50	21.50	12.35	12.35	12.35
Rahr-West Art Museum	4.75	5.25	5.25	5.25	5.25	5.25	5.75	4.30	4.30	3.8
Public Library	38.09	35.39	35.39	34.20	34.20	34.20	34.20	31.70	31.70	32.8
Wastewater Treatment Plant	16.30	16.00	16.00	15.30	15.30	15.30	15.30	15.30	15.30	14.3
Public Utilities	96.00	95.00	96.00	97.00	95.00	90.00	84.00	84.00	84.00	82.00
Total	458.43	455.73	456.73	457.09	456.99	446.29	440.48	370.10	371.10	358.96

Source: City of Manitowoc Annual Budget & MPU Annual Report

CITY OF MANITOWOC, WISCONSIN
Operating Indicators by Function
Last Eight Fiscal Years

Function	Fiscal Year 2007	2008	2009	2010	2011	2012	2013	2014
General Government								
Square miles	18.237	18.238	18.279	18.279	18.302	18.330	18.330	18.339
Registered voters	20,251	20,337	18,907	18,776	18,805	20,230	18,082	18,068
Dog licenses issued	2,392	2,352	2,290	2,277	2,332	2,187	2,110	1,987
Police								
Physical arrests	2,466	2,051	2,274	1,917	2,317	2,296	2,013	2,639
Parking violations	3,500	3,480	3,721	8,305	6,990	7,079	6,380	5,125
Traffic contacts/stops	4,077	5,250	6,276	7,773	10,245	8,857	5,865	7,951
Fire								
Number of structural fires	36	31	28	52	33	54	70	27
Number of inspections	2,217	2,553	2174	1518	2046	2,328	1,900	1,303
Emergency medical service calls	4,219	4,130	4,175	4,238	4,611	4,421	4,708	4,515
Highways and streets								
Recycled materials (tons)	4,989	3,241	2,916	2,958	2,727	2,830	2,766	2721
Yard waste (tons)	11,059	11,472	11,685	10,872	10,722	11,088	11,044	11494
Solid waste to landfill (tons)	7,971	7,921	10,039	8,538	8,186	7,613	7,442	7459
Culture and recreation								
Fieldhouse/cabin reservations	388	370	383	303	330	371	372	338
Zoo admissions	50,554	48,288	50,224	50,949	48,906	49,208	41,179	64,531
Aquatic center admissions	N/A	N/A	N/A	51,140	34,927	32,116	27,241	21,420
Electric								
Total avg. number of customers	N/A	17,780	17,777	17,785	17,793	17,787	17,521	17,888
Annual sales (megawatt hours)	N/A	770,580	679,101	686,166	659,154	597,874	634,857	682,615
Peak demand (megawatts)	118.0	106.0	99.5	100.0	115.5	117.2	115.3	105.0
Water								
Total avg. number of customers	13,848	13,860	13,902	13,836	13,858	13,820	13,825	13,870
Annual sales (billions of gallons)	2.512	5.178	4.702	4.093	4.069	4.325	4.087	4.011
Wastewater								
Annual treatment (in billions of gals)	3.163	3.121	2.676	2.564	2.371	2.083	2.302	2.376
Avg gals per day (in millions of gals)	8.667	8.555	7.332	7.025	6.496	5.690	6.309	6.512

Sources: Various government departments.

CITY OF MANITOWOC, WISCONSIN
Capital Asset Statistics by Function
Last Eight Fiscal Years

Function	Fiscal Year 2007	2008	2009	2010	2011	2012	2013	2014
Public Safety								
Police Stations	1	1	1	1	1	1	1	1
Patrol Units	10	10	10	10	10	10	11	11
Fire Stations	4	4	4	4	4	4	4	4
Highways and streets								
Street (miles)	188.2	188.4	188.2	188.2	188.6	190.0	190.0	190.04
Traffic Signals	34	36	36	36	36	37	37	37
Public Transportation								
Fixed route coaches	9	9	9	9	9	9	9	9
Human service vehicles	5	5	6	6	6	6	6	6
Culture and recreation								
Developed park acreage	540.8	565.8	570.91	517.62	517.62	517.62	517.62	522.81
Parks	37	37	37	37	37	37	37	37
Tennis Courts (city owned)	20	20	20	20	17	17	16	16
Water								
Water mains (miles)	183.1	183.5	184.0	184.5	185.0	185.0	185.0	185.0
Fire Hydrandts	1,333	1,337	1,345	1,345	1,347	1,349	1,349	1,361
Sewers								
Sanitary (miles)	188.7	189.5	189.6	189.6	189.6	189.8	189.8	189.6
Lift Stations	16	16	16	16	14	14	14	14
Storm (miles)	146.9	148.8	149.5	150.5	150.6	150.8	150.8	150.6
Electric								
Substations	6	6	6	6	6	7	7	7
Distribution Line miles	N/A	225.0	255.0	226.0	225.0	227.0	227.0	230.0
Streetlights	4,773	4,800	4,813	4,810	4,815	4,819	4,819	4,850

Sources: Various government departments.

CITY ATTORNEY

The mission of the City Attorney's Office is to provide legal services and representation to the municipal corporation, consisting of the Mayor, the Common Council, and the Departments of the City, Manitowoc Public Utilities and Manitowoc Public Library.

The City Attorney's Office renders legal opinions, drafts ordinances, resolutions, and makes revisions and additions to the Municipal Code. The office also prepares pleadings, contracts, briefs for litigation and represents the City and officials in administrative hearings, civil court proceedings, small claims, ordinance trials and appeals. This Department assists in administration and investigation of municipal liability claims, insurance claims; and serves as parliamentarian at Common Council meetings. Additionally, the office negotiates, acquires and sells real estate on behalf of the City and oversees prosecution of Municipal Code violations. Further, the Office administers the City's liability insurance, both property and employment, workers compensation insurance and ensures compliance with the Federal and State laws, record keeping, and the general administration of all insurance issues.

LIABILITY INSURANCE

The Department handles the City's General Liability Insurance which has been administered through Cities and Villages Mutual Insurance Company (CVMIC) since 1988. The deductible is set at $50,000 with an aggregate of $200,000 per year. Total claims paid out for the year 2014 were $16,004.48 for vehicle claims and $12,013.25 for general liability claims.

Property damage is administered by Wisconsin Local Government Property Fund. The total property and floater premium for 2014 was $85,736.

AUTO LIABILITY / AUTO PROPERTY DAMAGE

The City Attorney handles the Auto Liability through CVMIC.

RISK MANAGEMENT DIVISION – INSURANCE / SAFETY

The City has not reached its deductible with regard to liability claims paid in any one year for the last three years. The Office arranges annual training for the City's management staff to reduce exposure to liability.

WORKERS COMPENSATION

The City's workers compensation program was switched to Cities and Villages Mutual Insurance in 2013. Our experience modification factor is 0.76 for January 1, 2015 through January 1, 2016. The premium for 2014 was $400,570.

STATE AND NATIONAL MEMBERSHIPS

The City Attorney is a member of the Wisconsin State Bar Association, the League of Wisconsin Municipalities, the International Municipal Lawyers Association, and the Manitowoc County Bar Association. She is also admitted to practice before all Wisconsin State Courts and the United States District Court for the Eastern District of Wisconsin.

CITY CLERK'S DEPARTMENT

The basic areas of responsibility of the City Clerk's office are general government, elections, licensing, and other duties.

The City Clerk is responsible for care and custody of the Corporate Seal of the City of Manitowoc and acts as the Corporate Secretary for the City organization. In this role as Secretary, the City Clerk signs contracts, agreements and other official documents as directed by the Common Council. The Clerk acts as Secretary to the Common Council as well as serving as Recording Secretary for Public Utilities and Licensing Committee and Board of Public Works. The Clerk also serves as a member of the Board of Review and Board of Public Works. The Clerk keeps the official record of all Council proceedings, deeds, contracts, and documents, which have been approved by Council, and retains copies of minutes for all city committees. The Clerk administers the Oath of Office to all appointed City officials and elected officials.

The City Clerk's office maintains updated insurance certificates for all contracts with the City and as required for various permits and special events. The Clerk's office keeps permanent city insurance policies and updates various equipment records and property inventories as required.

All aspects of elections are administered by the Clerk's office. This includes publication of legal election notices, arranging for polling places, selecting election equipment, taking voter registrations, arranging for nursing home voting, training poll workers, hiring election custodians, and election inspectors. The Clerk prepares ballots for city elections, takes election returns, conducts the canvass of election, assists with school board elections, and maintains all official election records for the City as required by State Statute. The City Clerk's office maintains the Statewide Voter Registration System (SVRS) as required by HAVA. New modules are implemented as they become available.

Another area of responsibility for the clerk's office is licensing. The City licenses all taverns, liquor stores, bartenders, taxi drivers, taxi companies, garbage trucks, and ambulance drivers. Other types of licenses issued are soda, cigarette, electrical contractors, pawnbrokers, mobile home parks, direct sellers, weights and measures and circus licenses.

The Clerk's office is responsible for posting of mail and distribution of mail received to departments. Special assessments for street improvements and sidewalks are calculated and billed by this office. The City Clerk's office responds to inquiries from the public regarding special assessment payoffs and prepares special assessment letters for title companies and attorneys as requested. The Clerk's office enters the state-manufacturing roll. The Clerk also prepares the Statement of Taxes and calculates the tax rate.

The Clerk's office serves as a liaison between the City and the public in many instances. Information for the Common Council is forwarded to the Clerk for placement on the agenda and distribution to proper committees. The Clerk's office publishes legal notices for public hearings and posts and distributes weekly meeting notices to the media and the public.

The City Clerk's office maintains memberships in the International Institute of Municipal Clerks and the Wisconsin Municipal Clerk's Association.

2014 activities included a lean initiative relating to licensing. This resulted in licenses being produced through Springbrook. Granicus software was also implemented for Common Council and all standing committee agendas and minutes, increasing public transparency. A special event rapid improvement project was also implemented.

FINANCE DEPARTMENT

The mission of the department is to account for all financial transactions of the City of Manitowoc in accordance with State of Wisconsin Statutes, Generally Accepted Accounting Principles, Government Finance Officers Association Standards, and recommendations from Auditors of an Independent Certified Public Accounting firm.

FINANCE OFFICE

The Finance Office processes and produces the accounts payable and payroll functions on a weekly and bi-weekly basis respectively.

The Finance Office provides accurate financial information as required to all city departments, officials, and outside financial institutions. The office coordinates the preparation of the annual budget, annual borrowing requirements, comprehensive annual financial report, the annual update to the 5-year capital improvement plan and all State and Federal financial reporting requirements.

The Finance Office is comprised of 3.25 full-time equivalent positions and holds memberships in the national Government Finance Officers Association and the Wisconsin Government Finance Officers Association.

This office is responsible for the financial software including but not limited to the security, upgrades, functionability, enhancement requests, and submittal of work order for non-functioning processes to support, uploading of service packs and training.

TREASURER'S OFFICE

The office collects real and personal property taxes, utility bills, room taxes, license fees, ambulance fees and all general receipts and revenues. Receipts are deposited intact daily into a public depository, and records of all transactions are maintained by the office. Bank accounts are reconciled and citywide accounts receivable schedules are maintained. Additionally, the office issues dog and cat licenses.

It is the policy of the City to invest public funds in a manner that will provide the highest investment return with the maximum safety of principal and interest while meeting the daily cash flow needs of the City. Institutional Capital Management is the City's investment advisor and investment decisions are made in accordance with state statute.

The Treasurer's Office is a division of the Finance Department, with two full-time equivalent positions. The office maintains membership in the Association of Public Treasurers of the U.S. and Canada and the Municipal Treasurer's Association of Wisconsin.

HUMAN RESOURCES/RISK MANAGEMENT

MISSON

It is the mission of Human Resources Department to support promote and recruit the best, qualified people, recognize and encourage the value of diversity in the workplace; provide a competitive salary and benefits package; develop the full potential of our workforce by providing training and development for career enhancement; provide a work atmosphere that is safe, healthy, and secure; and establish, administer and effectively communicate sound policies and practices that treat employees equally.

HEALTH INSURANCE

The City's health plan continues to be administered by Auxiant and the prescription drug vendor is Serve You Prescription Service. The City continues to focus on wellness and keeping employees healthy. Employees participated in a Health Risk Assessment to promote preventative care and early diagnosis of critical illnesses. A smoking cessation program was also introduced to employees along with numerous wellness activates and challenges for employees to participate in.

COMPENSATION PLAN IMPLEMENTATION

The Human Resources Department started a compensation analysis in 2013 to establish a single pay structure for the City positions consistent with the marketplace. During 2014 the City pay structure was introduced and rolled out to all non-represented employees. Along with rolling out the pay structure, the Human Resources Department established compensation guidelines for managers to follow for employee events and committed to the Common Council an annual review of the structure which recommends movement consistent with the marketplace.

