



COMPREHENSIVE ANNUAL  
**FINANCIAL REPORT**  
INCLUDING AUDITORS' REPORTS

***FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2015***

**CITY OF MANITOWOC, WISCONSIN**

**COMPREHENSIVE ANNUAL**

**FINANCIAL REPORT**

**INCLUDING AUDITORS' REPORTS**

**FOR THE FISCAL YEAR ENDED**

**DECEMBER 31,**

**2015**

**Prepared by Department of Finance**

**Steve Corbeille, Finance Director**

**Kim Lynch, Comptroller**

**INTRODUCTORY  
SECTION**

**CITY OF MANITOWOC, WISCONSIN**

December 31, 2015

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June 10, 2016

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, 2015. 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, 2015, 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, 2015, 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



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 18.410 square miles totaling 11,776 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 2015 population of 33,703, the population of Manitowoc has decreased <1% since the 2010 Census report of 33,736 and .99% since the 2000 Census report of 34,053. The population and square mile statistics combine to produce a population density of 1,832 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 51 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 seasonal employees. 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 2015 population of 33,703 and a 2015 equalized valuation of \$1,911,750,600. The equalized valuation has grown by 11.40% since 2004 with a value of \$1,716,103,900 and 194.45% since 1994 with a value of \$983,179,300. Between 2014 and 2015, the City gained almost 4% back in the full value of its real and personal property, with the largest actual dollar increase being in the Commercial land and improvement values.

The City of Manitowoc has experienced economic stability with our labor force and appears to be poised for growth in 2016. In 2015, 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 2015 was 4.9% down from 5.4% in December 2014. The city's unemployment rate was the 6th highest of 32 cities monitored by the state Department of Workforce Development. The state's December unemployment rate was 4.4%, with a U.S. unemployment rate of 5.0%.

### ***Planning, Housing and Economic Development Activities***

The City completed one (1) annexation in 2015 for a total of 0.57 acres. There were no residents residing in the annexation area. Since 1990, the City has annexed 3.482 square miles of area. The total area of the City as of October 27, 2015 is 18.340 square miles.

In 2015, there were no new residential subdivisions added to the City's housing inventory. In 2014, there were no new residential subdivisions added to the City's housing inventory. In 2013 there also were no new residential subdivisions.

The Department received, reviewed, and approved site plans for 17 development projects in 2015, compared to 17 development projects in 2014. A listing of some of the larger developments can be found in the section below.

The Department, in conjunction with the City Plan Commission, reviewed and approved 20 Certified Survey Maps ("CSM") in 2015 (compared to 18 CSMs reviewed in 2014). Additionally, the Department facilitated the completion of two (2) rezoning requests, six (6) conditional use or special use permits, one (1) annexation, and one (1) request for a street vacation, as well as 18 other miscellaneous projects ranging from releasing easements, selling of city property, to accepting or issuing Quit Claim Deeds.

The Department continued to administer the City's farmers' market, which registered about 65 vendors occupying 115 stall areas for the 2015 season.

In 2015 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. The project was closed out in 2015.

In 2015 the department continued to work with the owner of 1512 Washington Street which is the former Newell – Rubbermaid/Mirro Building and was 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. 2015 also saw the first stage of demolition on one the buildings, with additional progress slated for 2015 with the goal of creating a 3.5 acre site for future development.

Direct financing support in the amount of approximately \$1.1mm was provided by the Department to one (1) industrial business in 2015. These funds were provided through the City's industrial revolving loan fund program. These public monies were part of a \$3.6mm capital expansion project of facility and equipment. The public funding leveraged \$2.5mm in private capital, and the business will ultimately create a minimum of 32 new jobs.

In 2015, the department also worked closely with the owner of the Lakeview Mall property strategizing on the razing of the vacant mall and the future redevelopment plans. To

date, the City has not used any city funds on the project but it has created a Tax Incremental District in the area which including the former mall property. The owner, at his expense, is currently razing the building prepping the area for redevelopment.

In 2015 the Department created a new Tax Incremental District (TID #18) which is generally located in the northeast portion of the City with the major properties being the former Lake View Mall and Elks Golf Club and the existing Waldo East office complex. The TID area is 131 acres and contains 26 tax parcels.

The Department also worked on a project plan text amendment for TID #15 which is generally located in the southwest portion of the City centered on the Dewey Street and Calumet Avenue / Harbor Town development area. The amendment will provide a financing tool to help pay for the reconstruction and enhancement of the Dewey Street corridor which services the district.

In 2015, the Department finalized 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. The City is currently finalizing its first loan under this program for approximately \$350,000 for a redevelopment project converting an historic industrial building into 40 affordable housing units. Other types of financing in this \$9.4mm project include monies from the City's CDBG housing loan fund in addition to private financing, affordable housing and historic preservation tax credits.

The Department closed out a 2011 EPA "Community-Wide Assessment" grant which supported environmental assessment activities at hazardous substance and petroleum brownfield sites throughout the City. The total grant amount was \$400,000.

In 2015, the Department was awarded an additional EPA "Community-Wide Assessment" grant in the amount of \$400,000 to support environmental assessment activities at hazardous substance and petroleum brownfield sites throughout the City. To date three (3) sites are accessing the available assessment money and are having either a phase I or phase II study performed. Among these sites, a key downtown building in the 8<sup>th</sup> Street Historic District received funds supporting future plans for historic renovation of 35,000 sq. ft. for retail, office, and residential uses.

### ***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 May of 2015 the new Associate City Planner/GIS Analyst began employment with the city.

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 began working with new apps and maps available on the ArcGIS Online website.

**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 Department administers 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 administrator, the Associate Planner's 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 administrator to the Public Works staff for snow emergencies.

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

#### ***Marketing***

On a daily basis, the Department updates and maintains the two (2) electronic message signs which are located in the I-43 Industrial Park a/k/a I-43 Technology and Enterprise Campus.

Residential construction in the City in 2015 added a total of 14 new residential construction projects that created 40 dwelling units of which eight (8) were single family and five (5) were two-family dwellings and one (1) was a 22-family dwelling. In 2014 a total of 17 new residential construction projects were added that created 63 dwelling units of which nine (9) were single family and three (3) were two-family dwellings and four (4) were 12-family dwellings. The estimated residential construction cost for 2015 was

\$2.5mm, compared to \$5.4mm in 2014, \$2.0mm in 2013, \$3.8mm in 2012, \$5.7mm in 2011 and \$4.4mm in 2010.

In 2015, construction permits were issued for a total of 87 commercial, industrial or governmental buildings (compared to 120 in 2014). The estimated construction cost of all 2015 projects was \$9.7mm (compared to \$12.7mm in 2014).

### **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, 2014.

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 2014. 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

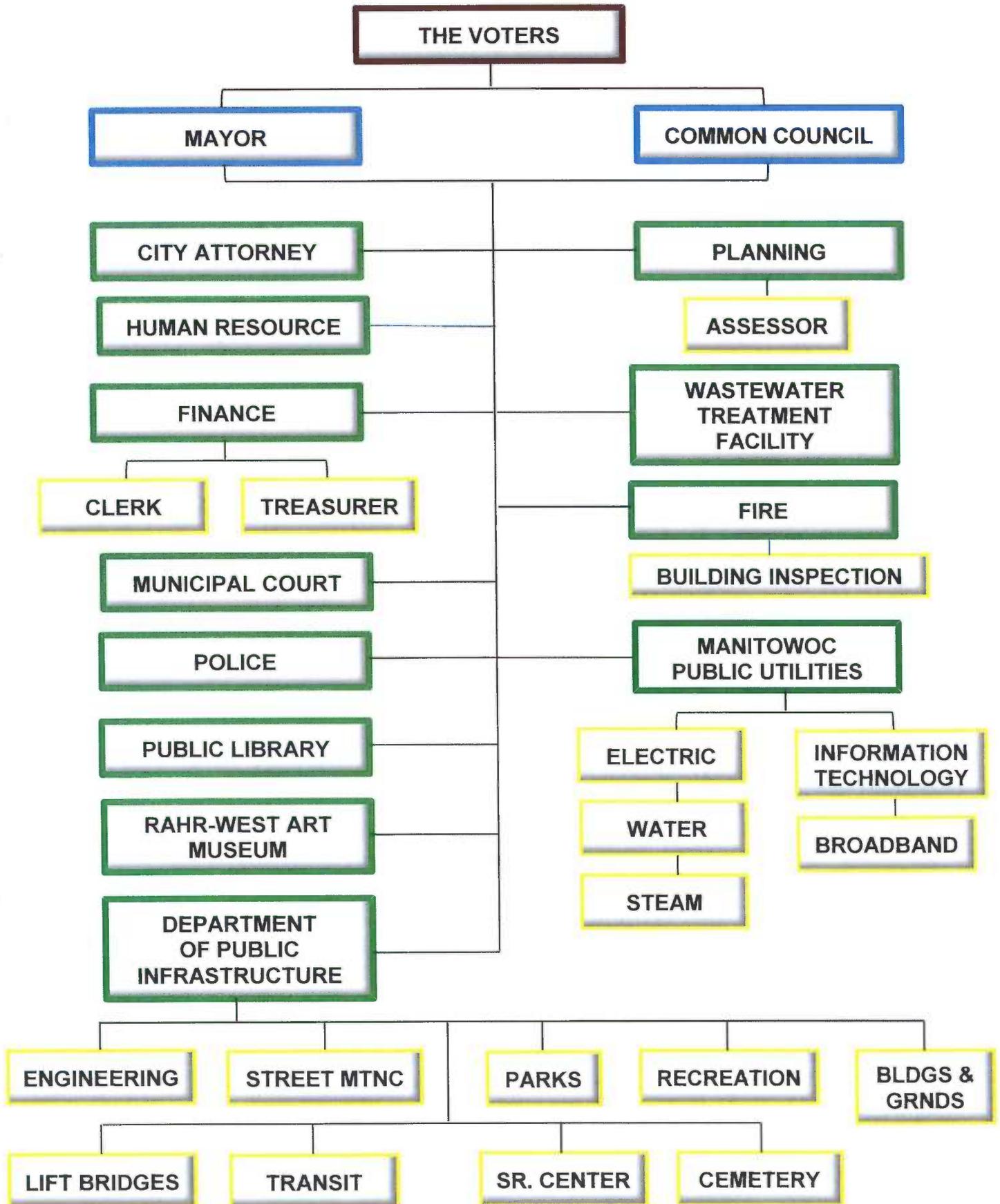
**December 31, 2014**

Executive Director/CEO

# CITY OF MANITOWOC

## TABLE OF ORGANIZATION

2015



CITY OF MANITOWOC, WISCONSIN

General Information

ELECTED OFFICIALS

December 31, 2015

		<u>Term Expires</u>
<b>Mayor</b>	Justin M. Nickels	April, 2017
<b>Common Council</b>		
President	Eric Sitkiewitz	April, 2016
<b>Aldermanic District</b>		
1	Mike Howe	April, 2017
2	Scott McMeans	April, 2017
3	Christopher T. Able	April, 2017
4	James N. Brey	April, 2018
5	Lee Kummer	April, 2018
6	Eric J. Sitkiewitz	April, 2018
7	Jill Hennessey	April, 2017
8	David W. Soeldner	April, 2018
9	Steven Czekala	April, 2018
10	Jason Sladky	April, 2017

CITY OF MANITOWOC, WISCONSIN

General Information

Department Heads/Managers and Appointed Officials

December 31, 2015

		Length of Time in This Position	Length of Employment With City of Manitowoc
Finance Director/Treasurer	Steven A. Corbeille	3.67 years	3.67 years
City Clerk/Deputy Treasurer	Jennifer Hudon	19.00 years	24.00 years
City Attorney	Kathleen McDaniel	1.75 years	7.00 years
Human Resources	Rochelle Blindauer	1.50 years	1.50 years
Municipal Judge	Steven R. Olson	7.67 years	7.67 years
Director of Public Infrastructure	Daniel Koski	2.50 years	2.50 years
City Assessor	Sarah C. Hoppe	10.17 years	10.17 years
Police Chief	Oscar A. Dick	7.17 years	33.38 years
Fire Chief	Todd Blaser	1.75 years	6.50 years
Community Development Director	Nicolas Sparacio	1.17 years	1.17 years
Superintendent Wastewater Treatment Facility	Brian M. Helming	11.68 years	11.68 years
Director Rahr-West Art Museum	Jon G. Vadney	4.25 years	4.25 years
General Manager Public Utilities	Nilaksh J. Kothari	14.25 years	24.00 years
Director Public Library	Cherilyn Stewart	6.92 years	6.92 years
Transit and Facilities Manager	James W. Muenzenmeyer	18.00 years	27.00 years
Emergency Government Coordinator	Todd Blaser	1.25 years	6.50 years

CERTIFIED PUBLIC ACCOUNTANTS

Schenck Business Solutions, Green Bay, Wisconsin

BOND COUNSEL

Quarles & Brady, Milwaukee, Wisconsin

FINANCIAL CONSULTANTS

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

**FINANCIAL**  
**SECTION**

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## 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, 2015, 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 Statement***

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, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As discussed in Note E.5, the City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68*. Our opinions are not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 18 - 31 and the schedules relating to pensions and other post-employment benefits on pages 77 through 80 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 introductory section, the financial information listed in the table of contents as supplementary information and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and schedule of state financial assistance are presented for purposes of additional analysis, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration, are also not a required part of the basic financial statements.

The supplementary information and the 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 June 10, 2016, 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.



Certified Public Accountants  
Green Bay, Wisconsin  
June 10, 2016

**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, 2015. 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 \$294,477,627 (*net position*). Of this amount, \$35,501,458 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The net position of governmental activities increased \$10,637,230 and business type activities increased by \$11,433,733 for a total increase in net position (8.1%) of \$22,070,963. The increase in governmental activities is mainly attributable to the repayments of long-term debt exceeding the issuance of long-term debt, depreciation expense exceeding capital outlay and implementation of GASB Statement #68 related to pensions. The increase in business activities is mainly attributable to positive operating results, contributions and the implementation of GASB Statement #68.
- 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 \$7,827,541 an increase of \$2,089,976 in comparison with the prior year. Only the general fund balance of \$2,753,249 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 \$2,753,249, or 11.5% of total general fund expenditures of \$23,870,856 or 13.6% of general fund revenues of \$20,288,558.
- The City of Manitowoc's total debt decreased by \$8,811,117 (10.4%) during the current fiscal year. The factors in this decrease were the issuance and refinancing of general obligation bonds/notes of \$9,510,000, the retirement of outstanding general obligation bonds/notes amounting to \$14,185,000, no issuance of revenue bonds/notes and the retirement of outstanding revenue bonds of \$4,301,117.

## 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 41 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 39 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 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 \$294,477,627 at the close of the most recent fiscal year.

By far the largest portion of the City of Manitowoc's net position (75.4 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	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$66,001,440	\$59,564,178	\$84,032,893	\$70,978,924	\$150,034,333	\$130,543,102
Capital assets	129,194,700	131,940,916	158,522,912	162,942,361	287,717,612	294,883,277
<b>Total assets</b>	<b>195,196,140</b>	<b>191,505,094</b>	<b>242,555,805</b>	<b>233,921,285</b>	<b>437,751,945</b>	<b>425,426,379</b>
<b>Deferred Outflows</b> of resources	<b>4,084,896</b>	<b>0</b>	<b>1,432,603</b>	<b>1,205,543</b>	<b>5,517,499</b>	<b>1,205,543</b>
Long-term liabilities outstanding	60,952,802	64,718,022	26,475,899	30,524,938	87,428,701	95,242,960
Other liabilities	30,168,813	29,676,832	11,216,599	9,601,732	40,385,412	39,278,564
<b>Total liabilities</b>	<b>91,121,615</b>	<b>94,394,854</b>	<b>37,692,498</b>	<b>40,126,670</b>	<b>128,814,113</b>	<b>134,521,524</b>
<b>Deferred inflows</b> of resources	<b>17,656,191</b>	<b>17,244,240</b>	<b>2,321,513</b>	<b>2,459,494</b>	<b>19,977,704</b>	<b>19,703,734</b>
<b>Net position:</b>						
Net investment in capital assets	87,127,517	86,185,510	134,976,967	133,959,504	222,104,484	220,145,014
Restricted	16,759,931	8,831,574	20,111,754	32,885,180	36,871,685	41,716,754
Unrestricted	-13,384,218	-15,151,084	48,885,676	25,695,980	35,501,458	10,544,896
<b>Total net position</b>	<b>\$90,503,230</b>	<b>\$79,866,000</b>	<b>\$203,974,397</b>	<b>\$192,540,664</b>	<b>\$294,477,627</b>	<b>\$272,406,664</b>

An additional portion of the City of Manitowoc's net position (12.5 percent) represents resources that are subject to external restrictions of \$36,871,685 on how they may be used. The remaining balances of *unrestricted net position* of \$35,501,458 may be used to meet the government's ongoing obligations to citizens and creditors.

#### Governmental Activities

Property taxes increased by \$287,951 (2 percent) during the year. Property tax increases were levied for capital projects \$13,673 and general purposes of \$274,778. Property tax decreases were levied for special revenue funds (\$500).

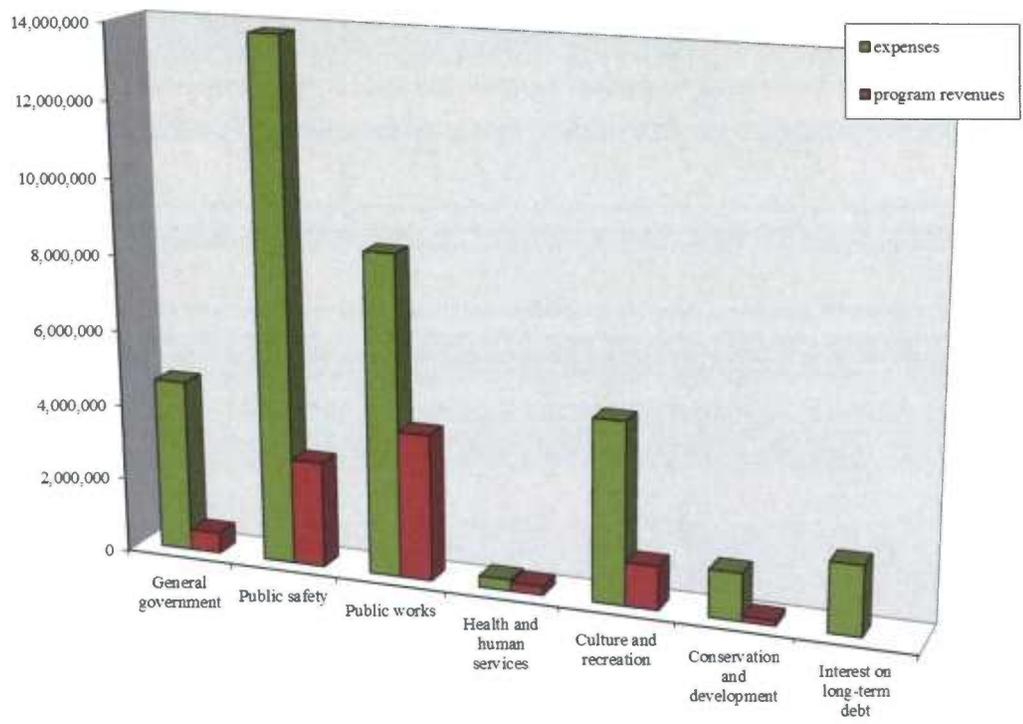
The net position of governmental activities increased by \$10,637,230. This increase is mainly attributable to the change in accounting principle relative to pension benefits and principal payments on long-term debt exceeding the issuance of long-term debt and depreciation expense exceeding capital outlay for 2015. Key elements of this increase are shown on the chart found on the following page.

**City of Manitowoc's Statement of Activities**

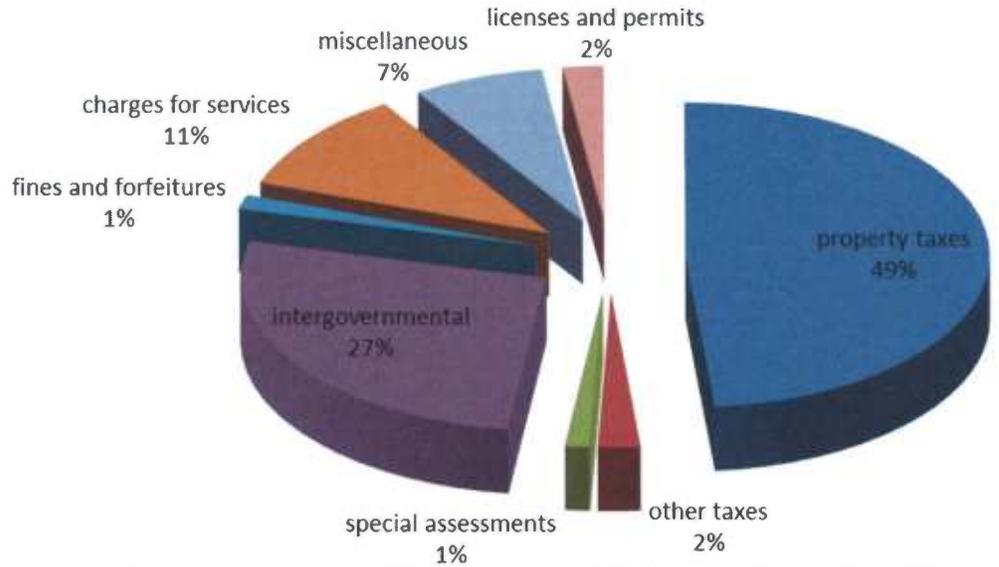
**Changes in Net Position**

	Governmental		Business-type		Total	
	activities		activities			
	2015	2014	2015	2014	2015	2014
<b>Revenues:</b>						
<b>Program revenues:</b>						
Charges for services	\$5,161,985	\$5,294,561	\$81,987,919	\$81,983,333	\$87,149,904	\$87,277,894
Operating grants and contributions	3,188,897	3,287,156	1,749,317	1,756,616	4,938,214	5,043,772
Capital grants and contributions	426,099	1,265,411	227,594	279,266	653,693	1,544,677
<b>General revenues:</b>						
Property taxes	17,244,016	16,894,243		-	17,244,016	16,894,243
Other taxes	784,813	689,520		-	784,813	689,520
Grants and contributions not restricted to specific programs	6,138,197	6,114,432		-	6,138,197	6,114,432
Other	1,648,540	1,405,454	1,121,467	1,684,395	2,770,007	3,089,849
<b>Total Revenues</b>	<b>\$34,592,547</b>	<b>\$34,950,777</b>	<b>\$85,086,297</b>	<b>\$85,703,610</b>	<b>\$119,678,844</b>	<b>\$120,654,387</b>
<b>Expenses:</b>						
General government	4,579,437	4,393,330		-	4,579,437	4,393,330
Public safety	13,822,068	13,803,232		-	13,822,068	13,803,232
Public works	8,508,822	7,532,419		-	8,508,822	7,532,419
Health and human services	296,567	297,093		-	296,567	297,093
Culture and recreation	4,805,376	5,582,966		-	4,805,376	5,582,966
Conservation and development	1,257,001	1,438,342		-	1,257,001	1,438,342
Interest on long-term debt	1,848,490	1,920,612		-	1,848,490	1,920,612
Water		-	5,553,603	5,888,571	5,553,603	5,888,571
Electric		-	57,984,007	60,741,021	57,984,007	60,741,021
Steam		-	1,015,963	392,270	1,015,963	392,270
Broadband		-	72,257	84,069	72,257	84,069
Sewer		-	5,753,536	4,944,513	5,753,536	4,944,513
Transit		-	2,056,301	2,346,301	2,056,301	2,346,301
<b>Total Expenses</b>	<b>35,117,761</b>	<b>34,967,994</b>	<b>72,435,667</b>	<b>74,396,745</b>	<b>107,553,428</b>	<b>109,364,739</b>
Increase in net assets before transfers	(525,214)	(17,217)	12,650,630	11,306,865	12,125,416	11,289,648
Transfers	3,992,080	3,914,043	(3,992,080)	(3,914,043)	-	-
Change in net position	3,466,866	3,896,826	8,658,550	7,392,822	12,125,416	11,289,648
Change in Accounting Principle	7,170,364	-	2,775,183		9,945,547	-
<b>Net position - 1/1</b>	<b>79,866,000</b>	<b>75,969,174</b>	<b>192,540,664</b>	<b>185,147,842</b>	<b>272,406,664</b>	<b>261,117,016</b>
<b>Net position - 12/31</b>	<b>\$90,503,230</b>	<b>\$79,866,000</b>	<b>\$203,974,397</b>	<b>\$192,540,664</b>	<b>\$294,477,627</b>	<b>\$272,406,664</b>

### Expenses and Program Revenues - Government Activities



### Revenues by Source - Governmental Funds

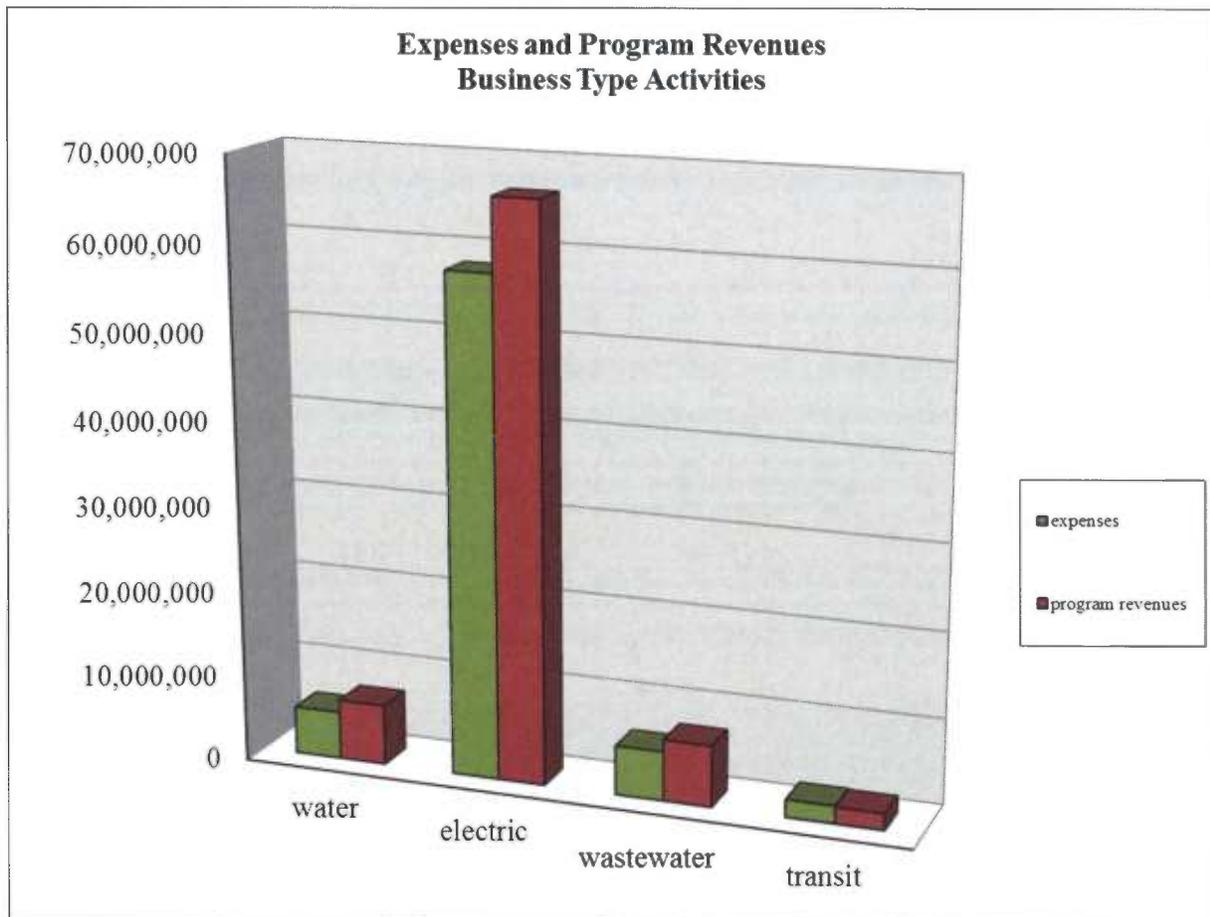


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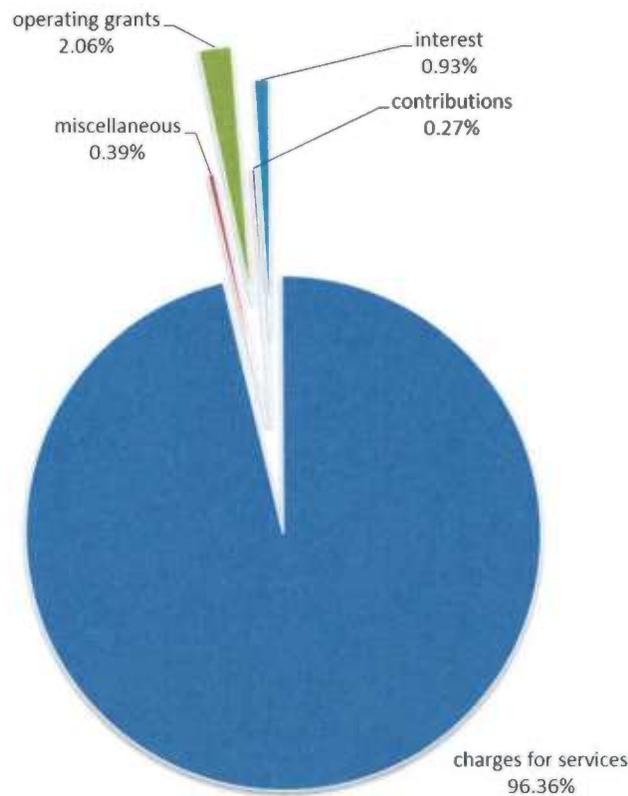
**Business-type activities.** Business-type activities increased the City of Manitowoc's net position by \$11,433,733. Key elements of this increase are as follows.

- The Water Utility increased net position by \$977,096.
- The Electric Utility increased net position by \$8,282,488.
- The Steam Utility increased net position by \$172,814.
- The Broadband Utility increased net position by \$129,163.
- The Wastewater Treatment Plant increased net position by \$1,673,167.
- The Transit System increased net position by \$199,005.

The increases in net position above were due to positive operating results, contributions and implementation of GASB Statement #68.



## Revenues by Source - Business Type Activites



### 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, 2015, the City's governmental funds reported combined ending fund balances of \$7,811,629, an increase of \$2,090,763 in comparison with the prior year. With the implementation of GASB #54, the breakdown of fund balance is: Nonspendable \$3,936,288, Restricted \$4,012,614, Committed \$1,170,026, Assigned \$2,031,351 and Unassigned \$(3,338,650). 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 \$2,753,249 while total fund balance was \$7,811,629. 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 (\$23,870,856). Unassigned fund balance represents 11.5 percent of total general fund expenditures, while total fund balance represents 32.72 percent of that same amount.

The fund balance of the City of Manitowoc's general fund increased by \$645,889 during the current fiscal year. The key factors in this increase are as follows:

- The key areas of interest for the increase was due to underspending in the Public Works area of almost (\$150,000) for Snow and Ice Removal from a mild winter season and (\$235,000) of savings from our motor pool area from fuel pricing being so low. The Safety area specifically Police (\$252,415) also contributed to the underspending. The intention of city leadership is to build the general fund balance back to comply with our policy targeting an unassigned balance of 15-30% of general fund revenues. This will take approximately another 3-4 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 \$3,304,186
- Electric Utility \$38,161,400
- Steam Utility \$988,341
- Broadband Utility \$926,620
- Wastewater Treatment Plant \$5,080,531
- Transit System \$424,598

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 \$70,649. This seems low from prior years due to a change in the accounting method of eliminating interdepartmental charging (\$704,013). The new system directly charges expenses to the department. Also, public charges for services were down due to EMS Ambulance billings coming in under budget (\$204,792).

Actual expenditures were less than budgeted expenditures by \$771,747 primarily from savings generated by public safety expenditure savings of \$334,843, and public works \$482,065 and a reduction in expenditures to conservation and development of \$45,217. However, there were again in 2015 unbudgeted expenses for repairs from the 2013 hail storm that will be recovered by insurance.

### **Capital Asset and Debt Administration**

**Capital assets.** The City of Manitowoc's investment in capital assets as of December 31, 2015, for its governmental activities amounted to \$129,194,700 and business type activities amounted to \$158,522,912 for total capital assets of \$287,717,612 (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 acquisitions of \$5,100
- Infrastructure construction (streets and sewers), net disposals of \$384,405
- Machinery and equipment net acquisitions totaling \$301,309

#### **Business-Type Activities:**

- Improvements other than buildings \$932,983
- Machinery and equipment disposals totaling \$14,509
- Construction in progress increase of \$877,018

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

	Governmental activities		Business-type activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$7,200,118	\$7,195,018	\$2,660,068	\$2,023,042	\$9,860,186	\$9,218,060
Buildings	16,990,385	17,564,118	27,532,632	29,540,564	44,523,017	47,104,682
Improvements other than buildings	-	-	54,770,326	54,478,296	54,770,326	54,478,296
Machinery and equipment	11,742,818	11,720,034	71,875,448	76,078,530	83,618,266	87,798,564
Infrastructure	92,069,803	95,123,706	-	-	-	95,123,706
Construction in progress	1,191,576	338,040	1,684,438	821,929	2,876,014	1,159,969
<b>Total</b>	<b>\$129,194,700</b>	<b>\$131,940,916</b>	<b>\$158,522,912</b>	<b>\$162,942,361</b>	<b>\$287,717,612</b>	<b>\$294,883,277</b>

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 \$75,571,395. Of this amount, \$52,889,000 comprises debt backed by the full faith and credit of the government. The remainder of the City of Manitowoc's debt, \$22,682,395, 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	
	2015	2014	2015	2014	2015	2014
General obligation bonds	\$31,045,000	\$35,045,000	\$-	\$-	\$31,045,000	\$35,045,000
General obligation notes/loans	21,844,000	22,519,000	-	-	21,844,000	22,519,000
Revenue bonds	-	-	22,682,395	26,983,512	22,682,395	26,983,512
<b>Total</b>	<b>\$52,889,000</b>	<b>\$57,564,000</b>	<b>\$22,682,395</b>	<b>\$26,983,512</b>	<b>\$75,571,395</b>	<b>\$84,547,512</b>

The City of Manitowoc's total debt decreased by \$8,976,117 (11%) during the current fiscal year. The factors in this decrease were the issuance of general obligation bonds/notes of \$9,510,000, the retirement of outstanding general obligation bonds/notes amounting to \$14,165,000, the issuance of \$0 revenue bonds/notes and retirement of outstanding revenue bonds of \$4,301,117.

During the current fiscal year, the government sold the following bond issues: On April 6, 2015, \$2,500,000 of General Obligation Promissory Notes at interest rates of 2.00% to 4.00% over the life of the notes. On December 21, 2015, \$7,010,000 of General Obligation Refunding Bonds at interest rates of .55% to 4% over the life of the bonds.

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 Utility "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 \$95,587,530, which is significantly in excess of the City of Manitowoc's outstanding general obligation debt of \$52,889,000.

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 2016 fiscal year.

- The unemployment rate for the City of Manitowoc is currently 4.9 percent, which is a decrease from the rate of 5.4 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 or below the allowable level under the State imposed levy limits;
- Salary increases for bargained contractual agreements.
- Compensation plan step increases for non-represented employees.
- Contingency fund established within the general fund budget of \$151,841.
- Decrease in revenue for the State recycling grant program, defunded by \$44,000 in state budget. Subsequently the State reinstated \$34,000 of recycling grant program revenues in April 2016.)