EMPLOYEE RELATIONS

The Human Resources Department bargained with three employee union groups in 2014. The Teamsters Local 662, City transit employees, settled a contract in 2014. The Manitowoc Professional Police Association, City police employees and the International Association of Fire Fighters, City fire employees, bargained contracts in 2014 which will continue to a settlement in 2015.

EMPLOYEE RECRUITMENT, DEVELOPMENT, & RETENTION

The Human Resources Department attended career fairs in 2014 to recruit top talent to the City. In the recruitment efforts, the Human Resources Department started the process of obtaining an online application system eliminating paper applications in 2015.

The Human Resources Department focused on planning for future open positions with analyzing a succession planning process for City implementation in 2015.

RISK MANAGEMENT AND SAFETY

The HR Department continued with a training program for all supervisory personnel. The training program is a series of Employment Practices Liability sessions provided by our liability carrier Cities and Villages Mutual Insurance Company (CVMIC). The Safety committee has been conducting inspections and drills throughout City departments and is working on converting all MSDS sheets into an online database called MSDS Online.

Safety training was provided to employees included Confined Space Entry, Forklift, Hearing Conservation, Hazard Communications, PPE and Respiratory Protection.

The Human Resources Department partnered with the Mayor's office to introduce a new employee communication portal, the employee intranet. Focusing on transparency, the City now has many documents, information, and training available on the employee intranet.

MUNICIPAL COURT

There were 4298 new Municipal Court citations filed with the Court in 2014, as opposed to 4166 in 2013. The Court disposed of 4249 cases in 2014, as compared to 4119 cases in 2013. Total revenues for 2014 were $582,360.56, as compared to $591,256.32 in 2013. Forfeitures collected in 2014 were $305,060.41 compared to $323,350.34 in 2013. Court costs collected in 2014 were $97,698.20, as compared to $86,637.74 in 2013.

We continue to hold monthly indigence hearings, the last step before jailing someone for non-payment of a non-traffic ordinance fine, which helps to enhance consistent collection. The threat of jail is stronger than the threat of a driver's license suspension. The suspension of a driver's license is still used as an alternate penalty for non-payment in traffic and juvenile ordinance citations.

Revenue is a by-product of the Municipal Court Justice system, not the driving force. For the most part in Municipal Court, the penalty imposed upon conviction is an order to pay a money amount, known as a forfeiture. Accordingly, since a forfeiture is the primary penalty, collection of that forfeiture is important as that is what creates the deterrent affect for ordinance violations.

OFFICE OF THE MAYOR

The City of Manitowoc employs a Mayor/Common Council form of government. The Mayor of the City of Manitowoc serves as both the Chief Elected Official, and the Chief Executive Officer. The Mayor is elected at-large by the entire city for a four-year term. There are no term-limits for Mayor. An Assistant to the Mayor (Heather Sohlden) staffs the Office of the Mayor, answers phone/e-mail requests from constituents, prepares the Mayor's daily schedule and serves as the Mayor's personal secretary. The Mayor's position is full-time; the ten (10) Common Council members are part-time. The Common Council elects a President once a year who serves as the Interim Mayor in the Mayor's absence. The Common Council is elected to two-year terms and meet twice a month. The Common Council is responsible for adopting laws/policy for the

City of Manitowoc. The Mayor is responsible for signing those actions into law (or vetoing) and implementing them.

Mayor Justin M. Nickels, born and raised in Manitowoc, was elected to office on April 7th, 2009, defeating fellow alderman Dave Soeldner by 17 votes out of almost 10,000 votes cast. Nickels is the 27th Mayor of the City of Manitowoc. Nickels served on the Common Council representing District 2 from 2005-2009, being first elected in 2005 defeating a 16-year incumbent at the age of 18, and re-elected in 2007 (no opposition), and 2009 (no opposition). Nickels was elected to both the Common Council and Mayor in 2009 (on the ballot for both positions) and resigned from his Common Council seat to accept the position of Mayor. Mayor Nickels was elected at the age of 22 to become Manitowoc's youngest Mayor in history and the youngest full-time Mayor in the entire nation at the time. Mayor Nickels won re-election on April 2nd, 2013, defeating local businessman Tony Burgarino garnering 84% of the popular vote to secure a second-term. The next Mayoral election is April 4th, 2017.

Like most of Manitowoc's citizens, Mayor Nickels grew up in a working class family with an affinity for helping those around them. Born on January 9th, 1987 to David and Patricia Nickels, Mayor Nickels lived his entire life in Manitowoc with one sister, Jennifer. Mayor Nickels saw the venue of government and public discourse - with its capacity for neighbors and strangers to come together for the collective benefit of everyone - as the perfect place to continue acting on this affinity.

The Mayor's Office has primary responsibility for the day-to-day operations of the City of Manitowoc, overseeing; Police, Fire, EMS, Attorney, Human Resources, Finance, Treasury, Municipal Court (with an elected judge), City Clerk, Rahr-West Art Museum, Wastewater Treatment Facility, Manitowoc Public Utilities, Planning, Building Inspection, Assessor, Community Development, Public Infrastructure, Public Works, Parks, Recreation, Transit, and Library. The Mayor is also responsible for monitoring legislation at the state and federal levels, as well as lobbying legislators on issues of importance to the City. The City of Manitowoc maintains an active membership in the Urban Alliance where Mayor Nickels currently serves on the Board of Directors, and the League of Wisconsin Municipalities, where Mayor Nickels also serves on the Board of Directors.

One of the Mayor's chief responsibilities is economic development. The City of Manitowoc has made tremendous strides in expanding its economic base in all market sectors over the past decade. When Mayor Nickels was elected in 2009, the City of Manitowoc was experiencing a 14.5% unemployment rate, with companies like Koenig and Vits closing their doors, and Anheuser Busch laying off dozens of workers – shutting down 70% of all production and ultimately closing their plant in 2011. Through Mayor Nickels' leadership, along with excellent staff, the City of Manitowoc continued its progressive history with investing in infrastructure and business. Not too long into Mayor Nickels' first year, Dermatology Associates of Wisconsin announced their plans to construct their administrative building in the heart of downtown, adding upwards of 200 well-paying jobs over the next few years. The Common Council approved $1 million dollars in TIF financing to spur the project along to completion. Other projects during Mayor Nickels' tenure include Skana Aluminum (150 jobs), the purchase of Anheuser Busch by Riverland Ag, and most recently by Briess Malting (headquartered in Chilton, WI), expansion of

Federal Mogul (200 plus jobs), Baileigh Industrial, Jagemann Stamping ($2 million dollar loan from the city adding 100 plus jobs), and continual expansion in Harbor Towne including Qdoba, Menchies, Kay Jewlers, and a 10-screen movie complex on I-43. The City of Manitowoc continues to work with businesses to ensure a strong workforce coupled with continued success. In 2014, Mayor Nickels proposed, and the Common Council adopted, hiring a Community Development Director to oversee all economic development efforts within the City of Manitowoc.

The City of Manitowoc has a long history of being progressive, innovative, creative, and most importantly, looking to the future.

Internal office activities conducted by the Mayor include the annual review of departmental budget requests and the compilation of an executive budget recommendation for review and final confirmation by the Finance Committee and the Common Council. The City of Manitowoc has roughly 250 full-time employees and an annual budget of $70 million dollars. In addition, the Mayor is responsible for appointing members of the Common Council to committees and various boards and commissions subject to final approval by the Common Council. Other duties include day-to-day operations of the business of the City of Manitowoc, including direct oversight over every Department Head. The Mayor serves as the Chair of the Plan Commission and Board of Public Works, along with a plethora of other boards and commissions as an ex-officio member.

The City of Manitowoc is also a significant player in the Public Power industry. Manitowoc Public Utilities will be celebrating 100 years of operations in 2014 in the electric business. Manitowoc has the largest municipally owned electric generating facility in the State of Wisconsin, and the utility helps offset property taxes to the tune of roughly $4 million dollars annually in a payment in lieu of taxes. The Mayor sits on the seven-member Manitowoc Public Utilities Commission and is responsible for policy setting there. Manitowoc Public Utilities main functions are water, power and steam with an annual budget of $70 million dollars.

The Mayor's Office is located on the second floor of City Hall (900 Quay Street). Regular updates from Mayor Nickels can be found on Facebook: www.facebook.com/mantymayor or on Twitter by following: @mantymayor. Mayor Nickels can be e-mailed at: mayornickels@manitowoc.org

CITY PLANNING-ASSESSOR-INSPECTION DEPARTMENT

Planning, Housing and Economic Development Activities

The City completed one (1) annexation in 2014 for a total of 2.25 acres. There was one resident residing in the annexation area. Since 1990, the City has annexed 3.4810 square miles of area. The total area of the City as of August 31, 2014 is 18.339 square miles.

In 2014, there were no new residential subdivisions added to the City's housing inventory. In 2013, there were no new residential subdivisions added to the City's housing inventory. In 2012 there also were no new residential subdivisions.

The Department received, reviewed, and approved site plans for 17 development projects in 2014, compared to 25 development projects in 2013. A listing of some of the larger developments can be found in the "Building Inspection" section below.

The Department, in conjunction with the City Plan Commission, reviewed and approved 18 Certified Survey Maps ("CSM") in 2014 (compared to 36 CSMs reviewed in 2013). Additionally, the Department facilitated the completion of one (1) rezoning request, six (6) conditional use or special use permits, one (1) annexation, one (1) animated sign Special Permit, two (2) requests for a street vacation, and three (3) requests for changes to the Official Map, as well as 16 other miscellaneous projects ranging from releasing easements, to accepting or issuing of Quit Claim Deeds.

The City continued its investment in Mainly Manitowoc, Inc.; the entity that coordinates the City's Main Street Program in downtown as part of the Wisconsin Main Street Program. The Department disbursed $7,462.53 in payments to the organization for the 2014 calendar year pursuant to a "Services Agreement" between Mainly Manitowoc and the City. The agreement details a public funding match of 3 private dollars to 1 public dollar, up to a maximum of $40,000 in public funding per calendar year.

In 2014, the Department working with an engineering consultant completed a Wisconsin Coastal Management Grant project which created a preliminary design and engineering study to investigate the logistics and feasibility of constructing a sheet wall system with an adjoining river walk trail along 2,200 linear feet of the Manitowoc River. The proposal was funded in 2013 at a total project cost of $80,000, with the City's share being $48,000 which leveraged $32,000 of non-City investment.

Direct financing support in the amount of $ 500,000 was provided by the Department to one (1) industrial business in 2014. These funds were provided through the City's industrial revolving loan fund program. These public monies were part of a $3.9mm capital expansion project of facility and equipment. The public funding leveraged $3.4mm in private capital, and the business will ultimately create a minimum of 25 new jobs.

In 2014 the department continued to work with the owners of the former Rockwell Lime property at 1615 Spring Street to implement a 2013 funded Wisconsin Economic Development Corporation Site Assessment Grant (WEDC SAG) in the amount of $45,800. The grant monies were used to install 3 monitoring wells, sample the wells, perform analytical testing of the samples, and demolish and remove a 300,000 gallon above ground storage tank.

In 2014 the department worked with the owner of 1512 Washington Street which is the former Newell – Rubbermaid / Mirro Building to be awarded with a 2014 WEDC Site Assessment Grant in the amount of $113,756. The monies will be used for additional environmental due diligence on the property as requested by the DNR. 2014 also saw the first stage of demolition on these buildings, with additional progress slated for 2015 with the goal of creating a 3.5 acre site for future development.

In 2014, the Department prepared the Program Manual and Application documents for a $1mm EPA Revolving Loan Fund program; the EPA award to the city was one (1) of 13 awarded nationally. This grant runs for a five (5) year term through September 30, 2018, with $869,500 of the monies to be used to capitalize a community brownfields loan fund to be used for remediation of hazardous substance or petroleum-impacted brownfield sites.

Additionally, the Department, in 2014 continued to implement a 2011, $400,000 grant from US EPA under its "Community-Wide Assessment" program to support environmental assessment activities at hazardous substance and petroleum brownfield sites throughout the City. To date, this funding has been applied toward the preparation of environmental studies on several brownfields in the City, as well as area-wide planning related to the blighted Lakeview Centre mall north of downtown. As of the end of 2014, 99% of the grant has been spent with only final close-out reporting yet to be completed.

The Department in coordination with the City Attorney's office completed a 3.0 acres sale of land to an existing property owner in the Manitowoc I-43 Industrial Park / I-43 Technology and Enterprise Campus. The land sale allowed for the development of an off-street parking lot and 19,000 s.f. building addition which would create approximately 200 jobs.

The Department continued to administer the City's farmers' market, which registered nearly 68 vendors occupying 134 stall areas for the 2014 season.

Geographic Information Systems (GIS / CAD)

The City's overall Geographic Information System ("GIS") is maintained by the Department. The Department in coordination with the Engineering Department updates the City's zoning, Official Map, aldermanic districts, and annexation maps as changes occur.

GIS layers that are linked to the Assessor's CLT database are now regularly being used by several departments. These layers are used continuously to query fields in the database, and to create mailing lists for the Department, as well as the Public Infrastructure, Parks & Recreation, Assessors, Building Inspection, Public Works, Police and Fire Departments, and the Manitowoc Public Utilities ("MPU").

All GIS software and maintenance agreements were upgraded by the Department. One (1) Department staff, two (2) Public Infrastructure staff, and one (1) Assessor employee used GIS on a daily basis in 2014; down from a total of 7 (seven) users in 2011. In January of 2014 the Associate Planner / GIS Technician accepted a new position with a private entity and the position has not been filled to date. The City is in the process of filling the vacancy and is hopeful that it will be filled by March 2015.

The Department completed several mapping and graphic arts projects for use by the Department and the City's Plan Commission, as well as the City Council, Mayor, Public Infrastructure, Assessor, Cemetery, Parks, Police, Fire, Building Inspection, Clerk, Rahr-West, Maritime Metro, and Finance Departments.

The City's property address system is a Department function. The staff coordinates with Manitowoc County's E-911 system on maintaining all City addresses for the purpose of dispatch. The addresses are also a part of the City's GIS geodatabase.

The Department maintains ArcIMS and Adobe PDF maps which are accessed from the City's website. All maps are accessed from the main City website by clicking 'Maps' button. The process of updating maps on the internet includes linking the City/County merged parcel shapefiles to the City/County joined Access database. This database is updated daily, and runs on a scheduled routine every evening.

The Department continues its partnership with Manitowoc County to provide mapping and assessment information on the internet via ESRI's ArcIMS and ArcGIS Server software. The City and County cooperatively created a new ArcGIS website for the public to access Public Land Survey System ("PLSS") corners, which are the cornerstones for GIS mapping and property surveying.

Municipal Code. As part of the Department's mapping, it annually reviews and updates Chapter One (1) of the Municipal Code entitled "Boundaries", and updates the legal description of the City limits based on annexations.

BUILDING INSPECTION

In 2014, the Building Inspection department issued 3,575 total permits valued at $41.7mm resulting in total permit fee revenues of $398,401.30.

Residential construction in the City in 2014 added a total of 17 new residential construction projects that created 63 dwelling units of which nine (9) were single family, three (3) were two-family dwellings and four (4) were 12-family dwellings. In 2013 a total of 12 new residential construction projects were added that created 15 dwelling units of which nine (9) were single family and three (3) were two-family dwellings. The estimated residential construction cost for 2014 was 5.4mm, compared to $2.0mm in 2013, $3.8mm in 2012, $5.7mm in 2011 and $4.4mm in 2010.

In 2014, construction permits were issued for a total of 120 commercial, industrial or governmental buildings (compared to 121 in 2013). The estimated construction cost of all 2014 projects was $12.7 mm (compared to $24.7mm in 2013). Some of the major development projects in 2014 are listed below:

AmeriCollect, Alverno Road. 19,070 SF Addition. $1,748,500.

Jagemann Plating, S 24th Street. 36,600 SF Warehouse. $1,560,000.

Commercial Horizons, Calumet Avenue. 6,750 SF Retail Mall Shell. $1,019,200.

DVC, Reed Avenue. 19,457 SF Addition. $954,591.30.

Progresso Mexicano, S 41st Street. 4,515 SF Restaurant / Store. $457,600.00.

TLC Homes, Paul Road. 8-Person CBRF. $422,500.

TLC Homes, Cappaert Road. 8-Person CBRF. $422,000.

Cedar Crest, S 10th Street. 385 SF Alcove Addition. $390,000.

Dialysis Clinic, Dewey Street. 7,200 SF Dialysis Clinic. $357,500.

Silver Lake College, Alverno Road. Welcome Center Alteration. $270,400.

POLICE DEPARTMENT

The year of 2014 brought staff changes to the Manitowoc Police Department. The number of hours police officers logged on the streets of Manitowoc were low due to the bubble of retirements creating manpower shortages that hampered our efforts to hire and train replacements fast enough to cover all the absences caused by retirements and medical leave. When you add the normal forms of paid time off the remaining employees earned, it is easy to see why we struggled to fill our patrol rosters in 2013 and again in 2014.

Just as it had many times since its creation in 1876, the men and women of the Manitowoc Police Department would rely on citizen support to fulfill its mission of serving and protecting our community. In 2013 Manitowoc budgeted for 64 sworn officers to protect a city that has grown to almost 19 square miles of land consisting of over 15,200 living units and over 900 commercial buildings. We patrol the 188.16 miles of streets consisting of approximately 900 intersections of which 2/3's are controlled by a sign or signal light. In 2014 your police department also employed 10 support staff along with 12 part time crossing guards.

The members of the police department rose to the many challenges they faced in 2013 and they have continued to provide a high level of professional service to our community and its citizens. During 2012 there were 33,399 calls for service received by the county dispatchers assigned to the City of Manitowoc work station. These calls for service generated over 17,675 police incident reports.

Calls for Service in 2014 rose slightly compared to 2013 yet incidents created from those calls for service decreased by a very narrow margin. The remaining officers continued to investigate all forms of crime which left little time for self-initiated contacts with the public.

As the budget preparations began for 2013, a federal grant partially funded wages and benefits for 3 police officer positions. It was January of 2014 when two of the three officers were finally hired and began training to patrol the streets of Manitowoc.

With your help Manitowoc will continue to earn accolades as a great place to live and work. Your help is important and may give us that one piece of the puzzle that solves a crime and promotes a successful prosecution. Please remember that we would rather be called and not needed than needed and not called. It is with the utmost respect, that I offer my thanks to all who

have called with even the smallest bit of information in an effort to help the police solve or prevent community problems.

Change is inevitable so I ask that you all continue to work with us as we progress with new technology. The use of the city website at www.manitowoc.org allows citizens to sign up for alert notifications via text or e-mail for a variety of topics from sex offender releases to emergency parking restrictions or even the press releases we send to the media.

Citizens may also file police reports using the city website. The use of the internet reporting tools gives us the information and allows some flexibility to schedule and prioritize our work. Our Facebook Page and the 2013 addition of a Twitter Account will give the public greater access to gain firsthand knowledge about the Manitowoc Police Department. Our pledge will be to continue to provide the high level of police services the community has come to expect.

MANITOWOC FIRE DEPARTMENT

The primary mission of the Manitowoc Fire Rescue Department is to provide a range of programs designed to protect the lives and property of the citizens in the City of Manitowoc. This is accomplished through four specific divisions within the Manitowoc Fire Department.

The Administration Services Division is responsible for all operations of the organization. Headed by the Chief of Department, the duties include preparation and control of the operating budget, administration of the fire data processing systems (NFIRS), recruitment and enlistment of new employees, the provision of in-service training and education, continued evaluation of the department and its programs and planning for future service needs. This division also administers an efficient, ongoing program for the maintenance, retention, disbursement, preservation of incident reports and other departmental records.

The Fire Administration staff includes the Chief of Department, Deputy Chief of Code Enforcement and Deputy Fire Chief of Professional Enrichment. In addition, the division includes the department's administrative assistant.

The Operations Division which is responsible for the delivery of fire suppression and Emergency Medical Services (EMS) for the members of the community and those who work or travel through the City. As we move forward we continue to look for opportunities to improve service delivery and control costs. Throughout the year personnel have made some significant fire stops to prevent further damage and provided the highest level of pre-hospital emergency medical care for field resuscitation of cardiac arrest patients. Fire suppression and emergency medical treatment requires highly skilled and dedicated employees. I am proud of the excellent work our personnel do every day. They don't hesitate to do what is best for the citizen.

The Operations Division is comprised of nine (9) Captains, three (3) Lieutenants, fifteen (15) Motor Pump Operators and twenty-four (24) firefighter/paramedics.

Professional enrichment is a very important component of our department operations. Properly trained a fire rescue department can control and contain almost any situation with minimal damage and loss of life. Training in fire tactics is important; however, a firefighter must be trained in other areas in order to control the situations that are encountered in day to day operations.

The Fire Prevention Division is composed of two disciplines. They are code enforcement and public education. The authority of code enforcement comes from the Wisconsin Department of Safety and Professional Services. We follow their codes along with local ordinance to ensure all public buildings are free from fire and life safety hazards. All buildings in Manitowoc (almost 1600), except one and two family dwellings get inspected on an annual basis. When violations are found we work with the building owner to bring the building into compliance. All new buildings are reviewed during the plan review process to make sure that they are equipped with the fire and life safety systems that the code requires.

Public education is a year round process that touches all age groups in the community. We get into all elementary schools on an annual basis. We give tours to youth groups, civic organizations and anyone who would like to see the fire rescue department and learn what we do. We put on safety presentations when requested and also provide hands-on fire extinguisher training using live fire. We also have our annual open house in October during Fire Prevention Week. We use the local newspaper, Facebook, and Twitter to get our safety messages out to the public.

In closing, it is the vision of the Manitowoc Fire Rescue Department to provide friendly, compassionate, and quality service to the citizens and visitors of Manitowoc.

DEPARTMENT OF PUBLIC INFRASTRUCTURE

The Department of Public Infrastructure plans, budgets, administers, and directs Public Infrastructure activities for the City of Manitowoc. This includes all phases of municipal engineering, public construction projects, and the operation and maintenance of any/all infrastructure within the public right-of-way as well as on City owned property within the City of Manitowoc. In 2011 the Department of Public Works & Engineering was merged with the Parks and Recreation Department. In January of 2012, Building and Grounds was also added to the Department. This allowed the City to realize cost efficiencies through consolidation of management and supervisory personnel. The division was renamed the Department of Public Infrastructure in December of 2012.

This department is multi-faceted with four (4) divisions consisting of a mix of technical, clerical, professional and skilled personnel. The four divisions are:

1. Engineering and Storm Water Management
2. Operations
    - Street, lift station, marina, sanitary and storm water maintenance and DPW/Parks Building & Grounds

- Parks
- Cemetery
- Fleet
- Bridges

3. Maritime Metro Transit / Building & Grounds
4. Recreation, Senior Center and Aquatic Center & Zoo

ENGINEERING AND STORM WATER MANAGEMENT

The Engineering Division's responsibilities include preliminary and detailed engineering analysis of not only Public Infrastructure projects, but also the evaluation of many privately funded projects which affect the City such as review of new developments, building site plans, and proposed subdivisions. Engineering offers technical support to other city departments for projects in the conceptual and design phases. The Engineering Division also administers all capital project contracts from planning through construction and closeout.

On typical projects such as sewer and street construction, signal installation, or new and replaced sidewalks; the Division is involved in all aspects of field survey, design, contract document preparation and administration. In addition to the field work, the Division is involved in contractor coordination, construction surveying and inspection, preparation of contractor costs for payment, calculation of special assessments, and maintenance of as-built drawings.

Developmental tasks of the Division include the biennial bridge inspections, which is an in-depth look at our 11 bridges for the Wisconsin Dept. of Transportation (DOT). Underwater inspections are also completed on five (5) City bridges every five (5) years. The inspection of our bridges is a federally mandated requirement.

The Division monitors traffic movement through a continually changing city and the design and maintenance of the existing 37 signalized intersections. The Division also rates the condition of the roadway pavements each year in order to report bi-annually to the Wisconsin Department of Transportation using the PASER-WISLR systems.

The Division also manages and administers all solid waste (landfill) and recycling programs and issues. The Division is responsible for preparing and submitting all annual reports to the DNR.

The field survey crew establishes line and grade for all public infrastructure projects and other private development including new home construction. Historically, the Division has provided survey work for everything from topographic surveys for development of the zoo to a vertical alignment or trimming the top of trees on the Manitowoc County Airport's glide path.

The Engineering Division recommends the annual capital projects and also develops the 5-Year Capital Improvement Plan (CIP) for the City and seeks grant funding for them where available. The Division has been granted funds from the DOT for the 2018 reconstruction of Waldo Blvd. from Memorial Drive to Fleetwood Dr. and asphalt resurfacing on Waldo Blvd. from Fleetwood Drive to N. Rapids Road. We have utilized Harbor Assistance Grants for the installation of a new dockwall at the City Centre property, Department of Commerce (CDBC) funds for reconstruction of 10th Street from Dewey to Madison St. and for the American Recovery and

Reinvestment Act (ARRA) Stimulus Grant for the Federal Transit Administration (FTA) Bus Station. We continue to seek funds in support of the State mandated Municipal Storm Water Permit and have used the DNR Urban and Non-Point Source and Storm Water Grants for the construction of the storm water quality pond at Dewey & S. 35th St.

The City continues to operate under the Wisconsin Pollutant Discharge Elimination System (WPDES) Municipal Separate Storm Sewer System (MS4) Permit. The Engineering Division is responsible for the implementation and maintenance of all programs required under this permit. The following programs are required by this permit: Public Education and Outreach, Illicit Discharge Detection and Elimination System, Erosion Control, Storm Water Management and Pollution Prevention. An annual report is compiled and submitted to the WDNR each year summarizing the measureable goals achieved under this permit.