The City of Manitowoc has appropriated \$250,500 of the unassigned fund balance for spending in the 2016 fiscal year budget. The application of \$250,500 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 2016 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 15-30% 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](http://www.manitowoc.org)

**BASIC FINANCIAL  
STATEMENTS**

**CITY OF MANITOWOC, WISCONSIN**  
Statement of Net Position  
December 31, 2015

	Primary Government		
	Governmental Activities	Business-type Activities	Totals
<b>ASSETS</b>			
Cash and investments	\$ 27,640,557	\$ 37,710,320	\$ 65,350,877
Receivables			
Taxes	22,683,704	263,216	22,946,920
Accounts	1,538,826	7,565,324	9,104,150
Special assessments	1,122,543	-	1,122,543
Loans	5,854,237	920,000	6,774,237
Interest	19,349	-	19,349
Internal balances	(2,362,148)	2,362,148	-
Due from other governments	4,201,651	252,974	4,454,625
Deferred charges	-	1,867,524	1,867,524
Inventories and prepaid items	690,155	3,072,636	3,762,791
Deposit with CVMIC	1,111,426	-	1,111,426
Restricted assets			
Cash and investments	75,000	17,434,753	17,509,753
Accrued interest	-	64,388	64,388
Other assets	-	11,173,273	11,173,273
Capital assets, nondepreciable			
Land	7,200,118	2,660,068	9,860,186
Construction in progress	1,191,576	1,684,438	2,876,014
Capital assets, depreciable			
Buildings and improvements	28,797,563	58,408,731	87,206,294
Improvements other than buildings	-	92,742,101	92,742,101
Machinery and equipment	26,019,447	135,865,020	161,884,467
Infrastructure	169,059,188	-	169,059,188
Less: Accumulated depreciation	(103,073,192)	(132,837,446)	(235,910,638)
Net pension asset	3,426,140	1,346,337	4,772,477
<b>TOTAL ASSETS</b>	<b>195,196,140</b>	<b>242,555,805</b>	<b>437,751,945</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pension	3,707,587	1,432,603	5,140,190
Deferred charge on refunding	377,309	-	377,309
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>4,084,896</b>	<b>1,432,603</b>	<b>5,517,499</b>
<b>LIABILITIES</b>			
Accounts payable	712,794	5,617,621	6,330,415
Accrued and other current liabilities	903,749	5,017,394	5,921,143
Accrued interest payable	654,169	196,843	851,012
Due to other governments	27,758,375	-	27,758,375
Deposits	49,936	384,741	434,677
Unearned revenues	89,790	-	89,790
Long-term Obligations			
Due within one year	10,543,028	4,681,135	15,224,163
Due in more than one year	50,409,774	21,794,764	72,204,538
<b>TOTAL LIABILITIES</b>	<b>91,121,615</b>	<b>37,692,498</b>	<b>128,814,113</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property taxes	17,656,191	263,216	17,919,407
Gain on debt refunding	-	2,058,297	2,058,297
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>17,656,191</b>	<b>2,321,513</b>	<b>19,977,704</b>
<b>NET POSITION</b>			
Net investment in capital assets	87,127,517	134,976,967	222,104,484
Restricted for			
Debt service	1,301,231	3,469,196	4,770,427
Future loans	7,698,679	-	7,698,679
Future capital improvements	626,294	13,863,618	14,489,912
Pension benefits	7,133,727	2,778,940	9,912,667
Unrestricted (deficit)	(13,384,218)	48,885,676	35,501,458
<b>TOTAL NET POSITION</b>	<b>\$ 90,503,230</b>	<b>\$ 203,974,397</b>	<b>\$ 294,477,627</b>

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, 2015

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government</b>				
<b>Governmental Activities</b>				
General government	\$ 4,579,437	\$ 430,816	\$ 116,422	\$ -
Public safety	13,822,068	2,456,088	354,231	-
Public works	8,508,822	950,025	2,512,026	426,099
Health and human services	296,567	225,945	5,000	-
Culture and recreation	4,805,376	1,051,483	106,405	-
Conservation and development	1,257,001	47,628	94,813	-
Interest on debt	1,848,490	-	-	-
<b>Total Governmental Activities</b>	<b>35,117,761</b>	<b>5,161,985</b>	<b>3,188,897</b>	<b>426,099</b>
<b>Business-type Activities</b>				
Water utility	5,553,603	6,898,509	-	142,339
Electric utility	57,984,007	66,275,163	-	85,255
Steam utility	1,015,963	1,217,714	-	-
Broadband utility	72,257	222,710	-	-
Wastewater treatment plant	5,753,536	7,178,115	-	-
Transit system	2,056,301	195,708	1,749,317	-
<b>Total Business-type Activities</b>	<b>72,435,667</b>	<b>81,987,919</b>	<b>1,749,317</b>	<b>227,594</b>
<b>Total Primary Government</b>	<b>\$ 107,553,428</b>	<b>\$ 87,149,904</b>	<b>\$ 4,938,214</b>	<b>\$ 653,693</b>

**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, as originally reported

Cumulative effect of change in accounting principle

Net position - January 1, restated

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

\$ (4,032,199)	\$ -	\$ (4,032,199)
(11,011,749)	-	(11,011,749)
(4,620,672)	-	(4,620,672)
(65,622)	-	(65,622)
(3,647,488)	-	(3,647,488)
(1,114,560)	-	(1,114,560)
(1,848,490)	-	(1,848,490)
<u>(26,340,780)</u>	<u>-</u>	<u>(26,340,780)</u>

-	1,487,245	1,487,245
-	8,376,411	8,376,411
-	201,751	201,751
-	150,453	150,453
-	1,424,579	1,424,579
-	(111,276)	(111,276)
-	<u>11,529,163</u>	<u>11,529,163</u>
<u>(26,340,780)</u>	<u>11,529,163</u>	<u>(14,811,617)</u>

5,358,499	-	5,358,499
6,793,819	-	6,793,819
1,457,750	-	1,457,750
3,633,948	-	3,633,948
638,281	-	638,281
146,532	-	146,532
6,138,197	-	6,138,197
177,411	791,851	969,262
1,471,129	329,616	1,800,745
3,992,080	(3,992,080)	-
<u>29,807,646</u>	<u>(2,870,613)</u>	<u>26,937,033</u>
<u>3,466,866</u>	<u>8,658,550</u>	<u>12,125,416</u>
79,866,000	192,540,664	272,406,664
<u>7,170,364</u>	<u>2,775,183</u>	<u>9,945,547</u>
<u>87,036,364</u>	<u>195,315,847</u>	<u>282,352,211</u>
<u>\$ 90,503,230</u>	<u>\$ 203,974,397</u>	<u>\$ 294,477,627</u>

**CITY OF MANITOWOC, WISCONSIN**

Balance Sheet  
Governmental Funds  
December 31, 2015

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and investments	\$ 20,055,375	\$ -	\$ 5,825,030	\$ 25,880,405
Receivables				
Taxes	10,855,079	6,352,832	5,475,793	22,683,704
Accounts	1,469,793	13,759	32,684	1,516,236
Special assessments	898,707	223,836	-	1,122,543
Loans	-	240,647	5,613,590	5,854,237
Interest	19,349	-	-	19,349
Restricted investments	-	-	75,000	75,000
Due from other funds	3,533,139	1,290,057	-	4,823,196
Due from other governments	4,201,651	-	-	4,201,651
Inventories and prepaid items	606,445	-	-	606,445
<b>TOTAL ASSETS</b>	<b>\$ 41,639,538</b>	<b>\$ 8,121,131</b>	<b>\$ 17,022,097</b>	<b>\$ 66,782,766</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ 518,828	\$ -	\$ 95,585	\$ 614,413
Accrued and other current liabilities	549,575	-	27,946	577,521
Due to other funds	-	-	4,823,196	4,823,196
Due to other governments	27,758,375	-	-	27,758,375
Unearned revenues	-	2,585	87,205	89,790
Advance from other funds	-	-	1,370,905	1,370,905
<b>Total Liabilities</b>	<b>28,826,778</b>	<b>2,585</b>	<b>6,404,837</b>	<b>35,234,200</b>
<b>Deferred Inflows of Resources</b>				
Unearned revenues - Property taxes	5,827,566	6,352,832	5,475,793	17,656,191
Unavailable revenues - Revolving loans	-	240,647	5,613,590	5,854,237
Unavailable revenues - Special assessments	2,673	223,836	-	226,509
<b>Total Deferred Inflows of Resources</b>	<b>5,830,239</b>	<b>6,817,315</b>	<b>11,089,383</b>	<b>23,736,937</b>
<b>Fund Balances</b>				
<b>Nonspendable</b>				
Inventories and prepaid items	606,445	-	-	606,445
Long-term accounts and interfund receivables	3,329,843	-	-	3,329,843
<b>Restricted</b>				
Debt service	-	1,301,231	-	1,301,231
Future loans	-	-	2,085,089	2,085,089
Future projects or improvements	-	-	626,294	626,294
Committed for future spending	-	-	1,170,026	1,170,026
Assigned for future projects	292,984	-	1,738,367	2,031,351
Unassigned (deficit)	2,753,249	-	(6,091,899)	(3,338,650)
<b>Total Fund Balances</b>	<b>6,982,521</b>	<b>1,301,231</b>	<b>(472,123)</b>	<b>7,811,629</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 41,639,538</b>	<b>\$ 8,121,131</b>	<b>\$ 17,022,097</b>	<b>\$ 66,782,766</b>

(Continued)

**CITY OF MANITOWOC, WISCONSIN**  
 Balance Sheet (Continued)  
 Governmental Funds  
 December 31, 2015

Reconciliation to the Statement of Net Position

Total Fund Balances as shown on previous page \$ 7,811,629

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. 128,003,124

Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.

Special assessments	\$ 226,509	
Loans receivable	5,854,237	6,080,746

The City's proportionate share of the Wisconsin Retirement System pension plan is not an available financial resource; therefore, it is not reported in the fund financial statements:

Net pension asset	3,426,140	
Deferred outflows of resources	3,707,587	7,133,727

Internal service funds reported in the statement of net position as governmental activities (see page 41) 2,517,895

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

Bonds and notes payable	(52,889,000)	
Bond premium	(769,529)	
Deferred charges on debt refundings	377,309	
Compensated absences and other post-employment benefits	(7,108,502)	
Accrued interest on long-term obligations	(654,169)	(61,043,891)

Net Position of Governmental Activities as Reported on the Statement of Net Position (see page 32) \$ 90,503,230

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, 2015

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Taxes	\$ 5,505,031	\$ 6,793,819	\$ 5,729,979	\$ 18,028,829
Special assessments	145,684	308,521	-	454,205
Intergovernmental	8,399,184	-	1,172,023	9,571,207
Licenses and permits	752,756	-	-	752,756
Fines and forfeits	520,381	-	-	520,381
Public charges for services	2,191,903	-	288,137	2,480,040
Intergovernmental charges for services	187,217	-	117,096	304,313
Interdepartmental charges for services	994,523	-	-	994,523
Miscellaneous	1,591,879	124,544	747,350	2,463,773
<b>Total Revenues</b>	<b>20,288,558</b>	<b>7,226,884</b>	<b>8,054,585</b>	<b>35,570,027</b>
<b>Expenditures</b>				
<b>Current</b>				
General government	3,905,896	-	512,490	4,418,386
Public safety	13,055,920	-	169,127	13,225,047
Public works	4,501,417	-	1,741,770	6,243,187
Health and human services	309,802	-	-	309,802
Culture and recreation	1,740,787	-	2,695,612	4,436,399
Conservation and development	357,034	-	1,959,210	2,316,244
<b>Debt service</b>				
Principal	-	5,965,000	2,150,000	8,115,000
Interest and fiscal charges	-	1,588,613	314,313	1,902,926
<b>Total Expenditures</b>	<b>23,870,856</b>	<b>7,553,613</b>	<b>9,542,522</b>	<b>40,966,991</b>
<b>Excess of Revenues Under Expenditures</b>	<b>(3,582,298)</b>	<b>(326,729)</b>	<b>(1,487,937)</b>	<b>(5,396,964)</b>
<b>Other Financing Sources (Uses)</b>				
Long-term debt issued	-	7,010,000	2,500,000	9,510,000
Premium on debt issued	-	430,631	57,322	487,953
Payment to refunding escrow agent	-	(6,502,306)	-	(6,502,306)
Transfers in	4,248,125	72,239	445,740	4,766,104
Transfers out	(19,938)	-	(754,086)	(774,024)
<b>Total Other Financing Sources (Uses)</b>	<b>4,228,187</b>	<b>1,010,564</b>	<b>2,248,976</b>	<b>7,487,727</b>
<b>Net Change in Fund Balances</b>	<b>645,889</b>	<b>683,835</b>	<b>761,039</b>	<b>2,090,763</b>
<b>Fund Balances (Deficit) - January 1</b>	<b>6,336,632</b>	<b>617,396</b>	<b>(1,233,162)</b>	<b>5,720,866</b>
<b>Fund Balances (Deficit) - December 31</b>	<b>\$ 6,982,521</b>	<b>\$ 1,301,231</b>	<b>\$ (472,123)</b>	<b>\$ 7,811,629</b>

(Continued)

**CITY OF MANITOWOC, WISCONSIN**  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds (Continued)  
For the Year Ended December 31, 2015

Reconciliation to the Statement of Activities

Net Change in Fund Balances as shown on previous page \$ 2,090,763

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	\$ 2,218,781	
Net book value of capital assets disposed	(30,752)	
Depreciation expense reported in the statement of activities	<u>(5,787,781)</u>	
Amount by which depreciation is greater than capital outlays in current period		(3,599,752)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		800,721
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Change in the net pension asset and related deferred inflows and outflows of resources as a result of employer contributions, changes in assumptions and proportionate share and the difference between the expected and actual experience of the pension plan		(36,637)
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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	\$ (9,510,000)	
Premium on debt issued	(487,953)	
Deferred charge on debt refunding	377,309	
Principal paid on long-term debt	<u>14,185,000</u>	
Net adjustment		4,564,356

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		45,911
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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	\$ (462,107)	
Accrued interest	<u>63,522</u>	
Net adjustment		(398,585)

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		<u>89</u>
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Change in Net Position of Governmental Activities as Reported in the Statement of Activities (see pages 33 - 34)		<u><u>\$ 3,466,866</u></u>
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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, 2015

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 5,524,999	\$ 5,524,999	\$ 5,505,031	\$ (19,968)
Special assessments	217,000	217,000	145,684	(71,316)
Intergovernmental	8,396,278	8,396,278	8,399,184	2,906
Licenses and permits	761,375	761,375	752,756	(8,619)
Fines and forfeits	530,240	530,240	520,381	(9,859)
Public charges for services	2,362,283	2,362,283	2,191,903	(170,380)
Intergovernmental charges for services	191,428	191,428	187,217	(4,211)
Interdepartmental charges for services	1,698,536	1,698,536	994,523	(704,013)
Miscellaneous	535,770	535,770	1,591,879	1,056,109
<b>Total Revenues</b>	<b>20,217,909</b>	<b>20,217,909</b>	<b>20,288,558</b>	<b>70,649</b>
<b>Expenditures</b>				
<b>Current</b>				
General government	3,449,404	3,294,157	3,905,896	(611,739)
Public safety	13,255,877	13,390,763	13,055,920	334,843
Public works	5,467,051	5,492,969	4,501,417	991,552
Health and human services	300,770	300,770	309,802	(9,032)
Culture and recreation	1,759,104	1,761,694	1,740,787	20,907
Conservation and development	373,777	402,250	357,034	45,216
<b>Total Expenditures</b>	<b>24,605,983</b>	<b>24,642,603</b>	<b>23,870,856</b>	<b>771,747</b>
<b>Excess of Revenues Under Expenditures</b>	<b>(4,388,074)</b>	<b>(4,424,694)</b>	<b>(3,582,298)</b>	<b>842,396</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	4,170,660	4,170,660	4,248,125	77,465
Transfers out	-	19,938	(19,938)	(39,876)
<b>Total Other Financing Sources (Uses)</b>	<b>4,170,660</b>	<b>4,190,598</b>	<b>4,228,187</b>	<b>37,589</b>
<b>Net Change in Fund Balance</b>	<b>(217,414)</b>	<b>(234,096)</b>	<b>645,889</b>	<b>879,985</b>
<b>Fund Balance - January 1</b>	<b>6,336,632</b>	<b>6,336,632</b>	<b>6,336,632</b>	<b>-</b>
<b>Fund Balance - December 31</b>	<b>\$ 6,119,218</b>	<b>\$ 6,102,536</b>	<b>\$ 6,982,521</b>	<b>\$ 879,985</b>

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, 2015

	Enterprise Funds			
	Water Utility	Electric Utility	Steam Utility	Broadband Utility
<b>ASSETS</b>				
Current Assets				
Cash and investments	\$ 4,023,317	\$ 27,441,786	\$ 463,653	\$ 820,662
Receivables				
Taxes	-	-	-	-
Accounts	1,117,445	5,638,315	86,448	9,367
Advance to other funds	-	1,675,838	-	-
Due from other governments	-	-	-	-
Deferred charges	536,357	606,427	724,740	-
Inventories and prepaid items	206,835	2,613,507	13,935	120,242
Restricted assets				
Cash and investments	5,315,393	2,320,707	26,017	-
Accrued interest	-	64,388	-	-
<b>Total Current Assets</b>	<b>11,199,347</b>	<b>40,360,968</b>	<b>1,314,793</b>	<b>950,271</b>
Noncurrent Assets				
Other assets	480,175	10,693,098	-	-
Notes receivable	-	920,000	-	-
Advance to other funds	-	686,310	-	-
Capital assets, nondepreciable				
Land	263,039	1,922,706	53,723	-
Construction in progress	518,886	1,165,552	-	-
Capital assets, depreciable				
Buildings and improvements	4,917,648	15,789,216	175,887	-
Improvements other than buildings	40,365,464	50,658,164	685,364	1,033,109
Machinery and equipment	24,092,649	104,235,353	1,653,386	210,184
Less: Accumulated depreciation	(22,183,111)	(81,666,242)	(1,081,076)	(553,274)
Net pension asset	186,665	888,130	-	-
<b>Total Noncurrent Assets</b>	<b>48,641,415</b>	<b>105,292,287</b>	<b>1,487,284</b>	<b>690,019</b>
<b>TOTAL ASSETS</b>	<b>59,840,762</b>	<b>145,653,255</b>	<b>2,802,077</b>	<b>1,640,290</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows related to pension	215,901	934,401	-	-
<b>LIABILITIES</b>				
Current Liabilities				
Accounts payable	1,376,946	3,934,088	232,500	2,361
Accrued and other current liabilities	928,570	4,022,687	43,914	21,290
Accrued interest payable	3,533	162,794	1,644	-
Due to other funds	-	-	-	-
Deposits	882	383,859	-	-
Revenue bonds payable	520,000	2,562,464	25,883	-
Land contract	96,000	-	-	-
<b>Total Current Liabilities</b>	<b>2,925,931</b>	<b>11,065,892</b>	<b>303,941</b>	<b>23,651</b>
Long-term obligations				
Compensated absences	226,763	1,517,160	-	-
Revenue bonds payable	540,000	14,087,900	142,303	-
Land contract	376,000	-	-	-
Other post employment benefits	54,782	218,373	1,794	-
<b>Total Noncurrent Liabilities</b>	<b>1,197,545</b>	<b>15,823,433</b>	<b>144,097</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>4,123,476</b>	<b>26,889,325</b>	<b>448,038</b>	<b>23,651</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes	-	-	-	-
Unamortized gain on debt refunding	-	2,037,714	20,583	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>2,037,714</b>	<b>20,583</b>	<b>-</b>
<b>NET POSITION</b>				
Net investment in capital assets	46,914,575	75,454,385	1,319,098	690,019
Restricted for				
Debt service	1,220,878	2,222,301	26,017	-
Capital projects	4,090,982	-	-	-
Pension benefits	402,566	1,822,531	-	-
Unrestricted	3,304,186	38,161,400	988,341	926,620
<b>TOTAL NET POSITION</b>	<b>\$ 55,933,187</b>	<b>\$ 117,660,617</b>	<b>\$ 2,333,456</b>	<b>\$ 1,616,639</b>

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

Enterprise Funds (Continued)			Totals	Governmental Activities - Internal Service Funds
Wastewater Treatment Plant	Transit System			
\$ 4,735,322	\$ 225,580	\$ 37,710,320	\$ 1,760,152	
-	263,216	263,216	-	
635,252	78,497	7,565,324	22,590	
-	-	1,675,838	-	
-	252,974	252,974	-	
-	-	1,867,524	-	
-	118,117	3,072,636	83,710	
9,772,636	-	17,434,753	-	
-	-	64,388	-	
15,143,210	938,384	69,906,973	1,866,452	
-	-	11,173,273	-	
-	-	920,000	1,111,426	
-	-	686,310	-	
330,600	90,000	2,660,068	-	
-	-	1,684,438	1,191,576	
35,456,335	2,069,645	58,408,731	-	
-	-	92,742,101	-	
2,779,517	2,893,931	135,865,020	-	
(24,130,186)	(3,223,557)	(132,837,446)	-	
131,204	140,338	1,346,337	-	
14,567,470	1,970,357	172,648,832	2,303,002	
29,710,680	2,908,741	242,555,805	4,169,454	
140,930	141,371	1,432,603	-	
38,592	33,134	5,617,621	98,381	
-	933	5,017,394	376,164	
28,872	-	196,843	-	
-	-	-	991,243	
-	-	384,741	-	
1,476,788	-	4,585,135	-	
-	-	96,000	-	
1,544,252	34,067	15,897,734	1,465,788	
186,275	175,870	2,106,068	185,771	
4,190,607	-	18,960,810	-	
-	-	376,000	-	
36,304	40,633	351,886	-	
4,413,186	216,503	21,794,764	185,771	
5,957,438	250,570	37,692,498	1,651,559	
-	263,216	263,216	-	
-	-	2,058,297	-	
-	263,216	2,321,513	-	
8,768,871	1,830,019	134,976,967	-	
-	-	3,469,196	-	
9,772,636	-	13,863,618	-	
272,134	281,709	2,778,940	-	
5,080,531	424,598	48,885,676	2,517,895	
\$ 23,894,172	\$ 2,536,326	\$ 203,974,397	\$ 2,517,895	