The Public Education and Outreach program requirements are met by staff coordinating and partnering with other entities such as the Wisconsin Maritime Museum, Woodland Dunes and the Northeast Wisconsin Storm Water Consortium (NEWSC). These ongoing partnerships provide for educational materials, programs, presentations, workshops and activities such as storm drain stenciling.

The Illicit Discharge Detection and Elimination System program requires staff to perform annual dry weather testing on all of its 200 plus storm water outfalls. There is also an Illicit Discharge Ordinance which is enforced by this Division.

The Engineering Division is also responsible for the erosion control and storm water management as it relates to City projects as well as private projects. Staff enforces the requirements of the erosion control and storm water management ordinances on private projects. This requires permit review, approval, site inspection during construction, and on-going maintenance inspection of any post-construction storm water best management practices. Staff also designs, implements and inspects erosion control on City projects.

The requirements of the Pollution Prevention program are overseen by the Engineering Division. This requires assurance that City owned best management practices (ponds, biofilters, rain gardens, etc.) are properly maintained, as well as for the DPW and Parks Facilities. Staff oversees the best management practices conducted by the City such as street sweeping, catch basin cleaning, brush and leaf pickup as they relate to the requirements of the WPDES Municipal permit.

The Division is responsible for the cadastral mapping of the City of Manitowoc. The entire City including our three mile extraterritorial jurisdiction has been digitally mapped. The information includes parcel data, sanitary and storm sewers, and other items such as street right-of-way, water based features, manholes, pipes, lateral information, lot lines and dimensions, tax parcel numbers and addresses. All mapping has been adjusted using Global Positioning System data and referenced to the most current datum established (NAD_1983_HARN_WISCRS_Manitowoc_County). The Division continues to work with our digital planimetric and topographic map files. We are integrated with the GIS system under development by the City's Planning Department and the County of Manitowoc. With the full

featured implementation of the GIS system and the use of GEO databases, we are able to easily place a spatial component in any analysis of Department of Public Infrastructure activities. New aerial phots and planimetrics were updated in 2014.

The mapping work spearheaded by the Engineering Division is used heavily by all City departments. We continue to get financial support from entities such as MPU and other departments. In addition we supply the product to local engineering firms such as SMI as well as to developers, plumbers, and other real estate concerns.

OPERATIONS DIVISION

The Operations Division is the largest division in the Department, responsible for maintaining 190 miles of streets, 28 alleys and over 150 miles of mainline storm sewers, 190 miles of mainline sanitary sewers, 36 Parks, Manitowoc Marina, DPW and Parks Buildings and Grounds, Evergreen Cemetery, Lincoln Park Zoo, Fleet, and Bridges.

The streets of the city are plowed by the Division during the winter and swept an average of once every 5 days during the rest of the season. They also patch and restore over 300 concrete and asphalt pavement excavations; following up after service by the various utilities and plumbers. Annual crack sealing maintenance is performed, when crews are available, to extend the life of all city streets.

Prior to winter, they install winter equipment on the city trucks. They fill and place 140 sand barrels at various locations through the city, erect 1 mile of snow fence at 10 sites, and reconnoiter their plow routes. Equipment is prepared for mobilization on short notice for winter storms. The Division brings over 30 pieces of equipment (including hired equipment) to bear on snow removal and ice control to maintain 95 miles of salt routes and 190 miles of city streets.

They maintain 7,600 traffic signs; monitor 37 signalized intersections, snow removal on city sidewalks and city parking lots, weed cutting on city property, and the enforcement of the city's weed and sidewalk shoveling ordinances. The Division also provides two yard waste pick-ups per year-one spring cleanup in April and the other a fall cleanup in October. The Division also picks up fallen leaves as necessary during October and November of each year. Each year the Division installs all the city's holiday decorations and decorative banners. They also provide traffic control for road emergencies, public construction projects and special events.

Sanitary Sewers are cleaned annually as a preventative measure including new installation and repairs on sanitary and storm sewers. The lift stations and sewers are maintained through a regular program of inspection and cleaning throughout the year. In 1999 the Division took over responsibility for the maintenance of all sanitary sewer lift stations from WWTF. The Division currently maintains 13 sanitary lift stations. These lift station maintenance expenses are funded by the City's Waste Water Treatment Facility.

Maintenance of the City's 36 parks occupies the full time attention of the parks staff. They are augmented by seasonal help during the summer. Their mission is to keep the parks of the City well-manicured and ready to be enjoyed by all citizens. Parks personnel are responsible for maintaining all of the landscape of the city park system as well as the maintenance of the

facilities and equipment within them, repairing constant vandalism as it occurs and maintaining all of the playground equipment to ADA standards. In addition, they are also responsible for maintaining the quality of the city's urban forest. The Parks labor force includes a City Forester. They devote some of their time to the pruning of tree limbs and removal of diseased or dead trees. The City of Manitowoc is in its 32nd year of being named a Tree City.

The care and maintenance of Evergreen Cemetery is another important facet of the Operations Division. Evergreen Cemetery was founded on April 30, 1852 and consists of 79 acres of finely manicured lawn and gardens in the original section. Evergreen West consists of 27 acres of land available for additional development. We average 165 burials per year. Cremations presently account for 52% of that total, and the Cemetery has added two columbariums to accommodate the increasing popularity of this burial method. Evergreen Cemetery has nearly 5,000 spaces available for sale. The City anticipates continuing to use the main area of the existing 79 acre developed part of the cemetery for the next 30 years.

Evergreen Cemetery is staffed with 2 full-time employees augmented by 10 part-time staff in the summer. This represents a decline in both permanent and seasonal employment as budget pressures have forced us to reduce head count.

The beauty of the Cemetery is due in part to the more than 6,000 flowers planted annually by Cemetery workers. There are also 1,100 trees consisting of 40 different species. Some of the rarer varieties include the Japanese Ginkgo, Purple Beech, Camperdown Elm, Buckeye and Ironwood.

The cemetery is administered by a citizen commission in conjunction with city staff. A new fund was established in 2006 for perpetual care and a portion of the proceeds from plot sales are deposited within it to offset the on-going costs of maintaining the grounds of the cemetery.

The Lincoln Park Zoo remains a valued city attraction and is also cared for by the Operations & Recreation Divisions. Renewed interest in the exhibits and activism by the local Zoological Society has spurred a remodeling and updating of the Zoo's physical plant. In 2011 and 2012 a multitude of trip hazards were addressed through $75,000 worth of reconstructed pathways. New exhibits are also being considered as the City of Manitowoc has been named a Bird City. Educational displays highlighting the migratory birds utilizing the wetlands surrounding the zoo are under consideration. An exciting new addition in 2012 was Lights in Lincoln Park, open nightly December 7th through December 31st. Lights in Lincoln Park was sponsored by the Zoological Society with all proceeds benefitting the zoo and zoo animals. The Cat Exhibit was renovated in 2014 and two cougars were added from the Species Survival Program. A new whitetail deer exhibit has also been created to make it a more natural setting for the deer. The purchase of a buck will be added to provide visitors with a more realistic view of the family setting. The zoo keepers will be working on more educational activities in hopes of taking their show on the road. Social media has played an important role in getting the message out to the public to come and see our free "gem" in the City. In addition, ambitious planning efforts are underway to develop a new walk through bird exhibit in the area of the former deer exhibit. Interactive areas, including a wing span area near the birds of prey, and a cut jumping educational area near the cat exhibit, have been added to provide more active visits for children.

This Division also handles all the rolling assets and many of the fixed assets of the city. This includes all city-owned vehicles, DPW and Parks buildings and bridges. It also manages the day to day maintenance and operations of our port and harbor and has responsibility for the city's boat launch ramps and shorelines.

The mechanics operate as an Internal Service Fund (ISF). This fund is sometimes referred to as a Motor Pool. The goal is for this fund to balance by charging other divisions and departments for their services. This allows users of the ISF to be aware of and manage their costs for mechanized equipment. Organizations supported by include Manitowoc Public Utilities, the Manitowoc Public School System, Manitowoc Police and Fire Department vehicles. The city shop is currently staffed with four full time mechanics and remains on call for emergencies 24 hours a day.

Mechanics also supply backup support to all functions of the Streets Division for emergency work, and are the primary source for harbor and marina work. This Division also maintains the City Gravel Pit and works with the consultants engaged by the Engineering Division toward the environmental remediation of the area.

The Operations Division also maintains and operates the 8th and 10th street lift bridges utilizing four seasonal employees. The 8th street bridge has two consoles – one for itself and another for the 10th street bridge which allows one operator to manage both bridges. The operator is connected to the 10th street bridge by a network of cameras and fiber optic cable, allowing them to monitor the operation of the 10th street bridge. The bridges are manned from 4:30 am until 10:30 pm 7 days a week from April 1st to October 31. Off hour operations are performed as needed by an operator on call. In addition off-season bridge operations are possible requiring 12 hour notice.

The operation of the Lift Bridges is nearly fully funded through the State Lift Bridge Aid program. The regulations describing the bridge operation are in the Federal Register. Maintenance of the channel extending through the Bridges is the responsibility of the US Army Corps of Engineers. The department also submits annual bridge lift reports to the D.O.T.

We are proud of the fact that with the reduction of 52% of the staff by the end of 2011, the Operations Division continues to maintain the city's infrastructure and the addition of mandated programs to the best of the Division's ability for the citizens of Manitowoc. This has been accomplished by constant shifting of staff between DPW, Parks, Mechanics and Cemetery crews as needed. We continue to pursue new efficiencies in our operations.

MARITIME METRO TRANSIT

Maritime Metro Transit (MMT) originated on January 1, 1978 when the City of Manitowoc took over the operation from a private operator. System funds are generated from four major sources – Federal and State Government Subsidies, grants, local property taxes, and fare box revenues. In its present form, the system consists of six (6) fixed bus routes with five (5) making 30 minute circuits and one (1) 60 minute circuit (service to Two Rivers). In addition, MMT coordinates the paratransit system serving both city and county residents. The paratransit service provides

transportation for those elderly or disabled citizens who cannot use the bus or are not near a bus route. This latter group includes the County's rural transportation program.

MMT has instituted a pass system to reward regular riders. These changes, with an aggressive marketing stance, have resulted in a steadily increasing revenue stream from fares. All the changes have had little effect on the local property tax support as the increased volume has paid the "fare."

We continue to explore innovative means of reaching the elderly and disabled who need transportation assistance. MMT has partnered with Manitowoc County in several areas including providing service to the County's rural clients through the City's contract with its own provider for paratransit service. This allows a lower overall cost per ride, makes available state and federal assistance, and provides a single source for transportation to the target population.

The new 4,000 square foot intermodal transfer building was designed in 2011, with construction completed in October of 2012. This Transfer Center is energy efficient and completely ADA accessible.

BUILDING AND GROUNDS

We are responsible for the care and maintenance of all City owned buildings.

Custodial, HVAC, electrical, plumbing, security systems, grounds keeping, painting, and carpentry projects are undertaken to enhance the functionality, attractiveness, and safety of the Cities facilities.

AQUATICS, RECREATION AND SENIOR CENTER

Through the Senior Center and the Recreation Division, the City of Manitowoc strives to offer programs for its citizens no matter what their age. From Archery and Zumba, Youth and Adult Leagues to Arts Camps and Tai Chi, all of the city facilities are busy with all ages participating in programs.

The Recreation programs are funded through a combination of fees, tax levy, and community donations. With over 29,000 registrations, the cost of each individual program is kept low to be within the reach of all city families.

The Recreational programs offered through the City of Manitowoc attracted over 86,000 participants in 2014. Utilizing both the facilities of the City of Manitowoc and the Manitowoc Public School District, competition and instruction programs remain an important aspect of the quality of life for residents of the city. A new facility added to the Recreation area has been an 18 hole mini golf course, made possible by a $325,000 donation by the Friends of the Aquatic Center.

The Manitowoc Senior Center is an important community element that serves the older population of the city and their families. The participation for the programs at the Manitowoc Senior Center exceeds 77,000. Sponsored activities include excursions locally and throughout the state, meetings, instructional and recreational programs, and communal meals. The Center is

the recipient of over 20,000 community volunteer hours, enabling more services to be delivered than might be available through public means.

The City of Manitowoc's Recreation Division also maintains relations with over 70 community and sports clubs to provide facilities and equipment for their fundraising and program activities. We continue to work with all organizations that approach us with ideas for improving the quality of life in the City.

SUMMARY

In all, the Department of Public Infrastructure is a fast moving organization comprised of professionals with highly developed skills. These skills allow a flexible response to the challenges and opportunities facing the city while keeping costs and taxes as low as possible.

RAHR-WEST ART MUSEUM

The Rahr-West Art Museum is a City of Manitowoc Facility that preserves and enhances its collections and historic mansion. The museum's purpose is to engage the public in dynamic learning opportunities in the visual arts and enrich life in the area by serving as a cultural resource.

Vision Statement

Our goal as a public art museum is to care for and use our resources, including the collection and intellectual material, to engage our visitors in a dynamic informal learning opportunity in the arts. The Rahr West Art Museum exists to foster a sense of discovery in the arts.

History

The Rahr-West Art Museum was given to the City of Manitowoc in 1941 by its owner, Mrs. Clara Rahr, with a central purpose of being used as a museum and civic center. Since that time the facility has developed a dual nature. The 1891-93 Mansion is on the National Register of Historic Places. It also serves as contemporary gallery space for a growing permanent collection and showcase for temporary exhibitions. Additionally, it is a living, breathing space for thought, creative ideas and learning; with an offering of lectures, classes, and workshops.

The thirteen bedroom house was designed by Milwaukee architects George Ferry and Alfred Clas, for Joseph and Mary Vilas; one of Manitowoc's pioneering families. In 1910, the house became the residence of Reinhardt Rahr, president of the Rahr Malting Company, and his family. The mansion was open to the public immediately following the gift in 1941, but acquired its first director in 1950.

In 1975, a modern exhibition wing was added to the mansion with donations by John D. and Ruth West of Manitowoc, and the Rahr Foundation. An adjoining exhibition space was added, in 1986, to exhibit the permanent collection. These wings also added valuable meeting space to the lower level for public programming, as well as facilities for storage of the permanent collection.

Operations

The Rahr-West Art Museum operates as a department of the City of Manitowoc with a thirteen member board appointed by the Mayor. Operating support comes from the City of Manitowoc, with programming and educational support from the Ruth and John D. West Foundation, local businesses and private donors.

The museum is open Tuesdays through Sundays all year with two levels of the mansion on view and exhibitions that rotate throughout three galleries. Exhibitions feature thematic presentation of works from the museum's-2900 plus holdings or a variety of exhibits and media from different sources. This frequent rotation offers an exciting, dynamic viewpoint in a relaxed and comfortable atmosphere. As with the entire City of Manitowoc, the Rahr-West Art Museum endured a great deal of change over the past two years. The museum staff has contracted while demands on the Rahr-West have not decreased. **The museum remains one of only 17 museums in Wisconsin accredited by the American Association of Museums** – the benchmark for quality museum stewardship. The museum did well to set a high standard, and now that burden rests on fewer shoulders.

In 2014, the Rahr-West Art Museum drew in 21,139. The vast majority served are residents of the City of Manitowoc. Annual exhibits including the spring *Youth Art Series*, the *Members and County Artists Show*, *The Art of Tablesettings*, and *Christmas in the Mansion* ensure community engagement and involvement.

The Rahr-West Art Museum has been more active in raising revenue through rentals of community and meeting rooms. Additionally, the museum rents out space for private functions. In 2014, the museum boosted its rental revenue to over $11,000.

In 2014, The Rahr-West Art Museum had the distinct honor to have one of its paintings, *Back Way*, by Andrew Wyeth, borrowed by the National Gallery of Art. It was included among paintings from throughout the United States for the Wyeth exhibition, *Looking Out, Looking In,* at which it was seen by more than 440,000 visitors.

Special Exhibitions

The 2014 Exhibition Schedule included:

- ***Colorama*** a nationally traveling exhibit that is being brought in at no extra cost to the city thanks to private sponsorship and Marketed through a Wisconsin Dept. of Tourism Grant
- ***Really Big Prints*** a partner project with the University of Wisconsin at Manitowoc and the Hamilton Woodtype Museum. Large woodblock prints were created at UW using a steamroller and exhibited at the Rahr-West and Hamilton Woodtype Museums.
- ***Best of Artsplash: Erin LeBonte*** featuring the winner of the 2012 Artsplash competition, in conjunction with Mainly Manitowoc
- ***Johann Berthelsen: An American Artist*** exhibit featuring the Artwork of nationally known painter Johann Berthelsen, a native of Manitowoc.

Community Outreach

The Rahr-West Art Museum has taken a more dynamic position in the community through collaborations with other institutions and community outreach. These have strengthened the museum's presence in the community and extended its services. In 2014, the Rahr-West Art Museum collaborated with the Manitowoc Public District and other area schools in educating over 4000 students in the visual arts, we also provide teachers with the opportunity to receive lesson plans featuring pieces from our permanent collection. This innovative programming led to home-school children visiting and learning each month with a specific curriculum designed for their needs. Youth Art Series exhibitions also take place from the beginning of March through the middle of May with children's workshops and many other events designed to encourage and support the necessity of art education in all areas of instruction.

The museum also collaborated with local educational organizations on special events and exhibitions. In January, the Museum hosted families from Riverview School for a special day at the museum. In March, the museum hosted a family art session and tour through the Jefferson Community Learning Center. In April, the museum hosted an exhibit of student art from Lincoln High School's Next Step program.

In addition to the collaborative spirit the museum has worked to foster, the museum is moving forward to create a more dynamic presence in the community by serving as a strong resource for art preservation, art education, and tourism promotion. We were the fortunate recipient of a Helen Bader grant to create the SPARK! program, a specialized art therapy program for individuals with early-stage memory loss from Alzheimer's or Dementia.

The Rahr-West Art Museum was the driving force behind Sputnikfest. This celebration of the Sputnik/Manitowoc tie and that fun, sometimes frightening space age is the result of months of planning, fundraising and good, hard work. 2014 marked the 52nd Anniversary of the crash landing of the Soviet *Sputnik 4* spacecraft on Manitowoc's North 8th Street, mere steps from the Rahr-West Art Museum. Sputnikfest 2014 was attended by approximately 3,000 people, and a production company from Discover Wisconsin filmed the event for a segment on a 2015 episode of the program.

These on-going efforts have been recognized. In June, 2014 *Time, Inc.'s* travel magazine, *Travel + Leisure*, named the Rahr-West Art Museum 'One of America's Best Small Town Museums'

A blend of public support and private contributions enables the Rahr-West Art Museum to offer a wide variety of programs and services. Among these is an ambitious schedule of annual exhibitions; rotating exhibitions of our permanent collection and temporary exhibits offering different types of art. This all takes place in a facility that is free and open to the public. Staffed by a director, clerk typist, assistant director and weekend security staff the Rahr-West is accredited by the American Association of Museums, we are members of the National Association of Art Education, Wisconsin Federation of Museums, American Association of State and Local History, Association of Midwest Museums and we support local art groups; Water's Edge Artists and the ArtSplash public art initiative.

MANITOWOC PUBLIC LIBRARY

The mission of Manitowoc Public Library is to promote a culture of reading and to provide access to information. Through our services we strive to foster an environment that meets the educational, recreational and cultural needs of the community.

Manitowoc Public Library is located overlooking the waters of both the Manitowoc River and Lake Michigan in the center of downtown Manitowoc. The many-windowed two-story 52,000 sq. ft. building was erected in 1998 to meet the information needs of the community in the 21st century.

In March, 2014 four staff members attended the biannual *Public Library Association Conference* in Indianapolis. Along with education workshops and lectures, the staff reviewed new products and services available to public libraries. From this conference, a new software system was introduced at the library that allows customers to the internet to book study and meeting rooms. The customers receive a text or email confirming the room reservation.

Another piece of software, *Collection HQ* was purchased to manage the material selections based on current check-out data. The software generates reports to earmark subject areas that are highly used and other areas that are not being used.

The increase of ebook use and visitors continued in 2014, while the use of print material has dropped. Attendance at the children's programs increased with a total of 8,426 attending 276 programs.

WASTEWATER TREATMENT FACILITY

The City of Manitowoc owns and operates its wastewater treatment facility located at 1015 S. Lakeview Drive. The current site has been utilized since 1939. Increased waste loadings, ageing equipment, and changing environmental regulations made plant upgrades necessary in 1959, 1974, and 1998. National Pollution Discharge Elimination System (NPDES) permit WI-0024601 benchmarks the requirements for compliant effluent discharge to Lake Michigan. The WWTF protects the health, safety and welfare of the public by efficient operation and maintenance, maximizing the removal of pollutants both entering the facility and its discharge.

In order to accomplish this, the City of Manitowoc regulates the construction and use of all 189 miles of the sanitary sewers and the drains connected to the sanitary system. The Wastewater Facility is also the control authority for the mandated industrial pretreatment program, which limits the amount and type of pollutants that industries can discharge into the sanitary system. There are a total of 20 permitted industries that are required to sample and analyze their discharge for metals and other contaminants that have potential to harm the structures, equipment or the bacteria used in the treatment process. In 2014, the WWTF treated and discharged an average of 6.512 million gallons per day.

The City Ordinance governing the Wastewater Treatment Facility and the sanitary sewer system is found in Section 25 of the City of Manitowoc Municipal Code. The WWTF is staffed

24/7/365 with 14 employees that operate and maintain the processes and equipment at the facility. DPW staff jet and maintain the sanitary sewer system and check and maintain the 14 sewage lift stations.

Residuals remaining after the water purification process are beneficially reused to fertilize local agricultural lands. The City of Manitowoc is responsible for one of the largest biosolid land application programs in the State of Wisconsin. Each year more 500 acres of crop land receive the nutrient rich biosolids. Land application can only be done on soils deemed appropriate and certified by the Wisconsin DNR. The nutrient levels in the biosolids analyzed and are injected into the soil according to the agronomic rate for the crop that is to be planted. The application of biosolids completes the cycle and returns the nutrients and organic matter to the land. The reclaimed water is returned to Lake Michigan via an outfall located 500 feet out from the southeast corner of WWTF property.

MANITOWOC PUBLIC UTILITIES

Manitowoc Public Utilities (MPU) is a municipality-owned electric and water utility serving approximately 17,900 electric accounts and 13,600 water accounts in the City of Manitowoc. In 2014 MPU generated approximately 23% of its system electric load natively and imports the remainder on an economic basis through wholesale suppliers or MISO energy market. MPU's water supply is taken primarily from Lake Michigan and is purified with a state-of-the-art micro-filtration treatment facility.

The main benefits of municipal ownership of the Utility are its tax contribution to the City. In 2014, MPU was the highest contributor to the City of Manitowoc's tax role with a payment of $3,623,000. MPU had operating revenues of $75,117,000 in 2014, on an asset base of $243,585,000. In addition, MPU made a payment of $259,800 to the City of Manitowoc from the sale of water to the CBCWA.

The Utility has its roots going back to 1889 with the City of Manitowoc granting John Schuette permission to construct and operate an electric plant in the City. The electric plant was established in the building adjoining Mr. Schuette's flour and grist mill. The loads served were primarily street lighting, and later evolved into indoor and plant lighting. The utility provided a "turn-key" operation, including wiring, lamps, and switches. The initial customer operating time was from dusk to 9 p.m.; however, customer demand was growing steadily.

The Manitowoc Waterworks Company was also established in 1889 by brothers Eugene and T.W. Gray. The City purchased the waterworks company in 1911 and the electric plant in 1914. The two utilities were merged to form Manitowoc Public Utilities. Over the years, plant additions have been constructed, equipment has been improved and modernized, and technological advances have improved customer service to today's high standards. In 2014 MPU celebrated 100 years of service to the community and released a commemorative history book detailing the accomplishments over the last 100 years. MPU also hosted an open house in October to all customers of the utility and ended the event with the burial of a time capsule to be opened in 2114.

MPU is the largest of 82 municipally owned electric utilities in the State of Wisconsin. The water utility pumped about 1.5 billion gallons of water into its distribution system in 2014, while the electric utility delivered over 520 million kilowatt hours to customers. MPU also maintains approximately 5,600 street and security lights in the City.

MPU also provides steam and hot water to several end users. Steam from the MPU Power Plant is sold to several customers via a district-heating loop. This steam system can be supplied directly from one of MPU's solid fuel boilers, indirectly from one of MPU's turbines, or from a gas fired boiler installed in 2012. These multiple sources allow flexibility for electrical power supply purposes and provide additional reliability for the steam system.

MPU also provides fiber optic cable services. The fiber optic network currently serves over 72 sites.

An agreement was executed with Central Brown County Water Authority (CBCWA) to supply wholesale water to six communities in Brown County, north of Manitowoc County, beginning December 2006. The capital costs to meet the water needs were paid by the Authority. In 2014 approximately 2.5 billion gallons of water were delivered to the CBCWA.

MPU employs approximately 81 full-time employees and 1 part time employee. The Utility is run separately from City government and is managed by a General Manager. The General Manager reports to a Public Utility Commission, which is comprised of seven members: The Mayor of Manitowoc, one City Council member, and five appointed citizens. Activities of the Utility are regulated by the Public Service Commission of Wisconsin (PSCW).

MANITOWOC PUBLIC SCHOOL DISTRICT

Vision

In the Manitowoc Public School District, we believe that learning should give students the tools to make their dreams come true. Our focus on high quality instruction starts with the basics but is far more than a checklist of skills. We want students to develop a depth of understanding that will serve them now and equip them for a future that will surely amaze and challenge them.