**CITY OF MANITOWOC, WISCONSIN**  
Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Funds  
For the Year Ended December 31, 2015

	Enterprise Funds			
	Water Utility	Electric Utility	Steam Utility	Broadband Utility
Operating Revenues				
Charges for services	\$ 6,723,202	\$ 66,015,522	\$ 1,214,560	\$ 222,710
Other	145,797	292,267	-	-
Total Operating Revenues	<u>6,868,999</u>	<u>66,307,789</u>	<u>1,214,560</u>	<u>222,710</u>
Operating Expenses				
Source of supply	8,452	-	-	-
Pumping	888,129	-	-	-
Power production	-	9,121,874	894,047	-
Other power supply	-	38,020,950	-	-
Water treatment	790,623	-	-	-
Transmission and distribution	907,666	1,095,939	26,141	-
Customer accounts	225,430	753,619	-	-
Administrative and general	835,198	2,663,118	13,006	52,370
Combined operation and maintenance	-	-	-	-
Depreciation and amortization	1,737,744	5,170,441	72,175	19,887
Taxes	109,708	449,473	3,469	-
Total Operating Expenses	<u>5,502,950</u>	<u>57,275,414</u>	<u>1,008,838</u>	<u>72,257</u>
Operating Income (Loss)	<u>1,366,049</u>	<u>9,032,375</u>	<u>205,722</u>	<u>150,453</u>
Nonoperating Revenues (Expenses)				
Property taxes	-	-	-	-
Intergovernmental	-	-	-	-
Interest revenue	(26,937)	808,165	10,623	-
Merchandising and jobbing	29,510	(32,626)	3,154	-
Amortization of debt premium	-	132,014	-	-
Amortization of gain on debt refunding	-	148,197	2,831	-
Interest and fiscal charges	(50,653)	(708,593)	(7,125)	-
Gain/(Loss) on disposal of capital assets	-	-	-	-
Miscellaneous	4,399	(706)	-	-
Insurance recoveries	-	-	-	-
Total Nonoperating Revenues (Expenses)	<u>(43,681)</u>	<u>346,451</u>	<u>9,483</u>	<u>-</u>
Income (Loss) Before Contributions and Transfers	1,322,368	9,378,826	215,205	150,453
Capital contributions	142,339	85,255	-	-
Transfers out	<u>(902,547)</u>	<u>(2,993,709)</u>	<u>(42,391)</u>	<u>(21,290)</u>
Change in Net Position	<u>562,160</u>	<u>6,470,372</u>	<u>172,814</u>	<u>129,163</u>
Net Position - January 1, as originally reported	54,956,091	109,378,129	2,160,642	1,487,476
Cumulative effect of change in accounting principle	<u>414,936</u>	<u>1,812,116</u>	<u>-</u>	<u>-</u>
Net Position - January 1, restated	<u>55,371,027</u>	<u>111,190,245</u>	<u>2,160,642</u>	<u>1,487,476</u>
Net Position - December 31	<u>\$ 55,933,187</u>	<u>\$ 117,660,617</u>	<u>\$ 2,333,456</u>	<u>\$ 1,616,639</u>

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	
\$ 7,178,115	\$ 195,708	\$ 81,549,817	\$ 4,030,048
-	-	438,064	641
<u>7,178,115</u>	<u>195,708</u>	<u>81,987,881</u>	<u>4,030,689</u>
-	-	8,452	-
-	736	888,865	-
-	-	10,015,921	-
-	-	38,020,950	-
-	-	790,623	-
-	-	2,029,746	-
-	-	979,049	-
-	-	3,563,692	-
3,967,634	1,890,176	5,857,810	4,089,093
1,592,984	165,389	8,758,620	-
-	-	562,650	16,980
<u>5,560,618</u>	<u>2,056,301</u>	<u>71,476,378</u>	<u>4,106,073</u>
<u>1,617,497</u>	<u>(1,860,593)</u>	<u>10,511,503</u>	<u>(75,384)</u>
-	251,503	251,503	-
-	1,497,814	1,497,814	-
-	-	791,851	-
-	-	38	-
-	-	132,014	-
-	-	151,028	-
(188,454)	-	(954,825)	-
(4,464)	-	(4,464)	-
2,961	39,920	46,574	-
-	-	-	75,473
<u>(189,957)</u>	<u>1,789,237</u>	<u>1,911,533</u>	<u>75,473</u>
1,427,540	(71,356)	12,423,036	89
-	-	227,594	-
<u>(27,125)</u>	<u>(5,018)</u>	<u>(3,992,080)</u>	<u>-</u>
<u>1,400,415</u>	<u>(76,374)</u>	<u>8,658,550</u>	<u>89</u>
22,221,005	2,337,321	192,540,664	2,517,806
272,752	275,379	2,775,183	-
<u>22,493,757</u>	<u>2,612,700</u>	<u>195,315,847</u>	<u>2,517,806</u>
<u>\$ 23,894,172</u>	<u>\$ 2,536,326</u>	<u>\$ 203,974,397</u>	<u>\$ 2,517,895</u>

**CITY OF MANITOWOC, WISCONSIN**  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2015

	Enterprise Funds			
	Water Utility	Electric Utility	Steam Utility	Broadband Utility
<b>Cash Flows from Operating Activities</b>				
Cash received from customers	\$ 6,796,146	\$ 65,799,816	\$ 1,301,047	\$ 226,765
Cash paid to suppliers	(1,721,952)	(48,769,164)	(1,392,036)	(50,234)
Cash paid to employees	(1,077,107)	(2,700,821)	(23,947)	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>3,997,087</b>	<b>14,329,831</b>	<b>(114,936)</b>	<b>176,531</b>
<b>Cash Flows from Noncapital Financing Activities</b>				
General property taxes	-	-	-	-
Cash transferred to other funds	(912,014)	(2,993,709)	(42,391)	(21,290)
Operating grants	-	-	-	-
Cash advanced to other funds	-	(999,315)	-	-
Advance payment to City	-	686,809	-	-
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>(912,014)</b>	<b>(3,306,215)</b>	<b>(42,391)</b>	<b>(21,290)</b>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Principal paid on debt	(503,000)	(2,351,250)	(23,750)	-
Cash advanced from other funds	(480,175)	-	-	-
Interest and fiscal charges	(52,303)	(714,475)	(7,184)	-
Customer contributions	142,339	85,255	-	-
Cost of removal of capital assets	(12,510)	(72,935)	-	-
Proceeds on disposal of capital assets	2,634	20,583	-	-
Acquisition of capital assets	(866,859)	(3,183,768)	(6,685)	-
<b>Net Cash Used by Capital and Related Financing Activities</b>	<b>(1,769,874)</b>	<b>(6,216,590)</b>	<b>(37,619)</b>	<b>-</b>
<b>Cash Flows from Investing Activities</b>				
Interest received on investments	(26,937)	743,777	10,623	-
Cash paid to ATC LLC	-	(387,183)	-	-
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>(26,937)</b>	<b>356,594</b>	<b>10,623</b>	<b>-</b>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	<b>1,288,262</b>	<b>5,163,620</b>	<b>(184,323)</b>	<b>155,241</b>
<b>Cash and Cash Equivalents - January 1</b>	<b>8,050,448</b>	<b>24,598,873</b>	<b>673,993</b>	<b>665,421</b>
<b>Cash and Cash Equivalents - December 31</b>	<b>\$ 9,338,710</b>	<b>\$ 29,762,493</b>	<b>\$ 489,670</b>	<b>\$ 820,662</b>
<b>Reconciliation of cash and cash equivalents to the statement of net position:</b>				
Unrestricted cash and investments	\$ 4,023,317	\$ 27,441,786	\$ 463,653	\$ 820,662
Restricted cash and investments	5,315,393	2,320,707	26,017	-
	<b>\$ 9,338,710</b>	<b>\$ 29,762,493</b>	<b>\$ 489,670</b>	<b>\$ 820,662</b>

(Continued)

Enterprise Fund (Continued)			Governmental Activities - Internal Service Funds
Wastewater Treatment Plant	Transit System	Totals	
\$ 7,119,776	\$ 229,609	\$ 81,473,159	\$ 4,037,571
(3,070,402)	(681,328)	(55,685,116)	(3,736,381)
(963,892)	(1,203,555)	(5,969,322)	(295,161)
<u>3,085,482</u>	<u>(1,655,274)</u>	<u>19,818,721</u>	<u>6,029</u>
-	251,503	251,503	-
(27,125)	(5,018)	(4,001,547)	-
-	1,483,132	1,483,132	-
-	-	(999,315)	-
-	-	686,809	-
<u>(27,125)</u>	<u>1,729,617</u>	<u>(2,579,418)</u>	<u>-</u>
(1,431,117)	-	(4,309,117)	-
-	-	(480,175)	618,933
(196,065)	-	(970,027)	-
-	-	227,594	-
-	-	(85,445)	-
-	-	23,217	-
<u>(13,273)</u>	<u>-</u>	<u>(4,070,585)</u>	<u>(853,536)</u>
<u>(1,640,455)</u>	<u>-</u>	<u>(9,664,538)</u>	<u>(234,603)</u>
-	-	727,463	-
-	-	(387,183)	-
-	-	340,280	-
1,417,902	74,343	7,915,045	(228,574)
<u>13,090,056</u>	<u>151,237</u>	<u>47,230,028</u>	<u>1,988,726</u>
<u>\$ 14,507,958</u>	<u>\$ 225,580</u>	<u>\$ 55,145,073</u>	<u>\$ 1,760,152</u>
\$ 4,735,322	\$ 225,580	\$ 37,710,320	\$ 1,760,152
9,772,636	-	17,434,753	-
<u>\$ 14,507,958</u>	<u>\$ 225,580</u>	<u>\$ 55,145,073</u>	<u>\$ 1,760,152</u>

**CITY OF MANITOWOC, WISCONSIN**  
Statement of Cash Flows (Continued)  
Proprietary Funds  
For the Year Ended December 31, 2015

	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)	\$ 1,366,049	\$ 9,032,375	\$ 205,722	\$ 150,453
Adjustments to reconcile operating income (loss) to net cash provided (used) by operations				
Depreciation	1,737,744	5,170,441	72,175	19,887
Depreciation charged to operating accounts	78,795	175,442	14,941	-
Insurance recoveries	-	-	-	-
Change in pension related assets and deferred outflows	12,370	(10,415)	-	-
Merchandising and jobbing	29,510	(32,626)	3,154	-
Miscellaneous income	4,398	-	-	-
Changes in assets and liabilities				
Accounts receivable	(106,261)	(570,074)	83,333	4,055
Inventories and prepaid items	(22,629)	36,158	653	(153)
Deferred charges	94,111	(31,352)	(724,740)	-
Accounts payable	257,664	534,320	228,291	1,541
Accrued and other current liabilities	100,449	260,562	1,351	748
Due from other funds	505,616	-	-	-
Compensated absences and employee benefits	(60,229)	(329,727)	184	-
Deposits	(500)	94,727	-	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 3,997,087</b>	<b>\$ 14,329,831</b>	<b>\$ (114,936)</b>	<b>\$ 176,531</b>
Noncash Investing, Capital and Financing Activities				
None	\$ -	\$ -	\$ -	\$ -

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	
\$ 1,617,497	\$ (1,860,593)	\$ 10,511,503	\$ (75,384)
1,592,984	165,389	8,758,620	-
-	-	269,178	-
-	-	-	75,473
618	(6,330)	(3,757)	-
-	-	38	-
2,961	39,920	47,279	-
(61,300)	(6,019)	(656,266)	6,882
-	(3,417)	10,612	(30,105)
-	-	(661,981)	66,962
(86,701)	(6,996)	928,119	43,257
-	-	363,110	(81,056)
-	-	505,616	-
19,423	22,772	(347,577)	-
-	-	94,227	-
<u>\$ 3,085,482</u>	<u>\$ (1,655,274)</u>	<u>\$ 19,818,721</u>	<u>\$ 6,029</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF MANITOWOC, WISCONSIN**  
Statement of Fiduciary Net Position  
Poor Relief Fiduciary Fund  
December 31, 2015

	Poor Relief
<b>ASSETS</b>	
Cash and investments	<u>\$        15,912</u>
<b>NET POSITION</b>	
Restricted for Trust activities	<u>\$        15,912</u>

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, 2015

	Poor Relief
Additions	
Interest on investments	\$ 88
Deductions	
Benefits	875
Change in Net Position	(787)
Net Position - January 1	16,699
Net Position - December 31	\$ 15,912

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

## CITY OF MANITOWOC, WISCONSIN

Notes to Basic Financial Statements

December 31, 2015

### 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.

**CITY OF MANITOWOC, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**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 fund 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.

**CITY OF MANITOWOC, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**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.

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.

**CITY OF MANITOWOC, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**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.

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.

**CITY OF MANITOWOC, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

	Governmental Activities	Business-Type Activities
	Years	
<u>Assets</u>		
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 has two items that qualify for reporting in this category in the government-wide statement of net position. The first is the deferred charge on refunding resulting 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. The second item is related to the City's proportionate share of the Wisconsin Retirement System pension plan and is deferred and amortized over the expected remaining service lives of the pension plan participants.

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 items that qualify for reporting in this category in the government-wide statement of net position. The first is property taxes, which will be recognized as an inflow of resources in the subsequent year for which it was levied. The second is related to a gain on debt refunding which is the result from the difference in 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, which 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, special assessments and loans receivable. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

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.

**CITY OF MANITOWOC, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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. Pensions

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

k. 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, as each is equally difficult to remove the constraint. 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.

**CITY OF MANITOWOC, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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.

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.

**CITY OF MANITOWOC, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**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, capital equipment, environmental remediation, cemetery improvements, 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, 2015.

2. Deficit Fund Equity

The following funds had deficit fund equity as of December 31, 2015:

Fund	Deficit Fund Equity
Special Revenue Funds	
CDBG	\$ 63,040
Aquatic Center	37,169
EPA Grant	6
Capital Projects Funds	
Sanitary and Storm Sewers	1,063,469
Streets	2,403,097
Tax Increment District No. 9	378,423
Tax Increment District No. 11	88,718
Tax Increment District No. 14	503,026
Tax Increment District No. 16	1,553,934
Tax Increment District No. 18	1,017

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.

**CITY OF MANITOWOC, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

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 \$82,876,542 on December 31, 2015 as summarized below:

Petty cash funds	\$ 13,815
Deposits with financial institutions	37,253,720
Investments	
U.S. Treasury Notes	9,169,348
Government National Mortgage Association	219,738
Federal National Mortgage Association	5,540,852
Federal Home Loan Bank	4,509,616
Federal Home Loan Mortgage Corporation	1,569,307
Federal Farm Credit Bureau	1,860,562
Small Business Administration	344,111
State and Municipal Bonds	1,505,474
Money market mutual funds	4,762,052
Repurchase agreements	4,999,868
Lakeshore Community Foundation	75,000
Corporate obligations	7,088,832
Wisconsin local government investment pool	3,964,247
	<u>\$ 82,876,542</u>

Reconciliation to the basic financial statements:

Government-Wide Statement of Net Position	
Cash and investments	\$ 65,350,877
Restricted cash and investments	17,509,753
Fiduciary Funds Statement of Net Position	
Private-purpose trust fund	15,912
	<u>\$ 82,876,542</u>

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.

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.

**CITY OF MANITOWOC, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

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, 2015, \$31,739,540 of the City's deposits with financial institutions were in excess of federal and state depository insurance limits and uncollateralized.

As of December 31, 2015, the City held repurchase agreement investments of \$4,999,868 of which the underlying securities are held by the investment's counterparty, not in the name of the City.

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	\$ 9,169,348	\$ 9,169,348	\$ -	\$ -	\$ -	\$ -
U.S. Government agencies	14,044,186	563,849	13,480,337	-	-	-
Corporate obligations	7,088,832	-	69,524	4,662,338	2,356,970	-
State and municipal bonds	1,505,474	-	-	1,505,474	-	-
Money market mutual funds	4,762,052	-	-	-	-	4,762,052
Lakeshore Community Foundation	75,000	-	-	-	-	75,000
Wisconsin local government investment pool	3,964,247	-	-	-	-	3,964,247
<b>Totals</b>	<b>\$ 40,609,139</b>	<b>\$ 9,733,197</b>	<b>\$ 13,549,861</b>	<b>\$ 6,167,812</b>	<b>\$ 2,356,970</b>	<b>\$ 8,801,299</b>

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	\$ 5,540,852
Federal Home Loan Bank	4,509,616
	<u>\$ 10,050,468</u>

**CITY OF MANITOWOC, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

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:

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
U.S. Treasury notes	\$ 9,169,348	\$ 4,744,048	\$ 1,465,614	\$ 2,959,686	\$ -
U.S. Government agencies	14,044,186	3,896,437	1,652,433	2,220,923	6,274,393
Corporate obligations	7,088,832	206,011	2,869,077	4,013,744	-
State and Municipal Bonds	1,505,474	-	-	1,505,474	-
Money market mutual funds	4,762,052	4,762,052	-	-	-
Repurchase agreements	4,999,868	4,999,868	-	-	-
Lakeshore Community Foundation	75,000	75,000	-	-	-
Wisconsin local government investment pool	3,964,247	3,964,247	-	-	-
<b>Totals</b>	<b>\$ 45,609,007</b>	<b>\$ 22,647,663</b>	<b>\$ 5,987,124</b>	<b>\$ 10,699,827</b>	<b>\$ 6,274,393</b>

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	\$ 219,738
Federal National Mortgage Association	5,540,852
Federal Home Loan Bank	4,509,616
Federal Home Loan Mortgage Corporation	1,569,307
Federal Farm Credit Bureau	1,860,562
Small Business Administration	344,111
	<u>\$ 14,044,186</u>

**CITY OF MANITOWOC, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

Investment in Wisconsin Local Government Investment Pool

The City has investments in the Wisconsin local government investment pool of \$3,964,247 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, 2015, 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, 2015 totaled \$17,509,753 and consisted of cash and investments held for the following purposes:

Special Revenue Fund	
Police Programs	
K-9 Program	\$ 75,000
Enterprise Funds	
Water Utility	
Retirement of waterworks system revenue bonds	1,224,411
Membrane replacement	4,090,982
Electric Utility	
Retirement of electric system revenue bonds	2,320,707
Steam Utility	
Retirement of revenue bonds	26,017
Wastewater Treatment Plant	
Plant replacement	9,772,636
Total Restricted Assets	<u>\$ 17,509,753</u>