Location

The Manitowoc Public School District is located in east central Wisconsin and encompasses an area of approximately 93 square miles in Manitowoc County. The District is comprised entirely of the City of Manitowoc and the Town of Manitowoc, and portions of the City of Two Rivers, the Towns of Centerville, Kossuth, Manitowoc Rapids, Newton, and Two Rivers.

Education

The Manitowoc Public School District, a unified school district, offers a comprehensive program for students in pre-kindergarten through the 12th grade. The district has the 29th largest enrollment among the 424 public school districts in the state. The District operates a pre-kindergarten through kindergarten center, six elementary schools, two junior high schools, one alternative (charter) high school, one comprehensive high school, and a specialized school

(operating as a charter school) for a handful of children in grades 1-8 with significant emotional/behavioral disabilities. The MPSD also provides four-year-old kindergarten. The District's September 16, 2014, total full-time equivalent enrollment was 5,129. The District employs about 914 full and part-time staff, including teachers, paraprofessionals, clerical, program support, custodial and maintenance staff, substitutes, coaches, and summer workers.

Board of Education

The district operates under a Board of Education which consists of seven citizens elected at large by voters of the district. The 2015-16 Board members are Linda Gratz, Barbara Herrmann, Dave Longmeyer, Dave Nickels, Karen Rohrer, Catherine Shallue, and Keith Shaw. The Board appoints the superintendent, who is responsible for administrative supervision of all public schools in the district.

The Board elects a President, Vice President, Clerk, and Treasurer from among its members for one-year terms.

The present members of the Board and the expiration of their respective terms of office are as follows:

Name	Expiration of Board Term
Keith Shaw, President	April 2016
Linda Gratz, Vice President/Clerk	April 2018
Karen Rohrer, Treasurer	April 2017
Barbara Herrmann, Member	April 2017
David Longmeyer, Member	April 2016
Dave Nickels, Member	April 2016
Catherine Shallue, Member	April 2018

Central Administration

The Board is empowered to employ a Superintendent to conduct the affairs and programs of the District. The District Superintendent is Marcia Flaherty. Mrs. Flaherty has served the District for 22 years, i.e., 10 years as an elementary school principal and 10 years as the Director or Assistant Director of Elementary and Secondary Education before becoming the District Superintendent. Central office-based directors include directors of elementary and secondary education, human resources, buildings and grounds, business services, and pupil services. The members of the central office administrative team are listed below:

Name	Title	MPSD Years of Service
Marcia C. Flaherty	Superintendent (second year as superintendent)	22
Deborah Shimanek	Director of Elementary and Secondary Education	11
Andrea Holschbach	Director of Human Resources	9
Kenneth W. Mischler	Director of Business Services	23

Jeffrey A. Schulz	Director of Buildings and Grounds	20
Joanne Metzen	Director of Pupil Services	16

Superintendent Mark Holzman was appointed to head the district beginning in July 2015. Previously, he served as Assistant Superintendent of Student and Instructional Services in the Sheboygan Area School District.

General Financial Information

The financial operations of the District are conducted primarily through a series of state mandated funds. All revenues except those attributable to the building funds and other funds authorized by State law are accounted for in the general fund, and any lawful expenditure of the District must be made from the appropriate fund and recorded therein.

As in other areas of the United States, the financing of public education in the State is subject to changing legislation, variations in public opinion, examination of financing methods through litigation, and other matters. For these reasons the District cannot anticipate with certainty all of the factors which may influence the financing of its future activities.

Increasingly, the Manitowoc Public School District's educational program is being shaped by a deteriorating financial climate for schools, including: (1) 22 years of state-imposed revenue caps and (2) an incremental decline in state aid (from 68% support several years ago to the current 59%). Accelerating budgetary concerns are placing significant pressure on programs developed over the years and on the MSPD vision of providing a high quality and comprehensive education for 5,268 students in grades 4K through twelve. The challenge is to establish priorities that maximize success in the areas we believe are most important, maintain our strong framework of programming, and continue to provide for an increasingly diverse student body.

Budget

Manitowoc Public School District is the 29th largest district out of 424 districts in the State of Wisconsin. Of the 100 largest school districts, the Manitowoc Public School District has the 98th lowest tax rate.

At its best, a school district budget is fiscally responsive to citizens while still providing the resources to fulfill the district's responsibility to educate students. The MPSD offers a high quality and comprehensive education. Overall spending-per-student is over eight percent below the state average.

The District is required by State law to annually formulate a budget and to hold an annual meeting thereon prior to the determination of the amounts to be financed in whole or in part by general property taxes, funds on hand or estimated revenues from other sources. Such budget must list existing indebtedness of the District and all anticipated revenue from all sources during the ensuing year and must also list all proposed appropriations for each department, activity and reserve account of the District during the ensuing year. The published budget must show actual revenues and expenditures for the preceding year, actual revenues and expenditures for not less than the first six months of the current year, and estimated revenues and expenditures for the balance of the current year.

As part of the budgeting process, budget requests are submitted during the last half of the fiscal year by the teachers and departmental administrators of each school to their respective principals, who thereafter review and revise such request and submit them with their recommendations to the Superintendent of the District. After review and adjustment by the administrative staff, the proposed budget is presented to the Manitowoc Public School District Board of Education Finance and Budget Committee, at which time the proposed budget is reviewed with the District's administrative staff. After further review and adjustment, the proposed budget is submitted to the full Board each year. The proposed budget is formally adopted by the Board after the annual budget hearing is held.

Referendum

On April 7, 2015, the voters of the Manitowoc Public School District approved three referendum questions. The approval allows the District to increase the property tax levy as follows:

I. Increase the tax levy by $1,000,000 a year for the 2015-2016 school year through the 2017-2018 school year to maintain current programs and services.

II. Increase the tax levy by $600,000 a year for the 2015-2016 school year through the 2017-2018 school year to address major maintenance and security needs (including updating security cameras, lighting, windows, asbestos abatement, and roofs).

III. Increase the tax levy by $400,000 a year for the 2015-2016 school year through the 2017-2018 school year for the 2015-2016 school year through the 2017-2018 school year by $400,000 a year, to update classroom technology and replace existing computers.

With the passage of the $1,000,000 referendum, the District can maintain programs and services such as athletics, fine arts-vocal and instrumental music, theater, visual arts, foreign language, advanced placement, International Baccalaureate, Global Studies Certificate, and vocational and technical programs. In addition, the District can maintain class sizes at a reasonable level and maintain current school structures and study grade configuration (transportation, boundaries, building needs).

With the passage of the $600,000 referendum, the District can address much needed maintenance and security issues. The average age of District schools is 66 years old. The facilities need an appropriate and effective maintenance plan. To address the facility needs, a list of over $12 million in facilities related upgrades needed district-wide was presented to the Buildings & Grounds Committee of the Board January 2014. In July 2014, the District borrowed $5 million for identified facilities projects approved by the board. That leaves over $7 million of facilities projects remaining to be completed. The referendum annual budget increase will help to complete necessary upgrades in a timely manner.

With the passage of the $1,000,000 referendum, the District can address technology needs such as adding and upgrading elementary computer labs, purchasing teacher computers, classroom

presentation stations, and interactive whiteboards. In addition, there is a need for a district-wide data backup system, upgrades to infrastructure such as servers, switches, and access points (Wi-Fi access), technology security computer programs and software (filters, email, apps), and more technology support.

Facts and Figures

The district employs currently 914 full-time and part-time employees as follows:

CLASSIFICATION	# of Employees
Teacher	384
Administrator	23
Paraprofessional	140
Clerical/Secretarial	38
Custodial/Maintenance	49
Support Staff	40
Coach, Advisors, Student Workers, etc.	142
Substitute Staff	98
Total	914

The 2014-15 budget includes total expenditures of $70,743,119. The total property tax levy of $19.4 million ($8.376 per thousand) amounts to a 3.54 percent increase in the total tax levy and a 2.85 percent increase in the net tax levy rate.

Secondary Schools: Strong Academics, Electives and Personalized Programs

The MPSD has two junior high schools, each with a student population of 550 to 600 students in grades 7-9. Lincoln High School serves more than 1,350 students in grades 10-12. These secondary schools allow students to explore options and define their skills in a supportive but challenging environment. We offer a continuum of options, with something for every interest, career goal, and learning profile. Students may pursue a strong academic program, build job and life skills, and explore the arts and a wide range of electives. Courses range from human genetics and international business to engineering graphics/design to three years of Japanese. The McKinley Academy is an alternative high school for students who thrive in a smaller environment.

Lincoln High School: A Proud History

One of Manitowoc's most beloved landmarks, Lincoln High School, embodies a sense of history for generations of citizens. Built in 1923 on a hill overlooking Lake Michigan, the school's original garden setting was designed by noted Prairie School landscape architect Jens Jensen. The historic Gothic-style building was restored in 1999-2000 with extensive cosmetic and infrastructure improvements.

Today, Lincoln offers an impressive range of educational services including the prestigious International Baccalaureate (IB) Diploma Programme and Advanced Placement courses. Youth Apprenticeships are popular among all types of students, including those bound for college.

Exceptional fine arts, technology, special education, and at-risk offerings round out the menu. The comprehensive co-curricular program includes 11 sports for boys and 12 sports for girls. The boys' sports include football, cross country, soccer, basketball, wrestling, swim, hockey, baseball, tennis, track & field, and golf, whereas the girls' sports include tennis, cross country, volleyball, swim, basketball, gymnastics, hockey, softball, soccer, track & field, dance, and cheer. In addition, there are numerous music, drama, journalism, and technology activities. Numerous clubs and organizations are available for students to join. A 20-hour service project is required for graduation.

School Forest

The Rahr Memorial School Forest is a place of learning for students in the Manitowoc Public School District. Located along the beautiful shores of Lake Michigan, the School Forest has been an outdoor education facility for over fifty years. Within the nearly 300 acres are mixed forests, stands of pine, sand dunes, fields, a swamp, and a pond, all of which offer a unique learning environment.

Students attend classes at the School Forest starting when they are in 4-year-old kindergarten and continue throughout their school careers. We have approximately 9,000 visitors to School Forest each year.

The Rahr Memorial School Forest's mission is to serve as a multiple-use natural school and community resource, providing opportunities for people to develop awareness of and appreciation for the natural world to become informed, responsible decision-makers regarding the environment.

Summer School

Manitowoc Public Schools hosts a wide range of Summer School opportunities for students in the community. Three of the elementary schools have extend school year programs, "Academies" that provide 4 hours of literacy, math, and enrichment activities for students. The elementary program also offers additional enrichment and remedial courses hosted at an elementary school. The School Forest also extends several discovery classes for the elementary students.

Secondary Summer School offerings include sports academies, course recovery options, advanced placement courses, and boot camps for a variety of core academic subject.

Buildings and Grounds/Facility enhancements

- District Wide –
    - Phone system & door access upgrades
    - Exterior lighting upgrades (LED)
- Washington
    - Shingled roof replaced

    - Main entrance – concrete ramp & stairs installed
    - Exterior restoration in-progress
    - Pool equipment upgraded
- Wilson
    - Front entrance – concrete stairs replaced
    - Pool equipment upgraded
- Lincoln
    - JFK bleacher upgrades
    - North parking lots resurfaced
- Riverview
    - Flat roof replaced
    - East parking lot resurfaced
- Rubick Field
    - Ticket booths and entrance plaza started by volunteers/donations. Expected to be complete by fall of 2015.
- Jefferson
    - Roof replacement
- Stangel
    - Parking lot resurfacing
- Jackson
    - Exterior door replacement
- Madison
    - Exterior door replacement
    - Parking lot resurfacing

Staff Accomplishments

- MPSD Career and Tech Coordinator Kari Krull, Youth Apprenticeship Program Support Shannon Fallon, and MPSD Work Experience Coordinator Rick Conrad (through partnering with the Manitowoc County Youth Apprenticeship Program) earned the Cooperation Award from the Chamber of Manitowoc County.
- Director of Elementary and Secondary Education, Deborah Shimanek earned the 2014 Manitowoc County Education Impact Award from the Chamber of Manitowoc County.
- Lincoln Head Swim Coach Mike Zupek was chosen as Conference Coach of the Year.
- Police Officer of the Year: Jeremy Kronforst - Kronforst has served on the Manitowoc Police Department since March 2001 and was assigned to be a school resource officer in August 2014.
- Madison Fifth Grade Teacher, Sarah Binversie was awarded a scholarship by the Association of American Educators Foundation to attend a five-day workshop at the Reading Writing Institute at Columbia University.
- MPSD Physical Education teachers and their students helped raise $28,463.95 this year for the American Heart Association through the Jump Rope for Heart program.

Student Accomplishments

- Lincoln boys swim team won the FRCC conference title.