**CITY OF MANITOWOC, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

4. Capital Assets

Capital asset activity for the year ended December 31, 2015 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 7,195,018	\$ 5,100	\$ -	\$ 7,200,118
Construction in progress	338,040	853,536	-	1,191,576
Total capital assets, not being depreciated	<u>7,533,058</u>	<u>858,636</u>	<u>-</u>	<u>8,391,694</u>
Capital assets, being depreciated:				
Buildings	28,797,563	-	-	28,797,563
Machinery and equipment	25,718,138	1,355,848	1,054,539	26,019,447
Infrastructure	169,443,593	857,833	1,242,238	169,059,188
Subtotals	<u>223,959,294</u>	<u>2,213,681</u>	<u>2,296,777</u>	<u>223,876,198</u>
Less accumulated depreciation for:				
Buildings	11,233,445	573,733	-	11,807,178
Machinery and equipment	13,998,104	1,302,312	1,023,787	14,276,629
Infrastructure	74,319,887	3,911,736	1,242,238	76,989,385
Subtotals	<u>99,551,436</u>	<u>5,787,781</u>	<u>2,266,025</u>	<u>103,073,192</u>
Total capital assets, being depreciated, net	<u>124,407,858</u>	<u>(3,574,100)</u>	<u>30,752</u>	<u>120,803,006</u>
Governmental activities capital assets, net	<u>\$ 131,940,916</u>	<u>\$ (2,715,464)</u>	<u>\$ 30,752</u>	<u>129,194,700</u>
Less related long-term debt outstanding, unamortized premium and deferred outflows				<u>42,067,183</u>
Net investment in capital assets				<u>\$ 87,127,517</u>
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 2,023,042	\$ 637,026	\$ -	\$ 2,660,068
Construction in progress	821,929	4,344,146	3,481,637	1,684,438
Total capital assets, not being depreciated	<u>2,844,971</u>	<u>4,981,172</u>	<u>3,481,637</u>	<u>4,344,506</u>
Capital assets, being depreciated:				
Buildings	57,321,192	1,302,585	215,046	58,408,731
Improvements other than buildings	91,809,118	1,231,365	298,382	92,742,101
Machinery and equipment	135,879,529	518,586	533,095	135,865,020
Subtotals	<u>285,009,839</u>	<u>3,052,536</u>	<u>1,046,523</u>	<u>287,015,852</u>
Less accumulated depreciation for:				
Buildings	27,780,628	3,334,185	238,714	30,876,099
Improvements other than buildings	37,330,822	999,886	358,933	37,971,775
Machinery and equipment	59,800,999	4,693,727	505,154	63,989,572
Subtotals	<u>124,912,449</u>	<u>9,027,798</u>	<u>1,102,801</u>	<u>132,837,446</u>
Total capital assets, being depreciated, net	<u>160,097,390</u>	<u>(5,975,262)</u>	<u>(56,278)</u>	<u>154,178,406</u>
Business-type activities capital assets, net	<u>\$ 162,942,361</u>	<u>\$ (994,090)</u>	<u>\$ 3,425,359</u>	<u>158,522,912</u>
Less related long-term debt outstanding, unamortized premium and deferred inflows and outflows				<u>23,545,945</u>
Net investment in capital assets				<u>\$ 134,976,967</u>

**CITY OF MANITOWOC, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

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

Governmental activities	
General government	\$ 216,399
Public safety	518,869
Public works	4,464,886
Health and human services	14,100
Culture and recreation	550,970
Conservation and development	22,557
Total depreciation expense - governmental activities	<u>\$ 5,787,781</u>
Business-type activities	
Water utility	\$ 1,737,744
Electric utility	5,170,441
Steam utility	72,175
Broadband utility	19,887
Wastewater treatment plant	1,592,984
Transit system	165,389
Depreciation charged to operating accounts and other adjustments	269,178
Total depreciation expense - business-type activities	<u>\$ 9,027,798</u>

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, 2015 are detailed below:

	Interfund Receivables	Interfund Payables
Temporary Cash Advances to Finance Operating Cash		
Deficits of Other Funds		
General Fund	\$ 3,533,139	\$ -
Debt Service Fund	1,290,057	-
Nonmajor Governmental Funds	-	4,823,196
Electric utility enterprise fund	991,243	-
Data processing internal service fund	-	991,243
Advances Between Funds		
Electric Utility Enterprise Fund	1,370,905	-
Sanitary and Storm Sewers		
Capital Projects Fund	-	1,158,985
Streets Capital Projects Fund	-	211,920
Totals	<u>\$ 7,185,344</u>	<u>\$ 7,185,344</u>

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.

**CITY OF MANITOWOC, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

Interfund transfers for the year ended December 31, 2015 were as follows:

	Transfers in:			
	General Fund	Debt Service	Nonmajor Governmental	Total
Transfers Out:				
General Fund	\$ -	\$ -	\$ 19,938	\$ 19,938
Nonmajor Governmental Funds				
Special Revenue Funds	288,188	40,096	36,904	365,188
Capital Projects Funds	-	-	388,898	388,898
Proprietary Funds				
Water Utility	902,547	-	-	902,547
Electric Utility	2,993,709	-	-	2,993,709
Steam Utility	42,391	-	-	42,391
Broadband Utility	21,290	-	-	21,290
Wastewater Treatment Plant	-	27,125	-	27,125
Transit System	-	5,018	-	5,018
Totals	<u>\$ 4,248,125</u>	<u>\$ 72,239</u>	<u>\$ 445,740</u>	<u>\$ 4,766,104</u>

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, 2015:

	Outstanding 1/1/15	Issued	Retired	Outstanding 12/31/15	Due Within One Year
<b>Governmental activities:</b>					
General Obligation Debt					
Bonds	\$ 35,045,000	\$ 7,010,000	\$ 11,010,000	\$ 31,045,000	\$ 5,555,000
Notes	22,519,000	2,500,000	3,175,000	21,844,000	2,905,000
Total General Obligation Debt	<u>57,564,000</u>	<u>9,510,000</u>	<u>14,185,000</u>	<u>52,889,000</u>	<u>8,460,000</u>
Bond premium	327,487	487,953	45,911	769,529	83,028
Compensated absences	5,740,884	461,620	-	6,202,504	2,000,000
Other post employment benefits	1,085,651	28,962	22,844	1,091,769	-
Governmental activities					
Long-term obligations	<u>\$ 64,718,022</u>	<u>\$ 10,488,535</u>	<u>\$ 14,253,755</u>	<u>\$ 60,952,802</u>	<u>\$ 10,543,028</u>
<b>Business-type activities:</b>					
Revenue bonds	\$ 26,983,512	\$ -	\$ 4,301,117	\$ 22,682,395	\$ 4,451,788
Unamortized premium	996,896	-	133,346	863,550	133,347
Land contract	-	480,000	8,000	472,000	96,000
Compensated absences	2,221,750	41,351	157,033	2,106,068	-
Other post employment benefits	322,781	32,357	3,252	351,886	-
Business-type activities					
Long-term obligations	<u>\$ 30,524,939</u>	<u>\$ 553,708</u>	<u>\$ 4,602,748</u>	<u>\$ 26,475,899</u>	<u>\$ 4,681,135</u>

Total interest paid during the year on long-term debt totaled \$3,939,524.

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

**CITY OF MANITOWOC, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

**Bonds**

\$4,390,000 capital improvement and revaluation bonds issued 5/22/06; \$1,135,000 due in 2016; interest 4.125%	\$ 1,135,000
\$8,220,000 capital improvement bonds issued 4/9/07; \$560,000 to \$605,000 due annually through 2018; interest 3.875% to 3.9%	1,750,000
\$5,600,000 capital improvement bonds issued 6/27/08; \$275,000 to \$420,000 due annually through 2020; interest 3.25% to 4.00%	1,870,000
\$6,225,000 capital improvement bonds issued 2/17/09; \$395,000 to \$485,000 due annually through 2021; interest 4.0%	2,615,000
\$5,850,000 capital improvement bonds issued 2/16/10; \$395,000 to \$520,000 due annually through 2025; interest 2.8% to 5.1%	4,485,000
\$10,615,000 refunding bonds issued 2/16/10; \$200,000 to \$1,845,000 due annually through 2021; interest 3.0% to 4.0%	3,840,000
\$3,280,000 capital improvement bonds issued 4/25/11; \$210,000 to \$305,000 due annually through 2026; interest 2.5% to 3.65%	2,750,000
\$6,690,000 refunding bonds issued 11/28/11; \$475,000 to \$905,000 due annually through 2023; interest 2.15% to 3.95%	5,590,000
\$7,010,000 refunding bonds issued 12/21/2015; \$140,000 to \$1,650,000 due annually through 2026; interest 1.1% to 3.95%	7,010,000
Total Bonds	<u>31,045,000</u>

**Notes**

\$2,955,000 capital improvement notes issued 2/17/09; \$155,000 to \$165,000 due annually through 2019; interest 3.0% to 3.25%	635,000
\$1,605,000 capital improvement notes issued 4/25/11; \$180,000 to \$210,000 due annually through 2021; interest 2.1% to 3.25%	1,165,000
\$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%	5,060,000
\$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%	8,110,000
\$3,965,000 capital improvement notes issued 3/24/14; \$275,000 to \$915,000 due annually through 2022; interest 2.0% to 3.0%	3,965,000
\$2,500,000 capital improvement notes issued 4/6/2015; \$200,000 to \$360,000 due annually 2018 through 2025; interest	2,500,000
\$409,000 capital improvement notes issued 11/17/14; \$40,000 to \$179,000 due annually through 2019; interest 3.0%	409,000
Total Notes	<u>21,844,000</u>

Total Outstanding General Obligation Debt	<u>\$ 52,889,000</u>
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**CITY OF MANITOWOC, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

Annual principal and interest maturities of the outstanding general obligation debt of \$52,889,000 on December 31, 2015 are detailed below:

Year Ended December 31	Governmental Activities		
	Principal	Interest	Total
2016	\$ 8,460,000	\$ 1,423,492	\$ 9,883,492
2017	7,405,000	1,247,847	8,652,847
2018	6,985,000	1,043,315	8,028,315
2019	6,214,000	858,609	7,072,609
2020	5,655,000	689,698	6,344,698
2021-2025	17,680,000	1,230,732	18,910,732
2026	490,000	8,343	498,343
	<u>\$ 52,889,000</u>	<u>\$ 6,502,036</u>	<u>\$ 59,391,036</u>

Legal Margin for New Debt

The City's legal margin for creation of additional general obligation debt on December 31, 2015 was \$43,999,761 as follows:

Equalized valuation of the City		\$ 1,911,750,600
Statutory limitation percentage		(x) 5%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes		95,587,530
Outstanding general obligation debt applicable to debt limitation	\$ 52,889,000	
Less amount available in debt service fund	1,301,231	51,587,769
Legal Margin for New Debt		<u>\$ 43,999,761</u>

Revenue Bonds

Revenue bond debt service requirements are financed from operations of the enterprise funds. Revenue bonds outstanding on December 31, 2015 totaled \$22,682,395 and were composed of the following issues:

Water Utility

\$3,720,000 issued 3/5/07; \$520,000 in 2016 and \$540,000 due in 2017; interest 4.0% \$ 1,060,000

Electric and Steam Utilities

\$21,740,000 issued 11/23/09; \$2,120,000 to \$3,750,000 due annually through 2019; interest 3.00% to 5.00%; Steam Utility's portion of the issues is 1% 10,405,000

\$5,890,000 issued 11/10/14; \$335,000 to \$475,000 due annually through 2029; interest 2.00% to 3.15%; Steam Utility's portion of the issues is 1% 5,550,000

Wastewater Treatment Plant

\$19,739,053 State of Wisconsin Clean Water Fund Loan issued 1999; \$1,334,588 to \$1,422,608 due annually through 2018; interest 3.245%. 4,135,093

\$1,772,798 State of Wisconsin Clean Water Fund Loan issued 12/23/02; \$97,219 to \$115,531 due annually through 2022; interest 2.918%. 743,092

\$1,000,000 State of Wisconsin Clean Water Fund Loan issued 03/24/10; \$44,981 to \$61,001 due annually through 2030; interest 2.668%. 789,210

Total \$ 22,682,395

**CITY OF MANITOWOC, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**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
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	523,145	147,013	670,158
2021-2025	2,479,822	513,307	2,993,129
2026-2030	2,107,157	158,038	2,265,195
	<u>\$ 22,682,395</u>	<u>\$ 3,167,818</u>	<u>\$ 25,850,213</u>

Land Contract

On December 1, 2015, the City has entered into a land contract for the acquisition of property. The total purchase price of the property was \$480,000. The land contract requires monthly payments of \$8,000 with no interest with the first payment being made in 2015. Payments totaling \$96,000 will be made in years 2016 through 2019 with final payments totaling \$88,000 being made in 2020.

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 \$1,102,800. Principal and interest paid for the current year and total customer net revenues were \$547,300 and \$3,109,272, respectively. The total principal and interest remaining to be paid on the electric and steam bonds is \$18,660,240. Principal and interest paid for the current year and total customer net revenues were \$3,108,661 and \$15,408,548, respectively. The total principal and interest remaining to be paid on the wastewater bonds is \$6,087,173. Principal and interest paid for the current year and total customer net revenues were \$1,627,183 and \$3,210,481, respectively.

Advance Refunding

On December 21, 2015, the City issued general obligation promissory bonds to call outstanding portions of the 2007, 2008, and 2009 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 \$264,888 and to obtain an economic gain (difference between the present value of the debt service payments of the refunded and refunding debt) of \$239,278.

As of December 31, 2015, \$6,125,000 of general obligation promissory bonds are considered defeased.

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, 2015, there were a number of Industrial Revenue Bonds outstanding, the aggregate principal amount payable is undetermined.

**CITY OF MANITOWOC, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

8. Pension Plan

a. Plan Description

The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 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.

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.

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

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

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

The WRS also provides death and disability benefits for employees.

b. Post-Retirement Adjustments

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

**CITY OF MANITOWOC, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

Year	Core Fund Adjustment	Variable Fund Adjustment
2005	2.6%	7%
2006	0.8%	3%
2007	3.0%	10%
2008	6.6%	0%
2009	(2.1)%	(42)%
2010	(1.3)%	22%
2011	(1.2)%	11%
2012	(7.0)%	(7)%
2013	(9.6)%	9%
2014	4.7%	25%

c. Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, 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.

During the reporting period, the WRS recognized \$1,904,213 in contributions from the City.

Contribution rates as of December 31, 2015 are:

Employee Category	Employee	Employer
General	6.8%	6.8%
Executives & Elected Officials	7.7%	7.7%
Protective with Social Security	6.8%	9.5%
Protective without Social Security	6.8%	13.1%

d. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources Related to Pensions

At December 31, 2015, the City reported an asset of \$4,772,477 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2014, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2013 rolled forward to December 31, 2014. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2014, the City's proportion was 0.19429740%, which was a decrease of 0.01036364% from its proportion measured as of December 31, 2013.

For the year ended December 31, 2015, the City recognized pension expense of \$1,949,749.

**CITY OF MANITOWOC, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

At December 31, 2015, the City reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 691,860
Net differences between projected and actual earnings on pension plan investments	2,311,063
Changes in proportion and differences between employer contributions and proportionate share of contributions	337,440
Employer contributions subsequent to the measurement date	1,799,827
Total	\$ 5,140,190

\$1,799,827 reported as deferred outflows related to pension resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources related to pension will be recognized in pension expense as follows:

Year ended December 31	Deferred Outflow of Resources
2016	\$ 761,562
2017	761,562
2018	761,562
2019	761,562
2020	294,115

e. Actuarial Assumption

The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2013
Measurement Date of Net Pension Asset:	December 31, 2014
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Market Value
Long-Term Expected Rate of Return:	7.2%
Discount Rate:	7.2%
Salary Increases:	
Inflation	3.2%
Seniority/Merit	0.2% - 5.8%
Mortality:	Wisconsin 2012 Mortality Table
Post-retirement Adjustments*	2.1%

\* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 2.1% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

Actuarial assumptions are based upon an experience study conducted in 2012 using experience from 2009 – 2011. The total pension liability for December 31, 2014 is based upon a roll-forward of the liability calculated from the December 31, 2013 actuarial valuation.

**CITY OF MANITOWOC, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

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

Asset Class	Long-Term Real Rate of Return	Target Allocation
US Equities	5.3%	21%
International Equities	5.7%	23%
Fixed Income	1.7%	36%
Inflation Sensitive Assets	2.3%	20%
Real Estate	4.2%	7%
Private Equity/Debt	6.9%	7%
Multi-Asset	3.9%	6%
Cash	0.9%	-20%

*Single Discount Rate.* A single discount rate of 7.20% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20% and a long term bond rate of 3.56%. Because of the unique structure of WRS, the 7.20% expected rate of return implies that a dividend of approximately 2.1% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the City's proportionate share of the net pension asset to changes in the discount rate.* The following presents the City's proportionate share of the net pension asset calculated using the discount rate of 7.20 percent, as well as what the City's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

	1% Decrease to Discount Rate (6.2%)	Current Discount Rate (7.2%)	1% Increase to Discount Rate (8.2%)
City's proportionate share of the net pension asset (liability)	\$ (13,463,976)	\$ 4,772,477	\$ 19,174,888

*Pension plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <http://legis.wisconsin.gov/lab/> and reference report number 15-11.

**CITY OF MANITOWOC, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

f. Payable to the WRS

At December 31, 2015 the City reported a payable of \$308,376 for the outstanding amount of contributions to the pension plan.

**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	\$ 88,734
Interest on net OPEB	42,253
Adjustment to annual required contribution	<u>(69,668)</u>
Annual OPEB cost (expense)	61,319
Contributions made	<u>26,096</u>
Change in net OPEB obligation	35,223
OPEB obligation - beginning of year	<u>1,408,432</u>
OPEB obligation - end of year	<u><u>\$ 1,443,655</u></u>

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.

**CITY OF MANITOWOC, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE D - OTHER POST-EMPLOYMENT BENEFITS (Continued)**

*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 2015 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
12/31/2015	61,223	42%	1,443,655

*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. 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.

**CITY OF MANITOWOC, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE E - OTHER INFORMATION (Continued)**

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.

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 data 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, 2015, the health self-insurance internal service fund had established a reserve of \$1,339,153 for future unreported claims. The claims liability of \$262,704 reported in the fund at December 31, 2015 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 2015 and 2014 follow:

	Liability January 1	Current Year Claims and Changes in Estimates	Claim Payments	Liability December 31
2015	\$ 381,765	\$ 3,687,260	\$ 3,806,321	\$ 262,704
2014	229,746	3,753,551	3,601,532	381,765

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.

**CITY OF MANITOWOC, WISCONSIN**

Notes to Basic Financial Statements

December 31, 2015

**NOTE E - OTHER INFORMATION (Continued)**

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.

2. Tax Incremental Districts

The City has established nine separate capital projects funds for Tax Incremental Districts (TID) Nos. 9 - 18. 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.

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

TID	Creation Date	Termination Date
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	8/6/27
18	9/21/15	9/21/35

3. 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 2015 and 2016 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 2015 budget was 0.59%. The actual limit for the City for the 2016 budget was 0.58%. 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.

4. Subsequent Events

On May 9, 2016 the City issued \$7,600,000 of general obligation notes to finance capital improvement projects. Principal on the notes is payable 2019 through 2026 at a stated interest rate of 2.00%.