- Lincoln High School student, Miranda Gove was the first LHS student in five years to qualify for the WIAA State Cross Country meet and she holds the school record in the 5K run.
- Lincoln High School students Meg Wolowicz and Mallory Dixon were awarded the FRCC Co-Players of the Year. Meg Wolowicz was also recognized as 3rd Team all-state in volleyball and Mallory Dixon earned honorable mention in all-state in volleyball.
- Lincoln High School Varsity volleyball girls won the Fox River Classic Conference (FRCC). In addition, they won the WIAA Regional, Sectional and were State Qualifiers.
- Lincoln cross country team qualified to compete at the WIAA State Cross Country competition for the first time in 23 years.
- Lincoln High School broke the following school records during the 2015 track season: Sarah Greene with an indoor pole vault of 11 feet, Eric Fogltanz with indoor 200 meter dash of 23.39 seconds, and Margaret Wolowicz with a discus toss of 135 feet 2 inches.
- Lincoln High School had 12 out of their 16 volleyball players that qualified for the 2014 All-Academic Team earn above a 3.5 GPA and 5 of those had a 4.0 GPA.
- Lincoln Senior Phil Nguyen won the Nippon Express Travel Award for his recitation of Japanese Poem "Ame ni mo Makezu" (Unbeaten by Rain) at UW-Milwaukee's annual Speech and Recitation Contest for college and high school students studying Japanese.
- Lincoln swimmer, Breanna Ruffolo broke the 27-year-old school record for the 100 meter breaststroke in November with a time of 1:10.89.
- Lincoln High School Poms Dance Team members performed at the Outback Bowl when the Wisconsin Badgers beat the Auburn Tigers 34-31.
- Stangel fifth-grader, Lia Haile was named a Wisconsin Top Youth Volunteer of 2015 by The Prudential Spirit of Community Awards. This nationwide program honors young people for outstanding acts of volunteerism.
- Lincoln High School students in AP US History class worked with WWII Veterans to record and preserve their stories for generations to come by creating multi-media presentations.
- Lincoln Japanese students Ethan Sorge and Shia Thao won the Wisconsin State Level 3 Japan Bowl Championship and competed at Nationals.
- Washington Junior High students Elizabeth Lor and Angel Yang traveled to California to participate in a fashion camp sponsored by A Bigger World Foundation.
- Wilson Junior High 9th graders Isabelle Heinzen and Hanna Lackershire won the "Women in History" award at the State National History Competition.

School Accomplishments

- Riverview Early Childhood Center installed a Little Free Library.
- Washington Junior High had six students that participated in the St. Norbert College Honor Band.
- Washington Junior High had their own garden and donated produce from it to the community meal.
- Jackson Elementary K-Kids and MPSD's Next Step UW students created a commercial for Jobs First of Manitowoc County to raise awareness and promote employment opportunities for people with disabilities.
- Jefferson Elementary celebrated its 100th Birthday.

- Jefferson Elementary was recognized as a Title I School of Recognition from the Wisconsin Department of Public Instruction.
- Lincoln High School launched a Global Scholars Program.
- Madison Elementary School celebrated its 100th Birthday
- Madison Elementary was recognized as a Title I School of Recognition for the fourth consecutive year from the Wisconsin Department of Public Instruction.
- McKinley Academy and Wilson Junior High received an Opportunity Grant from United Way Manitowoc County to fund "Be the Change" program to inspire youth to create positive change in their schools and communities.
- Monroe Elementary earned the Program of Promise Award from the Wisconsin School Counselor Association.
- Monroe Elementary turned 50 years old.
- The MPSD passed three, 3-year, non-recurring referendum questions to exceed the revenue limit under Section 121.91 by (1) $1,000,000 each year to maintain current programs and services, (2) $600,000 each year to address major maintenance and security needs and (3) $400,000 to update classroom technology and replace existing computers.
- Washington Junior High had 49 students and 9 staff members involved in Safe School Ambassadors.
- Washington Junior High School's Fashion Club and Sewing classes made pillowcases and donated them to St. Vincent's Pediatric Cancer Center and Children's Hospital in Milwaukee.
- Washington Junior High students developed and recorded a video for the "Doctors in Recital" event at the Weidner Center.
- Washington Junior High welcomed Holocaust survivor Susie Fono who met with students to share her story.
- Wilson and Washington Junior Highs received a $17,890 grant from the Justin J. Watt Foundation to purchase uniforms.

LAKESHORE TECHNICAL COLLEGE

Lakeshore Technical College is a not-for-profit, public, two-year post-secondary institution that focuses on technical education. Located in east central Wisconsin, LTC serves a 200,555 resident district, which measures approximately 1,200 square miles, covering all of Manitowoc and Sheboygan counties, as well as parts of Calumet and Ozaukee counties. The main campus is located in the Village of Cleveland, Wis., with two learning sites strategically located in Sheboygan and Manitowoc. LTC also operates eleven community outreach centers and a total of 29 learning centers.

LTC's mission is "to enrich lives and strengthen the economy by preparing a workforce that is skilled, diverse and flexible." This mission is realized as students graduate and enter the workforce with critical skills and core abilities that meet Lakeshore employers' needs. Ninety-eight percent of employers are satisfied with the 2013-14 graduates they supervise, according to LTC's Employer Survey and they are not the only satisfied customers. Ninety-six percent of 2013-14 students reported being satisfied with their LTC experience. Eighty-nine percent of

2013-14 LTC graduates were employed six months to one year after graduation. Seventy-seven percent of 2013-14 LTC graduates reported working in the LTC district and ninety-six percent work in Wisconsin, according to the 2013-14 Graduate Follow-up Report.

STUDENTS

LTC serves individuals seeking associate degrees, technical diplomas, technical certificates and apprenticeship programs, as well as those needing basic skills training. LTC also offers career planning, and instructional and student support. 2013-14, LTC has 2008 full-time equivalent students, with a total enrollment of 13,648. Eighty-two percent of LTC's students received financial aid and the LTC Foundation awarded more than $100,000 in scholarships and grants. The average age of the undergraduate student was 31 years. Sixteen percent of LTC undergraduate students were older than 45, and seventy percent were older than 23, according to LTC's 2013-14 Year End Report.

INSTRUCTIONAL PROGRAMS

LTC offers career-based programs instilled with industry-leading technologies. They reflect the employment needs in the area and provide a sound base for a lifetime of learning. The college offers 35 associate of applied science degrees, 25 technical diplomas, 70 technical certificates, and 11 state-indentured apprenticeships. Twelve programs hold professional or specialized accreditation certification from ten agencies.

LTC's Workforce Solutions provides contracted, customized training to employers for their employees who seek to update skills and improve workplace performance. In 2013-14, LTC served more than 6200 workers from 197 organizations, including local businesses, schools and government agencies.

LTC identifies student needs and requirements through administering surveys, job center partners, environmental scanning, Workforce Solutions' training directors, and recruitment activities for all groups.

LTC uses a variety of formats to deliver education to meet student needs for flexibility. Delivery modes include: traditional classroom, accelerated (courses offered in a condensed timeframe), interactive television (ITV), video and print-based learning, online and blended learning.

In 2013, LTC introduced FullFocus programming which teaches students 5 days per week, 8 hours per day, much like a typical full time job would. Students graduate earlier and are employment ready.

LTC belongs to multiple users groups and collaborates with other technical colleges and high school districts for distance delivery programming.

STRATEGIC PLAN

LTC continues to innovate to meet the changing employment landscape. In 2013, the College went through a rigorous review of its strategic plan by soliciting input from staff, students, employers and community leaders. The feedback and examination resulted in the fine tuning of LTC's strategic plan. The Plan centers on four key areas: workforce development, filling the

pipeline of students, student success, and institutional effectiveness. Initiatives within these areas direct the college to design programs that prepare students to respond to anticipated industry sector needs; increasing enrollment; help students achieve their goals; and create a culture of quality, innovation and respect to strengthen the college.

COMMUNITY

LTC has been a responsible steward of taxpayer dollars, annually having one of the lowest tax levies among the state's 16 technical colleges. LTC's tax rate decreased seven times in the last ten years.

As successful graduates populate the district, all residents enjoy the benefits that LTC offers. LTC trains firefighters, law enforcement professionals, healthcare workers, skilled laborers and business professionals who make valuable contributions to our communities, the economy and the tax base.

SILVER LAKE COLLEGE

AT A GLANCE

- Silver Lake College, founded in 1935, is a four-year, private, liberal arts college founded on the Franciscan Catholic tradition. For more information, visit please www.sl.edu or check out the college's Facebook page.
- Dr. Chris Domes it the President of Silver Lake College. The institution employs about 100 people at its Manitowoc location.
- Silver Lake College is sponsored by the Franciscan Sisters of Christian Charity.

GROWTH, ACCOMPLISHMENTS AND CHANGE

Dr. Chris Domes became the 10th President of Silver Lake College in 2013 and is its second lay president. He was drawn to the college by its Franciscan values and is working to educate the mind, body and spirit. Dr. Domes plans to focus on enrollment and recruiting efforts, campus growth, strengthening the college's athletic program and ensuring that each student can find a job to help defray college costs and to prepare them for the world of work.

Silver Lake College attracts traditional and non-traditional students because of its small class sizes, one-on-one attention, value-centered experience, location and affordability. SLC also continues to create opportunities for transfer students to easily transition into the college. It offers majors and minors in more than 20 academic disciplines through the School of Education, School of Liberal Arts and School of Professional Studies.

Recent campus renovations

Students and visitors often remark on Silver Lake College's welcoming atmosphere. That is evident from the moment one enters the newly renovated Ariens Family Welcome Center, located just inside the front entrance of Main Hall. The new Welcome Center features Mimi's

Café, which serves Starbucks products; a spirit/gift shop; a lounge area; and the Welcome Center desk. The new, spacious lobby fosters a sense of hospitality where students, families and visitors can feel at home.

The Welcome Center also includes the consolidated enrollment services area, which includes Admissions, Financial Aid, the Registrar's office and Student Accounts. The area is a "one-stop shop" to serve the students more efficiently and allows the offices to work together more effectively.

Just beyond the Welcome Center is the recently remodeled Ariens Family Heritage Room, which features a pictorial history of the relationship between Silver Lake College and the Franciscan Sisters of Christian Charity. The room is ideal for meetings and events.

In keeping with its goal of nurturing the mind, body and spirit, SLC recently opened a Fitness Center on campus for its students, faculty and staff. Two rooms house exercise equipment and are adjacent to the men's and women's dressing rooms. A Studio Room is ideal for activities such as yoga, Zumba, Jazzercise, dance and stretching exercises. The Ruth St. John and John Dunham West Foundation Inc. provided a financial gift to cover the cost of renovation and equipment for the Fitness Center.

Recent renovations to the Dining Hall by Silver Lake College partner Sodexo resulted in more food stations and healthier food options.

In fall 2013, Silver Lake College unveiled its Franciscan Center for Music Education and Performance, a 35,000-square-foot facility that is home to the college's music programs and the Holy Family Conservatory of Music. The college's music programs have earned a reputation for excellence and are known for their emphasis on the Kodály method.

Features of the building include Endries Hall, a performance hall that seats more than 450 people, named in honor of the Bob and Pat Endries Family Foundation. The college hosts seven choral and instrumental music ensembles, many of which are a mix of students, alumni, staff and community members who come together to learn and share their talents at public concerts throughout the year. The Ariens Atrium, named in honor of the Michael and Mimi Ariens family, can seat 200 for banquets or other events. Facility rentals are available for many of the beautiful spaces in the building.

Programs and activities

Silver Lake College and the University of Wisconsin Colleges are making it easier and more affordable for students to stay in Manitowoc County and earn bachelor's degrees. The two educational institutions recently signed an articulation agreement that allows students to get a two-year degree with a liberal arts focus at UW-Manitowoc and to continue their educations at Silver Lake College. Silver Lake College guarantees admission to students who have successfully earned an associate degree from UW-Manitowoc or any of the other 12 UW Colleges.

In addition to their studies, SLC students also work at many Manitowoc County organizations and businesses through internships that help prepare them for their future professions. Silver Lake College students also join faculty and staff in community service activities on campus, in the community, and out of state for events like the alternative spring break, an annual tradition on campus.

The college's athletic department offers six sports programs: cross country, soccer, golf, women's volleyball, men's basketball and women's basketball. Thanks to the college's small size, student athletes have more of an opportunity to play in competitions throughout the Midwest.

UNIVERSITY OF WISCONSIN–MANITOWOC

LOCATION

Situated on the southeast corner of Manitowoc between Viebahn Street and Silver Creek Park, the 40-acre campus of the University of Wisconsin-Manitowoc enjoys a shoreline view of Lake Michigan.

LEADERSHIP & STAFF

Dr. Charles Clark has led the campus as the Campus Executive Officer/Dean since July 1, 2011.

There are currently 65 employees at UW-Manitowoc; 37 are faculty and instructional staff. The majority of faculty members have a Ph.D. in their field of expertise. Most are published authors, several are major award winners and all are committed to teaching and research.

HISTORY

The University of Wisconsin has had a presence in Manitowoc since 1933 when a UW English course was offered at the Vocational School on Clark Street. In 1962, the present campus site was established with additions completed in 1986 and 2001.