**CITY OF MANITOWOC, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2015

**NOTE E - OTHER INFORMATION (Continued)**

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 CFR 200, subpart f, Uniform Guidance 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's legal counsel 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. Cumulative Effect of Change in Accounting Principles

The City has adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*, which revised and established new financial reporting requirements for governments that provide their employees with pension benefits. The new standards recognize pension costs as employment services are provided, rather than when the pensions are funded. The cumulative effect of this change is summarized below:

	Governmental Activities	Business-type Activities				Total	Total
		Water Utility	Electric Utility	Wastewater Utility	Transit		
Net Pension Asset	\$ 5,812,016	\$ 332,166	\$ 1,476,824	\$ 221,397	\$ 226,355	\$ 2,256,742	\$ 8,068,758
Deferred Outflows of Resources	1,358,348	82,770	335,292	51,355	49,024	518,441	1,876,789
Total Cumulative Effect of Change in Accounting Principle	<u>\$ 7,170,364</u>	<u>\$ 414,936</u>	<u>\$ 1,812,116</u>	<u>\$ 272,752</u>	<u>\$ 275,379</u>	<u>\$ 2,775,183</u>	<u>\$ 9,945,547</u>

7. Upcoming Accounting Pronouncements

In February 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 72, *Fair Value Measurement and Application*. Statement No. 72 requires measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and acceptable valuation techniques. This Statement also requires disclosures about the impact of fair value measurements on a government's financial position. GASB Statement No. 72 is required to be adopted for years beginning after June 15, 2015. The City is currently evaluating the impact this standard will have on the financial statements when adopted.

In June 2015, the GASB issued two new standards addressing accounting and financial reporting for post-employment benefits other than pensions (OPEB). GASB Statement No. 74, *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans*, addresses reporting by OPEB plans whereas GASB Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*, addresses accounting and reporting by employer governments that provide OPEB benefits to their employees. The City will, after adoption of GASB No. 75, recognize on the face of the financial statements its net OPEB liability. GASB No. 74 is effective for fiscal years beginning after June 15, 2016 whereas GASB No. 75 is effective one year later. The City is currently evaluating the impact these standards will have on the financial statements when adopted.

**REQUIRED SUPPLEMENTARY  
INFORMATION**

**CITY OF MANITOWOC, WISCONSIN**  
Schedule of Funding Progress  
Other Post-Employment Benefit Plan  
For the Year Ended December 31, 2015

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%

See Notes to Required Supplementary Information.

**CITY OF MANITOWOC, WISCONSIN**  
 Schedule of Employer Contributions  
 Other Post-Employment Benefit Plan  
 For the Year Ended December 31, 2015

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%
2015	26,000	88,734	29.30%

See Notes to Required Supplementary Information.

**CITY OF MANITOWOC, WISCONSIN**  
 Schedule of Proportionate Share of the Net Pension Asset  
 Wisconsin Retirement System  
 Last 10 Fiscal Years\*

	2015
Proportion of the net pension asset	0.19429740%
Proportionate share of the net pension asset	\$ 4,772,477
Covered-employee payroll	\$ 21,308,496
Plan fiduciary net position as a percentage of the total pension asset	102.74%

\* The amounts presented for each fiscal year were determined as of the calendar year-end of the prior year.

See Notes to Required Supplementary Information.

**CITY OF MANITOWOC, WISCONSIN**  
 Schedule of Contributions  
 Wisconsin Retirement System  
 Last 10 Fiscal Years\*

	2015
Contractually required contributions	\$ 1,904,213
Contributions in relation to the contractually required contributions	\$ 1,904,213
Contribution deficiency (excess)	\$ -
Covered-employee payroll	\$ 21,308,496
Contributions as a percentage of covered-employee payroll	8.94%

\* The amounts presented for each fiscal year were determined as of the calendar year-end of the prior year.

See Notes to Required Supplementary Information.

**CITY OF MANITOWOC, WISCONSIN**  
Notes to Required Supplementary Information  
December 31, 2015

**NOTE A - GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 45**

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

**NOTE B - GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NOS. 68 AND 71**

The City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68* for the fiscal year ended December 31, 2015. Information for prior years is not available.

**NOTE C - WISCONSIN RETIREMENT SYSTEM**

There were no changes of benefit terms or assumptions for any participating employer in WRS.

**SUPPLEMENTARY  
INFORMATION**

**CITY OF MANITOWOC, WISCONSIN**

General Fund

Schedule of Budgeted and Actual Revenues

For the Year Ended December 31, 2015

(With comparative actual amounts for the year ended December 31, 2014)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	Prior Year Actual
	Original	Final			
<b>Taxes</b>					
General property	\$ 5,358,499	\$ 5,358,499	\$ 5,358,499	\$ -	\$ 5,083,721
Tax roll over run	-	-	(21)	(21)	(2)
Occupational - grain	1,800	1,800	-	(1,800)	-
Occupational - coal	1,700	1,700	-	(1,700)	-
Omitted taxes	-	-	13,425	13,425	33
Mobile home	48,000	48,000	37,965	(10,035)	42,522
Payments in lieu of taxes	40,000	40,000	44,256	4,256	43,372
Other taxes	-	-	108	108	-
Interest	75,000	75,000	50,799	(24,201)	65,877
<b>Total Taxes</b>	<b>5,524,999</b>	<b>5,524,999</b>	<b>5,505,031</b>	<b>(19,968)</b>	<b>5,235,523</b>
<b>Special Assessments</b>					
Seal coating	60,000	60,000	1,744	(58,256)	51,193
Dust palliatives	2,000	2,000	-	(2,000)	1,626
Housing code	-	-	639	639	413
Weed cutting	45,000	45,000	27,467	(17,533)	34,789
Snow removal	110,000	110,000	115,834	5,834	117,984
<b>Total Special Assessments</b>	<b>217,000</b>	<b>217,000</b>	<b>145,684</b>	<b>(71,316)</b>	<b>206,005</b>
<b>Intergovernmental</b>					
Shared taxes from state	5,397,847	5,397,847	5,398,329	482	5,399,123
Expenditure restraint payment	425,745	425,745	421,992	(3,753)	401,668
Exempt computer aid	101,472	101,472	88,481	(12,991)	101,472
Payment for municipal services	38,102	38,102	37,972	(130)	39,846
Fire insurance tax	72,000	72,000	74,802	2,802	79,138
Highway aids	1,682,529	1,682,529	1,675,839	(6,690)	1,652,173
Connecting street aid	226,588	226,588	226,938	350	225,417
Lift bridge aid	252,495	252,495	223,085	(29,410)	206,079
Highway safety grants	20,000	20,000	9,585	(10,415)	22,951
Public safety grants	9,500	9,500	7,439	(2,061)	8,436
Other grants	170,000	170,000	234,722	64,722	440,073
<b>Total Intergovernmental</b>	<b>8,396,278</b>	<b>8,396,278</b>	<b>8,399,184</b>	<b>2,906</b>	<b>8,576,376</b>

(Continued)

**CITY OF MANITOWOC, WISCONSIN**  
 General Fund  
 Schedule of Budgeted and Actual Revenues (Continued)  
 For the Year Ended December 31, 2015  
 (With comparative actual amounts for the year ended December 31, 2014)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	Prior Year Actual
	Original	Final			
Licenses and Permits					
Licenses					
Liquor and malt beverages	59,500	59,500	53,013	(6,487)	54,808
Operators	25,900	25,900	21,245	(4,655)	20,445
Cigarettes	4,300	4,300	3,600	(700)	4,100
Soda water	1,500	1,500	201	(1,299)	1,295
Bowling alley	250	250	230	(20)	250
Adult entertainment	2,000	2,000	2,000	-	2,000
Mobile home park	375	375	375	-	375
Taxicab	300	300	300	-	570
Taxicab drivers	700	700	400	(300)	1,010
Ambulance and hearse	150	150	120	(30)	120
Garbage collectors	900	900	870	(30)	960
Theater	450	450	450	-	600
Bicycle	300	300	226	(74)	190
Dog and cat	15,120	15,120	24,581	9,461	19,185
Amusement	100	100	-	(100)	-
Direct sellers	1,200	1,200	1,820	620	285
Christmas tree dealers	200	200	150	(50)	150
Pawn broker	900	900	745	(155)	550
Change of agent/transfer	50	50	100	50	80
Cable television	272,000	272,000	271,941	(59)	266,293
Permits					
Building	160,000	160,000	178,409	18,409	233,674
Sign	7,000	7,000	2,264	(4,736)	6,643
Electrical	78,000	78,000	68,780	(9,220)	66,375
Plumbing	55,000	55,000	53,790	(1,210)	57,500
Heating	46,000	46,000	37,081	(8,919)	36,800
Zoning Board of Appeals	375	375	300	(75)	100
Housing code	7,800	7,800	7,534	(266)	7,807
Well operation	100	100	150	50	130
Alarm ordinance	105	105	180	75	330
Sprinkler system	3,800	3,800	5,230	1,430	6,580
Street opening	12,000	12,000	11,940	(60)	13,210
Driveway/sidewalk	2,000	2,000	1,670	(330)	1,750
Storm water	3,000	3,000	2,961	(39)	2,579
Fire Department permits	-	-	100	100	75
Total Licenses and Permits	761,375	761,375	752,756	(8,619)	806,819

(Continued)

**CITY OF MANITOWOC, WISCONSIN**

General Fund

Schedule of Budgeted and Actual Revenues (Continued)

For the Year Ended December 31, 2015

(With comparative actual amounts for the year ended December 31, 2014)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	Prior Year Actual
	Original	Final			
<b>Fines and Forfeitures</b>					
Parking violations	120,000	120,000	158,834	38,834	145,707
Municipal court fines	405,240	405,240	360,957	(44,283)	389,018
Late fees dog licenses	1,000	1,000	590	(410)	503
Other	4,000	4,000	-	(4,000)	-
<b>Total Fines and Forfeitures</b>	<b>530,240</b>	<b>530,240</b>	<b>520,381</b>	<b>(9,859)</b>	<b>535,228</b>
<b>Public Charges for Services</b>					
Clerk	17,000	17,000	13,606	(3,394)	14,604
Treasurer	60,000	60,000	62,579	2,579	56,761
Attorney	20,858	20,858	19,853	(1,005)	20,857
Assessor	200	200	340	140	405
GIS land record management	50	50	125	75	71
Planning	8,400	8,400	7,775	(625)	7,400
Police Department	6,500	6,500	6,666	166	6,938
Police service fees	6,000	6,000	7,041	1,041	4,349
Impounded vehicles	175	175	745	570	-
Rescue squad	1,713,623	1,713,623	1,508,831	(204,792)	1,858,667
Inspection and zoning fees	200	200	280	80	310
Sealer	14,500	14,500	15,283	783	15,103
Museum	62,610	62,610	10,511	(52,099)	11,228
Recreation building	20,000	20,000	24,773	4,773	20,382
Recreation team sports	40,000	40,000	30,408	(9,592)	32,548
Recreation program fees	39,450	39,450	36,186	(3,264)	34,198
Recreation rentals	42,000	42,000	32,883	(9,117)	27,708
Recreation concessions	1,200	1,200	2,592	1,392	2,840
Recreation other	12,450	12,450	25,020	12,570	24,185
Special events	5,500	5,500	5,344	(156)	2,026
Senior citizens	18,000	18,000	22,679	4,679	17,651
Street permit repairs	70,000	70,000	123,388	53,388	148,048
Transit system	1,000	1,000	3,041	2,041	2,341
Columbarium sales	5,162	5,162	6,800	1,638	3,640
Sale of cemetery lots	50,155	50,155	50,744	589	31,623
Foundations	12,000	12,000	13,760	1,760	10,558
Burial fees	130,000	130,000	150,911	20,911	124,675
Fire Department Fees	5,250	5,250	9,739	4,489	11,497
<b>Total Public Charges for Services</b>	<b>2,362,283</b>	<b>2,362,283</b>	<b>2,191,903</b>	<b>(170,380)</b>	<b>2,490,613</b>

(Continued)

**CITY OF MANITOWOC, WISCONSIN**

General Fund

Schedule of Budgeted and Actual Revenues (Continued)

For the Year Ended December 31, 2015

(With comparative actual amounts for the year ended December 31, 2014)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	Prior Year Actual
	Original	Final			
<b>Intergovernmental Charges for Services</b>					
Counties and municipalities	25,000	25,000	21,125	(3,875)	44,048
City administrative fees	43,428	43,428	46,662	3,234	44,195
Schools and special districts	3,000	3,000	1,302	(1,698)	1,790
Police - school liaison	120,000	120,000	118,128	(1,872)	121,132
<b>Total Intergovernmental Charges for Services</b>	<b>191,428</b>	<b>191,428</b>	<b>187,217</b>	<b>(4,211)</b>	<b>211,165</b>
<b>Interdepartmental Charges for Services</b>					
TIF administrative fees	2,500	2,500	3,270	770	2,659
Street department labor	122,530	122,530	126,801	4,271	169,277
DPW materials	1,301,150	1,301,150	725,497	(575,653)	1,346,153
Sewer major repairs	12,500	12,500	-	(12,500)	-
Sewer maintenance	259,856	259,856	138,955	(120,901)	230,063
<b>Total Interdepartmental Charges for Services</b>	<b>1,698,536</b>	<b>1,698,536</b>	<b>994,523</b>	<b>(704,013)</b>	<b>1,748,152</b>
<b>Miscellaneous</b>					
Interest on investments	195,588	195,588	129,888	(65,700)	239,623
Rent	41,000	41,000	42,171	1,171	46,102
Sale of general capital assets	5,000	5,000	82,752	77,752	2,979
Sale of salvage and waste products	5,300	5,300	1,530	(3,770)	4,599
Marina lease	152,000	152,000	145,381	(6,619)	151,265
Carferry lease	40,000	40,000	40,000	-	40,000
Other leases	66,000	66,000	67,444	1,444	61,303
Sale of photo copies	650	650	1,006	356	755
Donations	21,982	21,982	32,619	10,637	19,951
Other	8,250	8,250	1,049,088	1,040,838	800,401
<b>Total Miscellaneous</b>	<b>535,770</b>	<b>535,770</b>	<b>1,591,879</b>	<b>1,056,109</b>	<b>1,366,978</b>
<b>Total Revenues</b>	<b>\$ 20,217,909</b>	<b>\$ 20,217,909</b>	<b>\$ 20,288,558</b>	<b>\$ 70,649</b>	<b>\$ 21,176,859</b>

**CITY OF MANITOWOC, WISCONSIN**

General Fund

Schedule of Budgeted and Actual Expenditures

For the Year Ended December 31, 2015

(With comparative actual amounts for the year ended December 31, 2014)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	Prior Year Actual
	Original	Final			
<b>General Government</b>					
Council	\$ 54,853	\$ 54,853	\$ 58,307	\$ (3,454)	\$ 55,831
Mayor	159,419	159,419	157,476	1,943	132,910
Clerk	273,107	277,088	270,407	6,681	266,704
Elections	52,710	52,710	32,003	20,707	67,441
Postage	35,000	35,000	37,043	(2,043)	35,797
Board of review	1,130	1,130	181	949	246
Assessor	136,010	136,010	121,088	14,922	128,502
Finance	214,173	249,957	229,556	20,401	217,430
Treasurer	191,318	203,246	193,055	10,191	193,766
Data processing	463,700	463,700	410,076	53,624	424,519
Payroll	113,549	113,549	110,225	3,324	107,569
Attorney	267,219	271,154	231,523	39,631	199,848
Cable television	1,075	1,075	1,045	30	1,045
Personnel	150,833	150,833	149,036	1,797	143,197
Municipal court	96,970	96,970	97,157	(187)	94,136
Duplicating	25,500	25,500	16,236	9,264	20,239
City hall	214,787	214,787	211,048	3,739	185,358
Buildings and grounds shop	10,065	10,065	7,921	2,144	6,741
Property insurance	87,223	87,223	72,292	14,931	68,925
Other insurance	446,636	446,636	434,594	12,042	472,748
Miscellaneous	454,127	243,252	1,065,627	(822,375)	738,542
<b>Total General Government</b>	<b>3,449,404</b>	<b>3,294,157</b>	<b>3,905,896</b>	<b>(611,739)</b>	<b>3,561,494</b>
<b>Public Safety</b>					
Police	7,236,264	7,272,330	7,019,915	252,415	7,055,828
Fire	5,716,151	5,814,971	5,730,455	84,516	5,932,548
Building inspection	301,912	301,912	303,570	(1,658)	300,607
Civil defense	1,550	1,550	1,980	(430)	2,788
<b>Total Public Safety</b>	<b>13,255,877</b>	<b>13,390,763</b>	<b>13,055,920</b>	<b>334,843</b>	<b>13,291,771</b>
<b>Public Works</b>					
Engineer	630,531	630,531	637,123	(6,592)	563,327
Streets administration	193,761	193,761	162,271	31,490	190,008
Street repairs	505,978	530,939	541,111	(10,172)	615,004
Seal coating	85,965	66,027	62	65,965	80,522
Alley and local roads	6,101	6,101	2,627	3,474	5,109
8th St. bridge	193,639	214,534	190,291	24,243	181,715
10th St. bridge	28,855	28,855	18,200	10,655	24,593
Other bridges	11,245	11,245	578	10,667	1,817

(Continued)

**CITY OF MANITOWOC, WISCONSIN**  
 General Fund  
 Schedule of Budgeted and Actual Expenditures (Continued)  
 For the Year Ended December 31, 2015  
 (With comparative actual amounts for the year ended December 31, 2014)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	Prior Year Actual
	Original	Final			
Public Works (Continued)					
Curb and walks	9,246	9,246	5,092	4,154	4,665
Street cleaning	-	-	160	(160)	-
Snow and ice removal	738,893	738,893	491,828	247,065	629,655
Traffic control	188,232	188,232	159,000	29,232	164,212
Street lighting	753,100	753,100	763,357	(10,257)	762,107
Docks and harbors	66,198	66,198	28,438	37,760	15,297
Gravel pit	2,459	2,459	1,123	1,336	2,796
Solid waste disposal	6,900	6,900	4,751	2,149	4,348
Sanitary sewers	219,351	219,351	131,926	87,425	203,437
Weed cutting	-	-	-	-	83,885
Storm sewers	601,737	601,737	649,981	(48,244)	645,252
Lift stations	55,005	55,005	26,481	28,524	52,135
Interdepartmental charges	10,582	10,582	14,458	(3,876)	12,548
Other	1,159,273	1,159,273	672,559	486,714	1,081,841
Total Public Works	<u>5,467,051</u>	<u>5,492,969</u>	<u>4,501,417</u>	<u>991,552</u>	<u>5,324,273</u>
Health and Human Services					
Evergreen cemetery	300,770	300,770	309,802	(9,032)	294,883
Culture and Recreation					
Rahr West Museum	355,325	355,325	335,560	19,765	339,515
Marine band	15,000	15,000	15,000	-	15,000
Civic orchestra	7,200	7,200	7,200	-	7,200
Recreation					
Administration	111,008	111,008	83,273	27,735	49,758
Buildings and grounds	704,473	704,473	720,639	(16,166)	739,730
Recreational programs	172,271	174,861	139,998	34,863	111,117
Senior citizens center	130,767	130,767	123,952	6,815	228,377
July 4th picnic/fireworks	3,000	3,000	5,147	(2,147)	4,082
Special events	256,560	256,560	307,496	(50,936)	289,559
Banners and decorations	3,500	3,500	2,522	978	3,506
Total Culture and Recreation	<u>1,759,104</u>	<u>1,761,694</u>	<u>1,740,787</u>	<u>20,907</u>	<u>1,787,844</u>
Conservation and Development					
Planning	373,177	401,650	356,981	44,669	345,240
Community Development Authority	600	600	53	547	3
Total Conservation and Development	<u>373,777</u>	<u>402,250</u>	<u>357,034</u>	<u>45,216</u>	<u>345,243</u>
Total Expenditures	<u>\$ 24,605,983</u>	<u>\$ 24,642,603</u>	<u>\$ 23,870,856</u>	<u>\$ 771,747</u>	<u>\$ 24,605,508</u>

# 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, Eternal Flame, and Lakeshore Holiday Parade.

### 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.

#### **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, 17 and 18.

**CITY OF MANITOWOC, WISCONSIN**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2015

	Special Revenue Funds							
	Room Tax	Farmer's Market	Mandatory Recycling	TID 7	Commercial Revolving Loan	Transit Capital Grant	Housing Revolving Loan	CDBG
<b>ASSETS</b>								
Cash and investments	\$ 489,205	\$ 40,658	\$ 12,000	\$ 107,774	\$ 750,499	\$ 10,926	\$ 120,576	\$ -
Receivables								
Taxes	-	-	-	-	-	-	-	-
Accounts	3,814	-	-	-	-	-	-	-
Loans	-	-	-	-	11,944	-	3,003,993	-
Restricted investments	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 493,019</b>	<b>\$ 40,658</b>	<b>\$ 12,000</b>	<b>\$ 107,774</b>	<b>\$ 762,443</b>	<b>\$ 10,926</b>	<b>\$ 3,124,569</b>	<b>\$ -</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>								
Liabilities								
Accounts payable	\$ 8,802	\$ -	\$ 12,000	\$ -	\$ 1,226	\$ -	\$ -	\$ -
Accrued and other current liabilities	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	63,040
Unearned revenue	-	-	-	-	-	-	-	-
Advance from other funds	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>8,802</b>	<b>-</b>	<b>12,000</b>	<b>-</b>	<b>1,226</b>	<b>-</b>	<b>-</b>	<b>63,040</b>
Deferred Inflows of Resources								
Unearned revenues - Property taxes	-	-	-	-	-	-	-	-
Unavailable revenues - Loans receivable	-	-	-	-	11,944	-	3,003,993	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,944</b>	<b>-</b>	<b>3,003,993</b>	<b>-</b>
Fund Balances (Deficits)								
Restricted								
Future loans	-	-	-	-	749,273	-	120,576	-
Future projects or improvements	-	-	-	-	-	10,926	-	-
Committed for future spending	484,217	40,658	-	107,774	-	-	-	-
Assigned for future projects	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	(63,040)
<b>Total Fund Balances (Deficits)</b>	<b>484,217</b>	<b>40,658</b>	<b>-</b>	<b>107,774</b>	<b>749,273</b>	<b>10,926</b>	<b>120,576</b>	<b>(63,040)</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 493,019</b>	<b>\$ 40,658</b>	<b>\$ 12,000</b>	<b>\$ 107,774</b>	<b>\$ 762,443</b>	<b>\$ 10,926</b>	<b>\$ 3,124,569</b>	<b>\$ -</b>

(Continued)

**CITY OF MANITOWOC, WISCONSIN**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2015

	Special Revenue Funds (Continued)						
	HCRI Revolving Loan	Industrial Revolving Loan	Library	Mani International Relations Assoc	Rahr West Museum	Police Programs	Parkland Dedications
<b>ASSETS</b>							
Cash and investments	\$ 42,265	\$ 1,178,985	\$ 74,692	\$ 8,036	\$ 324,739	\$ 66,253	\$ 260,815
Receivables							
Taxes	-	-	1,417,867	-	-	-	-
Accounts	-	-	16,973	-	-	-	-
Loans	126,626	2,471,027	-	-	-	-	-
Restricted investments	-	-	-	-	-	75,000	-
<b>TOTAL ASSETS</b>	<b>\$ 168,891</b>	<b>\$ 3,650,012</b>	<b>\$ 1,509,532</b>	<b>\$ 8,036</b>	<b>\$ 324,739</b>	<b>\$ 141,253</b>	<b>\$ 260,815</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
Liabilities							
Accounts payable	\$ -	\$ 6,010	\$ 36,426	\$ -	\$ -	\$ 704	\$ 17
Accrued and other current liabilities	-	-	-	-	-	27,946	-
Due to other funds	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Advance from other funds	-	-	-	-	-	-	-
Total Liabilities	-	6,010	36,426	-	-	28,650	17
Deferred Inflows of Resources							
Unearned revenues - Property taxes	-	-	1,417,867	-	-	-	-
Unavailable revenues - Loans receivable	126,626	2,471,027	-	-	-	-	-
Total Deferred Inflows of Resources	126,626	2,471,027	1,417,867	-	-	-	-
Fund Balances (Deficits)							
Restricted							
Future loans	42,265	1,172,975	-	-	-	-	-
Future projects or improvements	-	-	-	-	-	112,603	260,798
Committed for future spending	-	-	55,239	8,036	324,739	-	-
Assigned for future projects	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total Fund Balances (Deficits)	42,265	1,172,975	55,239	8,036	324,739	112,603	260,798
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 168,891</b>	<b>\$ 3,650,012</b>	<b>\$ 1,509,532</b>	<b>\$ 8,036</b>	<b>\$ 324,739</b>	<b>\$ 141,253</b>	<b>\$ 260,815</b>

(Continued)

**CITY OF MANITOWOC, WISCONSIN**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2015

Special Revenue Funds (Continued)							
	Aquatic Center	Senior Center	Eternal Flame	Centennial	Park & Rec Donations	Lakeshore Holiday Parade	EPA Grant
<b>ASSETS</b>							
Cash and investments	\$ -	\$ 153,512	\$ 31,167	12,130	\$ 131,118	\$ 1,779	\$ -
Receivables							
Taxes	64,070	-	-	-	-	-	-
Accounts	-	-	-	-	-	-	1,226
Loans	-	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 64,070</b>	<b>\$ 153,512</b>	<b>\$ 31,167</b>	<b>\$ 12,130</b>	<b>\$ 131,118</b>	<b>\$ 1,779</b>	<b>\$ 1,226</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
Liabilities							
Accounts payable	\$ 4,971	\$ 4,149	\$ 198	\$ -	\$ 2,200	\$ -	\$ -
Accrued and other current liabilities	-	-	-	-	-	-	-
Due to other funds	32,198	-	-	-	-	-	1,232
Unearned revenue	-	-	-	-	-	-	-
Advance from other funds	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>37,169</b>	<b>4,149</b>	<b>198</b>	<b>-</b>	<b>2,200</b>	<b>-</b>	<b>1,232</b>
Deferred Inflows of Resources							
Unearned revenues - Property taxes	64,070	-	-	-	-	-	-
Unavailable revenues - Loans receivable	-	-	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>64,070</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund Balances (Deficits)							
Restricted							
Future loans	-	-	-	-	-	-	-
Future projects or improvements	-	-	30,969	12,130	128,918	1,779	-
Committed for future spending	-	149,363	-	-	-	-	-
Assigned for future projects	-	-	-	-	-	-	-
Unassigned	(37,169)	-	-	-	-	-	(6)
<b>Total Fund Balances (Deficits)</b>	<b>(37,169)</b>	<b>149,363</b>	<b>30,969</b>	<b>12,130</b>	<b>128,918</b>	<b>1,779</b>	<b>(6)</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 64,070</b>	<b>\$ 153,512</b>	<b>\$ 31,167</b>	<b>\$ 12,130</b>	<b>\$ 131,118</b>	<b>\$ 1,779</b>	<b>\$ 1,226</b>

(Continued)

**CITY OF MANITOWOC, WISCONSIN**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2015

	Capital Projects Funds					
	Sanitary and Storm Sewers	Streets	Capital Equipment	Environmental Remediation	Cemetery Improvements	Buildings and Other Improvements
<b>ASSETS</b>						
Cash and investments	\$ 95,516	\$ -	\$ 910,085	\$ 176,765	\$ 29,967	\$ 640,192
Receivables						
Taxes	580,941	282,133	92,000	55,000	-	92,000
Accounts	-	10,431	-	-	240	-
Loans	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 676,457</b>	<b>\$ 292,564</b>	<b>\$ 1,002,085</b>	<b>\$ 231,765</b>	<b>\$ 30,207</b>	<b>\$ 732,192</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
Liabilities						
Accounts payable	\$ -	\$ -	\$ 17	\$ 16,334	\$ -	\$ 2,531
Accrued and other current liabilities	-	-	-	-	-	-
Due to other funds	-	2,201,608	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Advance from other funds	1,158,985	211,920	-	-	-	-
Total Liabilities	<u>1,158,985</u>	<u>2,413,528</u>	<u>17</u>	<u>16,334</u>	<u>-</u>	<u>2,531</u>
Deferred Inflows of Resources						
Unearned revenues - Property taxes	580,941	282,133	92,000	55,000	-	92,000
Unavailable revenues - Loans receivable	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>580,941</u>	<u>282,133</u>	<u>92,000</u>	<u>55,000</u>	<u>-</u>	<u>92,000</u>
Fund Balances (Deficits)						
Restricted						
Future loans	-	-	-	-	-	-
Future projects or improvements	-	-	-	-	-	-
Committed for future spending	-	-	-	-	-	-
Assigned for future projects	-	-	910,068	160,431	30,207	637,661
Unassigned	(1,063,469)	(2,403,097)	-	-	-	-
Total Fund Balances (Deficits)	<u>(1,063,469)</u>	<u>(2,403,097)</u>	<u>910,068</u>	<u>160,431</u>	<u>30,207</u>	<u>637,661</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 676,457</b>	<b>\$ 292,564</b>	<b>\$ 1,002,085</b>	<b>\$ 231,765</b>	<b>\$ 30,207</b>	<b>\$ 732,192</b>

(Continued)

**CITY OF MANITOWOC, WISCONSIN**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2015

Capital Projects Funds (Continued)						
	TID 9	TID 10	TID 11	TID 12	TID 13	TID 14
<b>ASSETS</b>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables						
Taxes	209,694	108,268	89,742	173,872	203,412	-
Accounts	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 209,694</b>	<b>\$ 108,268</b>	<b>\$ 89,742</b>	<b>\$ 173,872</b>	<b>\$ 203,412</b>	<b>\$ -</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
Liabilities						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued and other current liabilities	-	-	-	-	-	-
Due to other funds	378,423	-	88,718	-	-	503,026
Unearned revenue	-	-	-	-	-	-
Advance from other funds	-	-	-	-	-	-
Total Liabilities	<u>378,423</u>	<u>-</u>	<u>88,718</u>	<u>-</u>	<u>-</u>	<u>503,026</u>
Deferred Inflows of Resources						
Unearned revenues - Property taxes	209,694	108,268	89,742	173,872	203,412	-
Unavailable revenues - Loans receivable	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>209,694</u>	<u>108,268</u>	<u>89,742</u>	<u>173,872</u>	<u>203,412</u>	<u>-</u>
Fund Balances (Deficits)						
Restricted						
Future loans	-	-	-	-	-	-
Future projects or improvements	-	-	-	-	-	-
Committed for future spending	-	-	-	-	-	-
Assigned for future projects	-	-	-	-	-	-
Unassigned	(378,423)	-	(88,718)	-	-	(503,026)
Total Fund Balances (Deficits)	<u>(378,423)</u>	<u>-</u>	<u>(88,718)</u>	<u>-</u>	<u>-</u>	<u>(503,026)</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 209,694</b>	<b>\$ 108,268</b>	<b>\$ 89,742</b>	<b>\$ 173,872</b>	<b>\$ 203,412</b>	<b>\$ -</b>

(Continued)

**CITY OF MANITOWOC, WISCONSIN**

Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2015

	Capital Projects Funds (Continued)				Total Nonmajor Governmental Funds
	TID 15	TID 16	TID 17	TID 18	
<b>ASSETS</b>					
Cash and investments	\$ 68,171	\$ -	\$ 87,205	\$ -	\$ 5,825,030
Receivables					
Taxes	1,600,737	315,091	190,966	-	5,475,793
Accounts	-	-	-	-	32,684
Loans	-	-	-	-	5,613,590
Restricted investments	-	-	-	-	75,000
<b>TOTAL ASSETS</b>	<b>\$ 1,668,908</b>	<b>\$ 315,091</b>	<b>\$ 278,171</b>	<b>\$ -</b>	<b>\$ 17,022,097</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 95,585
Accrued and other current liabilities	-	-	-	-	27,946
Due to other funds	-	1,553,934	-	1,017	4,823,196
Unearned revenue	-	-	87,205	-	87,205
Advance from other funds	-	-	-	-	1,370,905
<b>Total Liabilities</b>	<b>-</b>	<b>1,553,934</b>	<b>87,205</b>	<b>1,017</b>	<b>6,404,837</b>
Deferred Inflows of Resources					
Unearned revenues - Property taxes	1,600,737	315,091	190,966	-	5,475,793
Unavailable revenues - Loans receivable	-	-	-	-	5,613,590
<b>Total Deferred Inflows of Resources</b>	<b>1,600,737</b>	<b>315,091</b>	<b>190,966</b>	<b>-</b>	<b>11,089,383</b>
Fund Balances (Deficits)					
Restricted					
Future loans	-	-	-	-	2,085,089
Future projects or improvements	68,171	-	-	-	626,294
Committed for future spending	-	-	-	-	1,170,026
Assigned for future projects	-	-	-	-	1,738,367
Unassigned	-	(1,553,934)	-	(1,017)	(6,091,899)
<b>Total Fund Balances (Deficits)</b>	<b>68,171</b>	<b>(1,553,934)</b>	<b>-</b>	<b>(1,017)</b>	<b>(472,123)</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 1,668,908</b>	<b>\$ 315,091</b>	<b>\$ 278,171</b>	<b>\$ -</b>	<b>\$ 17,022,097</b>

**CITY OF MANITOWOC, WISCONSIN**  
Combining Statement of Revenues, Expenses and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2015

	Special Revenue Funds (Continued)							
	Room Tax	Farmer's Market	Mandatory Recycling	TID 7	TID 8	Commercial Revolving Loan	Transit Capital Grant	Housing Revolving Loan
<b>Revenues</b>								
Taxes	\$ 638,281	\$ -	\$ -	\$ -	\$ 23,255	\$ -	\$ -	\$ -
Intergovernmental	-	-	216,384	-	7	-	96,242	-
Public charges for services	-	-	-	-	-	-	-	-
Intergovernmental charges for services	-	-	117,096	-	-	-	-	-
Miscellaneous	10,825	12,694	-	-	-	2,360	-	92,045
<b>Total Revenues</b>	<b>649,106</b>	<b>12,694</b>	<b>333,480</b>	<b>-</b>	<b>23,262</b>	<b>2,360</b>	<b>96,242</b>	<b>92,045</b>
<b>Expenditures</b>								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	150,155	-	-	-	120,295	-
Culture and recreation	-	9,764	-	-	-	-	-	-
Conservation and development	397,986	-	-	-	3,600	-	-	255,164
Debt service								
Principal	-	-	-	20,000	45,000	-	-	-
Interest and fiscal charges	-	-	-	3,005	450	-	-	-
<b>Total Expenditures</b>	<b>397,986</b>	<b>9,764</b>	<b>150,155</b>	<b>23,005</b>	<b>49,050</b>	<b>-</b>	<b>120,295</b>	<b>255,164</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>251,120</b>	<b>2,930</b>	<b>183,325</b>	<b>(23,005)</b>	<b>(25,788)</b>	<b>2,360</b>	<b>(24,053)</b>	<b>(163,119)</b>
<b>Other Financing Sources (Uses)</b>								
Long-term debt issued	-	-	-	-	-	-	-	-
Premium on debt issued	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	25,788	-	-	-
Transfers out	(104,863)	-	(183,325)	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(104,863)</b>	<b>-</b>	<b>(183,325)</b>	<b>-</b>	<b>25,788</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>146,257</b>	<b>2,930</b>	<b>-</b>	<b>(23,005)</b>	<b>-</b>	<b>2,360</b>	<b>(24,053)</b>	<b>(163,119)</b>
<b>Fund Balances (Deficits) - January 1</b>	<b>337,960</b>	<b>37,728</b>	<b>-</b>	<b>130,779</b>	<b>-</b>	<b>746,913</b>	<b>34,979</b>	<b>283,695</b>
<b>Fund Balances (Deficits) - December 31</b>	<b>\$ 484,217</b>	<b>\$ 40,658</b>	<b>\$ -</b>	<b>\$ 107,774</b>	<b>\$ -</b>	<b>\$ 749,273</b>	<b>\$ 10,926</b>	<b>\$ 120,576</b>

(Continued)

**CITY OF MANITOWOC, WISCONSIN**  
Combining Statement of Revenues, Expenses and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2015

	Special Revenue Funds (Continued)							
	CDBG	HCRI Revolving Loan	Industrial Revolving Loan	Library	Mani International Relations Assoc	Rahr West Museum	Police Programs	Parkland Dedications
<b>Revenues</b>								
Taxes	\$ -	\$ -	\$ -	\$ 1,370,425	\$ -	\$ -	\$ -	\$ -
Intergovernmental	28,373	-	-	540,363	-	-	-	-
Public charges for services	-	-	-	50,888	-	-	-	-
Intergovernmental charges for services	-	-	-	-	-	-	-	-
Miscellaneous	39,137	5,346	237,857	26,414	-	93,286	39,755	834
<b>Total Revenues</b>	<b>67,510</b>	<b>5,346</b>	<b>237,857</b>	<b>1,988,090</b>	<b>-</b>	<b>93,286</b>	<b>39,755</b>	<b>834</b>
<b>Expenditures</b>								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	19,746	-
Public works	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	1,918,866	-	75,654	-	3,024
Conservation and development	98,167	-	826,362	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>98,167</b>	<b>-</b>	<b>826,362</b>	<b>1,918,866</b>	<b>-</b>	<b>75,654</b>	<b>19,746</b>	<b>3,024</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(30,657)</b>	<b>5,346</b>	<b>(588,505)</b>	<b>69,224</b>	<b>-</b>	<b>17,632</b>	<b>20,009</b>	<b>(2,190)</b>
<b>Other Financing Sources (Uses)</b>								
Long-term debt issued	-	-	-	-	-	-	-	-
Premium on debt issued	-	-	-	-	-	-	-	-
Transfers in	-	-	-	5,000	-	-	5,000	-
Transfers out	-	-	-	(45,096)	-	-	(5,000)	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(40,096)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(30,657)</b>	<b>5,346</b>	<b>(588,505)</b>	<b>29,128</b>	<b>-</b>	<b>17,632</b>	<b>20,009</b>	<b>(2,190)</b>
<b>Fund Balances (Deficits) - January 1</b>	<b>(32,383)</b>	<b>36,919</b>	<b>1,761,480</b>	<b>26,111</b>	<b>8,036</b>	<b>307,107</b>	<b>92,594</b>	<b>262,988</b>
<b>Fund Balances (Deficits) - December 31</b>	<b>\$ (63,040)</b>	<b>\$ 42,265</b>	<b>\$ 1,172,975</b>	<b>\$ 55,239</b>	<b>\$ 8,036</b>	<b>\$ 324,739</b>	<b>\$ 112,603</b>	<b>\$ 260,798</b>

(Continued)

**CITY OF MANITOWOC, WISCONSIN**  
Combining Statement of Revenues, Expenses and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2015