Part of the state-wide University of Wisconsin System, UW-Manitowoc is one of the 13 freshman/sophomore campuses of the UW Colleges. It is county-owned and state-operated. Accredited by the Higher Learning Commission; a commission of the North Central Association of Colleges and Schools, UW-Manitowoc offers its students the best of two worlds - the small classes and personal attention of a private college at a low public university cost. In fact, UW-Manitowoc, along with the other UW Colleges, offers the lowest tuition in the UW System.

STUDENTS

117 students were awarded Associate of Arts and Science Degree during the 2014-15 academic year. 460 students enrolled for the fall 2014 semester and approximately 30% of our students are defined as being non-traditional students (over the age of 22). Approximately 61% of UW-Manitowoc's students are full-time, 18% are students of color and 52% are first-generation college students. The average class size is 20 students.

Students attending UW-Manitowoc are drawn from Manitowoc and surrounding counties. The major feeder high schools include: Lincoln, Two Rivers, Valders, Roncalli, Manitowoc Lutheran, Mishicot, Reedsville, Denmark, Kewaunee, Kiel and Luxemburg/Casco.

COURSES/PROGRAMS

UW-Manitowoc specializes in freshman/sophomore curriculum and transferring is at the heart of its mission. Students can choose from over 100 classes in 25 different areas of study, along with an array of co-curricular activities including collegiate athletics. The general education courses offered can apply to over 250 majors in the UW System. Courses are offered via traditional classroom methods, or via Wisline web, compressed video, blended or online technology.

After students complete their general liberal arts and sciences classes and/or earn an Associate of Arts and Science Degree, they can transfer to any other university or private college, making UW-Manitowoc the best start on a bachelor's degree and unlimited career opportunities. A variety of certificate programs and emphases are also offered along with various opportunities to pursue bachelor's degrees through collaborative programs with other UW campuses.

In addition to the college curriculum offered by the University of Wisconsin-Manitowoc, a variety of non-credit courses are available through the Continuing Education Program, including on-line courses in business, healthcare, social media, technology and law. Online certificate programs are also available.

COMMUNITY

A variety of services and opportunities are offered to the Manitowoc community including a Founders Hall Art Gallery, library services, speaker's bureau, and facility rental. The campus is also home for the local UW Sea Grant Office and the Manitowoc Public School District's Next Step UW program.

Community collaboration is evident in the performing arts groups at UW-Manitowoc, which are open to community members. Two UW-Manitowoc instrumental musical groups, the Lakeshore Wind Ensemble and the Lakeshore Big Band perform at the Capitol Civic Centre and campus theater productions are performed in UW-Manitowoc's University Theatre students. New in 2014 was a collaboration with the Capitol Civic Centre Community Chorale. UW-Manitowoc students can receive credit for participation. The group performs at both the Capitol Civic Centre and University Theatre.

Along with a $3.4 million-dollar operating budget, UW-Manitowoc provides the local community with a valuable resource that not only addresses the educational needs of the students, but the needs of the community for continuing education, cultural events and expertise in everything from anthropology to zoology.

2014 HIGHLIGHTS

REALLY BIG PRINTS WAS A BIG HIT

"ReallyBIGPRINTS!!," a five-day printmaking event held July 21-25 on campus drew a lot of attention from the media, locals and tourists. The city of Manitowoc graciously donated the use

of a steamroller for 53 printmakers from across the country to use to create limited editions of large-scale relief prints in the UW-Manitowoc parking lot. The prints were later exhibited at the Rahr-West Art Museum and the Hamilton Wood Type and Printing Museum.

ReallyBIGPRINTS!! was a very special instance of printmakers coming together, and working within a framework of multi-faceted collaboration to do something a bit out of the ordinary. The event involved a wide and varied group including municipal, academic, corporate and private entities, as well as volunteers and the printmakers' friends and families.

ARENDT RETIRES HIS BATON, ACKLEY TAKES PODIUM

After 30 years on the podium, Michael J. Arendt, Conductor and Music Director of the Lakeshore Wind Ensemble (LWE) and Lakeshore Big Band (LBB), retired after his final concert season, which concluded with the LWE's concert on May 3rd. Arendt passed the baton to Dr. Daniel Ackley who joined the campus in August as an assistant professor of music.

LAKESHORE WATER INSTITUTE

In 2014 the Lakeshore Water Institute was created to formalize the collaborative partnership between the University of Wisconsin-Manitowoc and the Lakeshore Natural Resource Partnership (LNRP). The Institute is housed at UW-Manitowoc and serves the lakeshore region as a tool for educating and engaging youth and for developing science-based decisions and leaders at the local government level.

This collaboration is coordinated by LNRP with the community-led Friends of Hika Bay, Friends of the Manitowoc River Watershed, Friends of the Branch River Watershed, Friends of the Twin Rivers (East & West), and the Little Manitowoc River Partnership. The ultimate goal is to cultivate a water ethic and, by doing so, enhance the quality and prosperity of our entire lakeshore region.

CAMPUS FORMS PARTNERSHIP WITH SILVER LAKE COLLEGE

Silver Lake College and the University of Wisconsin Colleges made it easier and more affordable for students to stay in Manitowoc County and earn bachelor's degrees.
The institution's leaders signed an agreement that guarantees admission to Silver Lake College for students who have successfully earned an associate degree from UW-Manitowoc or any of the other 12 UW Colleges.

A Silver Lake College academic scholarship will be awarded to any enrolling UW Colleges transfer student who is eligible. The agreement creates an affordable path so that students can truly obtain quality associate and bachelor degrees locally.

SINGLE AUDIT SECTION

ADDITIONAL
INDEPENDENT AUDITORS' REPORT
FOR BASIC FINANCIAL STATEMENTS

Schenck SC
CPAs AND SO MUCH MORE.

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

To the Mayor and City Council
City of Manitowoc, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Manitowoc, Wisconsin, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City of Manitowoc's basic financial statements, and have issued our report thereon May 28, 2015.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Schmidt SC

Certified Public Accountants
Green Bay, Wisconsin
May 28, 2015

FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

Schenck SC
CPAs AND SO MUCH MORE.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND THE *STATE SINGLE AUDIT GUIDELINES*

To the Mayor and City Council
City of Manitowoc, Wisconsin

Report on Compliance for Each Major Federal and State Program

We have audited City of Manitowoc, Wisconsin's compliance with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of City of Manitowoc, Wisconsin's major federal and state programs for the year ended December 31, 2014. City of Manitowoc, Wisconsin's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of City of Manitowoc, Wisconsin's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Those standards, OMB Circular A-133 and the *State Single Audit Guidelines* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about City of Manitowoc, Wisconsin's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of City of Manitowoc, Wisconsin's compliance.

Opinion on Each Major Federal and State Program

In our opinion, City of Manitowoc, Wisconsin complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2014.

Report on Internal Control Over Compliance

Management of City of Manitowoc, Wisconsin is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered City of Manitowoc, Wisconsin's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Manitowoc, Wisconsin's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and the *State Single Audit Guidelines.* Accordingly, this report is not suitable for any other purpose.

Schmidt SC

Certified Public Accountants
Green Bay, Wisconsin
May 28, 2015

CITY OF MANITOWOC, WISCONSIN
Schedule of Federal and State Expenditures
For the Year Ended December 31, 2014

Grantor Agency/State Program Title	Pass-through Agency	Federal CFDA/ State ID Number
FEDERAL PROGRAMS		
U.S. DEPARTMENT OF COMMERCE		
Coastal Management Program	WI Department of Administration	11.419
U.S. DEPARTMENT OF JUSTICE		
COPS Hiring Program	Direct Program	16.710
Bulletproof Vest Partnership Program	Dept. of Admin - Office of JA	16.607
Total U.S. Department of Justice		
U.S. ENVIRONMENTAL PROTECTION AGENCY		
Brownfield Assessment and Cleanup Coop Agreement- ARRA	Direct Program	66.818
Great Lakes Restorative Initiative	University of Wisconsin - Oshkosh	66.469
Total U.S. Environmental Protection Agency		
U.S. DEPARTMENT OF HOMELAND SECURITY		
Staffing for Adequate Fire and Emergency Response	Direct Program	97.083
U.S. DEPARTMENT OF TRANSPORTATION		
Federal Transit Cluster		
Operating Assistance 2009 - 2012	WI Department of Transportation	20.507
Operating Assistance - 2013	WI Department of Transportation	20.507
Operating Assistance - 2014	WI Department of Transportation	20.507
Capital Assistance Grant	WI Department of Transportation	20.500
Total Federal Transit Cluster		
Highway Safety Contract	WI Department of Transportation	20.600
Total U.S. Department of Transportation		
TOTAL FEDERAL PROGRAMS		
STATE PROGRAMS		
WISCONSIN DEPARTMENT OF TRANSPORTATION		
Urban Mass Transit Operating Assistance		
Contract 2009 through 2012	Direct Program	395.104
Contract 2014	Direct Program	
Total Wisconsin Department of Transportation		
WISCONSIN DEPARTMENT OF HEALTH & FAMILY SERVICES		
EMS-FAP Grant	Direct Program	435.167
TOTAL STATE PROGRAMS		

See accompanying notes to the schedule of federal and state expenditures.

Accrued (Deferred) Revenue 1/1/14	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/14	Total Revenues	Total Expenditures
$ -	$ 32,000	$ -	$ 32,000	$ 32,000
8,640	124,330	42,659	158,349	158,349
-	3,552	-	3,552	3,552
8,640	127,882	42,659	161,901	161,901
5,905	86,869	-	80,964	80,964
-	22,373	-	22,373	22,373
5,905	109,242	-	103,337	103,337
66,133	267,121	65,251	266,239	266,239
-	88,862	-	88,862	88,862
231,580	231,580	-	-	-
-	619,172	238,292	857,464	857,464
-	6,384	36,194	42,578	42,578
-	22,951	-	22,951	22,951
231,580	968,949	274,486	1,011,855	1,011,855
$ 312,258	$ 1,505,194	$ 382,396	$ 1,575,332	$ 1,575,332
$ -	$ 26,379	$ -	$ 26,379	$ 26,379
-	254,986	-	254,986	254,986
-	281,365	-	281,365	281,365
-	4,884	-	4,884	4,884
$ -	$ 254,986	$ -	$ 254,986	$ 254,986

NOTE A - BASIS OF PRESENTATION

In accordance with audit requirements issued by the Office of Management and Budget (OMB) Circular A-133 and the State Single Audit Guidelines issued by the Wisconsin Department of Administration, supplemental information is presented by the City in regard to federal and state financial assistance programs administered by the City.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenditures in the schedule are presented in accordance with the modified accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the City's 2013 basic financial statements. Accrued revenue at year-end consists of federal and state program expenditures scheduled for reimbursement to the City in the succeeding year while deferred revenue represents advances for federal and state programs that exceed recorded City expenditures.

Federal Programs: The City of Manitowoc qualifies as a low risk auditee in accordance with paragraph 530 of OMB Circular A-133. Therefore major programs, as identified in Section I of the Schedule of Findings and Questioned Costs, represent those with combined expenditures exceeding 25% of total federal awards that also were deemed major programs based on the auditor's risk assessment. All other federal programs are considered nonmajor programs.

State Programs: Major programs represent state assistance programs with expenditures of $100,000 or more and other state programs classified as major in the State Single Audit Guidelines. All other state assistance programs required to be included in the Schedule of State Financial Assistance in accordance with Appendix H of the State Single Audit Guidelines are nonmajor programs.

NOTE C - OVERSIGHT AGENCIES

The Federal oversight agency for the City is the U.S. Department of Homeland Security.

The State oversight agency for the City is the Wisconsin Department of Transportation.

CITY OF MANITOWOC, WISCONSIN
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2014

Section I - Summary of Auditors' Results

Basic Financial Statements	
Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None Reported
Noncompliance material to basic financial statements noted?	No
Federal Awards Programs	
Internal control over major program:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None Reported
Type of auditors' report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	No

Identification of major federal program:

CFDA Number	Name of Federal Program
20.500	Federal Transit Capital Improvement Grants
20.507	Federal Transit Formula Grant

Identification of major state programs:

State ID Number	Name of State Program
395.104	Urban Mass Transit Operating Assistance

Audit threshold used to determine between Type A and Type B federal programs:	$300,000
Audit threshold used to determine between Type A and Type B state programs:	$100,000
Auditee qualified as low-risk auditee	No

Section II - Financial Statement Findings

Finding No.	Financial Statement Findings

There were no findings noted for the year ended December 31, 2014.

Section III - Federal Award Findings and Questioned Costs

Finding No.	Internal Control Deficiency

There were no findings or questioned costs noted for the year ended December 31, 2014.

CITY OF MANITOWOC, WISCONSIN
Schedule of Prior Year Audit Findings and Corrective Action Plan
For the Year Ended December 31, 2014

Prior Year Audit Findings

There were no findings reported in the 2013 Schedule of Findings and Questioned Costs.

Corrective Action Plan

There were no findings reported in the 2014 Schedule of Findings and Questioned Costs.