	Special Revenue Funds (Continued)						
	Aquatic Center	Senior Center	Eternal Flame	Centennial	Park & Rec Donations	Lakeshore Holiday Parade	EPA Grant
<b>Revenues</b>							
Taxes	\$ 64,070	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	18,614
Public charges for services	170,848	32,074	-	-	-	-	-
Intergovernmental charges for services	-	-	-	-	-	-	-
Miscellaneous	-	22,596	145	886	25,058	2,542	-
<b>Total Revenues</b>	<b>234,918</b>	<b>54,670</b>	<b>145</b>	<b>886</b>	<b>25,058</b>	<b>2,542</b>	<b>18,614</b>
<b>Expenditures</b>							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Culture and recreation	192,700	34,728	3,317	-	11,658	763	-
Conservation and development	-	-	-	-	-	-	18,620
Debt service							
Principal	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>192,700</b>	<b>34,728</b>	<b>3,317</b>	<b>-</b>	<b>11,658</b>	<b>763</b>	<b>18,620</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>42,218</b>	<b>19,942</b>	<b>(3,172)</b>	<b>886</b>	<b>13,400</b>	<b>1,779</b>	<b>(6)</b>
<b>Other Financing Sources (Uses)</b>							
Long-term debt issued	-	-	-	-	-	-	-
Premium on debt issued	-	-	-	-	-	-	-
Transfers in	-	-	-	-	1,116	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,116</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>42,218</b>	<b>19,942</b>	<b>(3,172)</b>	<b>886</b>	<b>14,516</b>	<b>1,779</b>	<b>(6)</b>
<b>Fund Balances (Deficits) - January 1</b>	<b>(79,387)</b>	<b>129,421</b>	<b>34,141</b>	<b>11,244</b>	<b>114,402</b>	<b>-</b>	<b>-</b>
<b>Fund Balances (Deficits) - December 31</b>	<b>\$ (37,169)</b>	<b>\$ 149,363</b>	<b>\$ 30,969</b>	<b>\$ 12,130</b>	<b>\$ 128,918</b>	<b>\$ 1,779</b>	<b>\$ (6)</b>

(Continued)

**CITY OF MANITOWOC, WISCONSIN**  
Combining Statement of Revenues, Expenses and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2015

	Capital Projects Funds							
	Sanitary and Storm Sewers	Streets	Capital Equipment	Environmental Remediation	Cemetery Improvements	Buildings and Other Improvements	TID 9	TID 10
<b>Revenues</b>								
Taxes	\$ 580,941	\$ 282,133	\$ -	\$ 56,484	\$ -	\$ -	\$ 202,131	\$ 103,407
Intergovernmental	-	-	-	-	-	80,624	7,357	2,445
Public charges for services	-	28,262	-	-	6,065	-	-	-
Intergovernmental charges for services	-	-	-	-	-	-	-	-
Miscellaneous	38,124	36,706	294	-	-	60,446	-	-
<b>Total Revenues</b>	<b>619,065</b>	<b>347,101</b>	<b>294</b>	<b>56,484</b>	<b>6,065</b>	<b>141,070</b>	<b>209,488</b>	<b>105,852</b>
<b>Expenditures</b>								
General government	-	-	464,805	-	-	47,685	-	-
Public safety	-	-	137,734	-	-	11,647	-	-
Public works	39,897	602,392	493,609	204,010	-	128,052	3,360	-
Culture and recreation	-	-	32,198	-	-	412,940	-	-
Conservation and development	-	-	-	-	-	2,120	1,750	3,292
Debt service								
Principal	-	-	-	-	-	-	20,000	35,000
Interest and fiscal charges	3,619	662	-	-	-	-	2,952	8,019
<b>Total Expenditures</b>	<b>43,516</b>	<b>603,054</b>	<b>1,128,346</b>	<b>204,010</b>	<b>-</b>	<b>602,444</b>	<b>28,062</b>	<b>46,311</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>575,549</b>	<b>(255,953)</b>	<b>(1,128,052)</b>	<b>(147,526)</b>	<b>6,065</b>	<b>(461,374)</b>	<b>181,426</b>	<b>59,541</b>
<b>Other Financing Sources (Uses)</b>								
Long-term debt issued	75,000	759,979	721,568	174,485	-	768,968	-	-
Premium on debt issued	-	-	-	57,322	-	-	-	-
Transfers in	-	19,938	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(1,116)	-	(59,541)
<b>Total Other Financing Sources (Uses)</b>	<b>75,000</b>	<b>779,917</b>	<b>721,568</b>	<b>231,807</b>	<b>-</b>	<b>767,852</b>	<b>-</b>	<b>(59,541)</b>
<b>Net Change in Fund Balances</b>	<b>650,549</b>	<b>523,964</b>	<b>(406,484)</b>	<b>84,281</b>	<b>6,065</b>	<b>306,478</b>	<b>181,426</b>	<b>-</b>
<b>Fund Balances (Deficits) - January 1</b>	<b>(1,714,018)</b>	<b>(2,927,061)</b>	<b>1,316,552</b>	<b>76,150</b>	<b>24,142</b>	<b>331,183</b>	<b>(559,849)</b>	<b>-</b>
<b>Fund Balances (Deficits) - December 31</b>	<b>\$ (1,063,469)</b>	<b>\$ (2,403,097)</b>	<b>\$ 910,068</b>	<b>\$ 160,431</b>	<b>\$ 30,207</b>	<b>\$ 637,661</b>	<b>\$ (378,423)</b>	<b>\$ -</b>

(Continued)

**CITY OF MANITOWOC, WISCONSIN**  
Combining Statement of Revenues, Expenses and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2015

	Capital Projects Funds (Continued)								Total Nonmajor Governmental Funds
	TID 11	TID 12	TID 13	TID 14	TID 15	TID 16	TID 17	TID 18	
<b>Revenues</b>									
Taxes	\$ 86,812	\$ 166,261	\$ 176,762	\$ 2,205	\$ 1,509,810	\$ 290,035	\$ 176,967	\$ -	\$ 5,729,979
Intergovernmental	21,967	1,503	90,681	1,473	21,567	36,824	7,599	-	1,172,023
Public charges for services	-	-	-	-	-	-	-	-	288,137
Intergovernmental charges for services	-	-	-	-	-	-	-	-	117,096
Miscellaneous	-	-	-	-	-	-	-	-	747,350
<b>Total Revenues</b>	<b>108,779</b>	<b>167,764</b>	<b>267,443</b>	<b>3,678</b>	<b>1,531,377</b>	<b>326,859</b>	<b>184,566</b>	<b>-</b>	<b>8,054,585</b>
<b>Expenditures</b>									
General government	-	-	-	-	-	-	-	-	512,490
Public safety	-	-	-	-	-	-	-	-	169,127
Public works	-	-	-	-	-	-	-	-	1,741,770
Culture and recreation	-	-	-	-	-	-	-	-	2,695,612
Conservation and development	1,750	2,053	1,750	1,750	340,330	1,749	1,750	1,017	1,959,210
Debt service									
Principal	185,000	310,000	85,000	95,000	950,000	345,000	60,000	-	2,150,000
Interest and fiscal charges	10,925	38,316	6,675	9,492	94,589	115,633	19,976	-	314,313
<b>Total Expenditures</b>	<b>197,675</b>	<b>350,369</b>	<b>93,425</b>	<b>106,242</b>	<b>1,384,919</b>	<b>462,382</b>	<b>81,726</b>	<b>1,017</b>	<b>9,542,522</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(88,896)</b>	<b>(182,605)</b>	<b>174,018</b>	<b>(102,564)</b>	<b>146,458</b>	<b>(135,523)</b>	<b>102,840</b>	<b>(1,017)</b>	<b>(1,487,937)</b>
<b>Other Financing Sources (Uses)</b>									
Long-term debt issued	-	-	-	-	-	-	-	-	2,500,000
Premium on debt issued	-	-	-	-	-	-	-	-	57,322
Transfers in	70,701	318,197	-	-	-	-	-	-	445,740
Transfers out	-	-	(174,018)	-	(78,287)	-	(102,840)	-	(754,086)
<b>Total Other Financing Sources (Uses)</b>	<b>70,701</b>	<b>318,197</b>	<b>(174,018)</b>	<b>-</b>	<b>(78,287)</b>	<b>-</b>	<b>(102,840)</b>	<b>-</b>	<b>2,248,976</b>
<b>Net Change in Fund Balances</b>	<b>(18,195)</b>	<b>135,592</b>	<b>-</b>	<b>(102,564)</b>	<b>68,171</b>	<b>(135,523)</b>	<b>-</b>	<b>(1,017)</b>	<b>761,039</b>
<b>Fund Balances (Deficits) - January 1</b>	<b>(70,523)</b>	<b>(135,592)</b>	<b>-</b>	<b>(400,462)</b>	<b>-</b>	<b>(1,418,411)</b>	<b>-</b>	<b>-</b>	<b>(1,233,162)</b>
<b>Fund Balances (Deficits) - December 31</b>	<b>\$ (88,718)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (503,026)</b>	<b>\$ 68,171</b>	<b>\$ (1,553,934)</b>	<b>\$ -</b>	<b>\$ (1,017)</b>	<b>\$ (472,123)</b>

**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, 2015

	2015		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Room	\$ 485,000	\$ 638,281	\$ 153,281
Miscellaneous			
Donations	-	10,825	10,825
Total Revenues	<u>485,000</u>	<u>649,106</u>	<u>164,106</u>
Expenditures			
Conservation and development	<u>399,800</u>	<u>397,986</u>	<u>1,814</u>
Excess of Revenues Over Expenditures	85,200	251,120	165,920
Other Financing Uses			
Transfers out	<u>(15,200)</u>	<u>(104,863)</u>	<u>(89,663)</u>
Net Change in Fund Balance	70,000	146,257	76,257
Fund Balance - January 1	<u>337,960</u>	<u>337,960</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 407,960</u>	<u>\$ 484,217</u>	<u>\$ 76,257</u>

**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, 2015

	2015		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental			
State aid	\$ 215,000	\$ 216,384	\$ 1,384
Charges for services	117,000	117,096	96
Total Revenues	<u>332,000</u>	<u>333,480</u>	<u>1,480</u>
Expenditures			
Public works	<u>144,000</u>	<u>150,155</u>	<u>(6,155)</u>
Excess of Revenues Over Expenditures	<u>188,000</u>	<u>183,325</u>	<u>(4,675)</u>
Other Financing Uses			
Transfers out	<u>(188,000)</u>	<u>(183,325)</u>	<u>4,675</u>
Net Change in Fund Balance	-	-	-
Fund Balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**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, 2015

	2015		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Total Revenues	\$ -	\$ -	\$ -
Expenditures			
Debt service			
Principal	20,000	20,000	-
Interest and fiscal charges	3,005	3,005	-
Total Expenditures	23,005	23,005	-
Net Change in Fund Balance	(23,005)	(23,005)	-
Fund Balance - January 1	130,779	130,779	-
Fund Balance - December 31	\$ 107,774	\$ 107,774	\$ -

**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, 2015

	2015		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property tax increment	\$ 45,426	\$ 23,255	\$ (22,171)
Intergovernmental			
Exempt computer aid	24	7	(17)
Total Revenues	<u>45,450</u>	<u>23,262</u>	<u>(22,188)</u>
Expenditures			
Conservation and development	-	3,600	(3,600)
Debt service			
Principal	45,000	45,000	-
Interest and fiscal charges	450	450	-
Total Expenditures	<u>45,450</u>	<u>49,050</u>	<u>(3,600)</u>
Excess of Revenues Under Expenditures	<u>-</u>	<u>(25,788)</u>	<u>(25,788)</u>
Other Financing Sources			
Transfers in	<u>-</u>	<u>25,788</u>	<u>25,788</u>
Net Change in Fund Balance	-	-	-
Fund Balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**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, 2015

	2015		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental			
State aid	\$ -	\$ 96,242	\$ 96,242
Expenditures			
Public works	-	120,295	(120,295)
Net Change in Fund Balance	-	(24,053)	(24,053)
Fund Balance - January 1	34,979	34,979	-
Fund Balance - December 31	\$ 34,979	\$ 10,926	\$ (24,053)

**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, 2015

	2015		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property taxes	\$ 1,370,425	\$ 1,370,425	\$ -
Intergovernmental			
County aids	529,331	540,363	11,032
Public charges for services			
User fees	70,000	50,888	(19,112)
Miscellaneous	-	26,414	26,414
Total Revenues	<u>1,969,756</u>	<u>1,988,090</u>	<u>18,334</u>
Expenditures			
Culture and recreation	<u>1,949,028</u>	<u>1,918,866</u>	<u>30,162</u>
Excess of Revenues Over Expenditures	<u>20,728</u>	<u>69,224</u>	<u>48,496</u>
Other Financing Sources (Uses)			
Transfers in	5,000	5,000	-
Transfers out	<u>(35,000)</u>	<u>(45,096)</u>	<u>(10,096)</u>
Total Other Financing Sources (Uses)	<u>(30,000)</u>	<u>(40,096)</u>	<u>(10,096)</u>
Net Change in Fund Balance	(9,272)	29,128	38,400
Fund Balance - January 1	<u>26,111</u>	<u>26,111</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 16,839</u>	<u>\$ 55,239</u>	<u>\$ 38,400</u>

**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, 2015

	2015		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property taxes	\$ 64,070	\$ 64,070	\$ -
Public charges for services			
User fees	135,000	170,848	35,848
Miscellaneous			
Donations	500	-	(500)
Total Revenues	<u>199,570</u>	<u>234,918</u>	<u>35,348</u>
Expenditures			
Culture and recreation	<u>202,570</u>	<u>192,700</u>	<u>9,870</u>
Net Change in Fund Balance	(3,000)	42,218	45,218
Fund Balance (Deficit) - January 1	<u>(79,387)</u>	<u>(79,387)</u>	<u>-</u>
Fund Balance (Deficit) - December 31	<u>\$ (82,387)</u>	<u>\$ (37,169)</u>	<u>\$ 45,218</u>

**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, 2015

	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	308,521	160,616
Miscellaneous	121,624	121,624	124,544	2,920
Total Revenues	<u>7,063,348</u>	<u>7,063,348</u>	<u>7,226,884</u>	<u>163,536</u>
Expenditures				
Principal retirement	5,965,000	5,965,000	5,965,000	-
Interest charges	1,408,132	1,408,132	1,408,129	3
Bond/Note issuance costs	-	-	180,484	(180,484)
Total Expenditures	<u>7,373,132</u>	<u>7,373,132</u>	<u>7,553,613</u>	<u>(180,481)</u>
Excess of Revenues Under Expenditures	<u>(309,784)</u>	<u>(309,784)</u>	<u>(326,729)</u>	<u>(16,945)</u>
Other Financing Sources (Uses)				
Long-term debt issued	-	-	7,010,000	7,010,000
Premium on debt	-	-	430,631	430,631
Payment to refunding escrow agent	-	-	(6,502,306)	(6,502,306)
Transfers in	(67,221)	67,221	72,239	5,018
Total Other Financing Sources (Uses)	<u>(67,221)</u>	<u>67,221</u>	<u>1,010,564</u>	<u>943,343</u>
Net Change in Fund Balance	<u>(377,005)</u>	<u>(242,563)</u>	<u>683,835</u>	<u>926,398</u>
Fund Balance - January 1	<u>617,396</u>	<u>617,396</u>	<u>617,396</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 240,391</u>	<u>\$ 374,833</u>	<u>\$ 1,301,231</u>	<u>\$ 926,398</u>

**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, 2015

	2015		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes	\$ 580,941	\$ 580,941	\$ -
Miscellaneous Donations	-	38,124	38,124
Total Revenues	<u>580,941</u>	<u>619,065</u>	<u>38,124</u>
Expenditures			
Public works Sanitary and storm sewers	75,000	39,897	35,103
Debt service Interest expense	580,941	3,619	577,322
Total Expenditures	<u>655,941</u>	<u>43,516</u>	<u>612,425</u>
Excess of Revenues Over (Under) Expenditures	<u>(75,000)</u>	<u>575,549</u>	<u>650,549</u>
Other Financing Sources			
Long-term debt issued	<u>75,000</u>	<u>75,000</u>	<u>-</u>
Net Change in Fund Balance	-	650,549	650,549
Fund Balance (Deficit) - January 1	<u>(1,714,018)</u>	<u>(1,714,018)</u>	<u>-</u>
Fund Balance (Deficit) - December 31	<u>\$ (1,714,018)</u>	<u>\$ (1,063,469)</u>	<u>\$ 650,549</u>

**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, 2015

	2015		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes	\$ 282,133	\$ 282,133	\$ -
Public charges for services			
Fees	-	28,262	28,262
Miscellaneous			
Donations	-	36,706	36,706
Total Revenues	<u>282,133</u>	<u>347,101</u>	<u>64,968</u>
Expenditures			
Public works			
Streets	779,917	132,767	647,150
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	282,133	662	281,471
Total Expenditures	<u>1,062,050</u>	<u>603,054</u>	<u>458,996</u>
Excess of Revenues Under Expenditures	<u>(779,917)</u>	<u>(255,953)</u>	<u>523,964</u>
Other Financing Sources			
Long-term debt issued	759,979	759,979	-
Transfers in	19,938	19,938	-
Total Other Financing Sources	<u>779,917</u>	<u>779,917</u>	<u>-</u>
Net Change in Fund Balance	-	523,964	523,964
Fund Balance (Deficit) - January 1	<u>(2,927,061)</u>	<u>(2,927,061)</u>	<u>-</u>
Fund Balance (Deficit) - December 31	<u>\$ (2,927,061)</u>	<u>\$ (2,403,097)</u>	<u>\$ 523,964</u>

**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, 2015

	2015		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Miscellaneous			
Sale of property	\$ -	\$ 294	\$ 294
Expenditures			
General government			
Data processing	250,000	464,805	(214,805)
Public safety			
Police	440,567	102,901	337,666
Fire	-	34,833	(34,833)
Public works			
Streets	255,000	493,609	(238,609)
Culture and recreation			
Parks	45,800	32,198	13,602
Total Expenditures	<u>991,367</u>	<u>1,128,346</u>	<u>(136,979)</u>
Excess of Revenues Under Expenditures	<u>(991,367)</u>	<u>(1,128,052)</u>	<u>(136,685)</u>
Other Financing Sources			
Long-term debt issued	<u>721,568</u>	<u>721,568</u>	<u>-</u>
Net Change in Fund Balance	(269,799)	(406,484)	(136,685)
Fund Balance - January 1	<u>1,316,552</u>	<u>1,316,552</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 1,046,753</u>	<u>\$ 910,068</u>	<u>\$ (136,685)</u>

**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, 2015

	2015		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property taxes	\$ 56,484	\$ 56,484	\$ -
Expenditures			
Public works			
Landfill cleanup	228,484	204,010	24,474
Excess of Revenues Under Expenditures	(172,000)	(147,526)	24,474
Other Financing Sources			
Long-term debt issued	172,000	174,485	2,485
Premium on debt issued	-	57,322	57,322
Total Other Financing Sources	172,000	231,807	59,807
Net Change in Fund Balance	-	84,281	84,281
Fund Balance - January 1	76,150	76,150	-
Fund Balance - December 31	\$ 76,150	\$ 160,431	\$ 84,281

**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, 2015

	2015		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Public charges for services	\$ -	\$ 6,065	\$ 6,065
Net Change in Fund Balance	-	6,065	6,065
Fund Balance - January 1	24,142	24,142	-
Fund Balance - December 31	<u>\$ 24,142</u>	<u>\$ 30,207</u>	<u>\$ 6,065</u>

**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, 2015

	2015		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ -	\$ 80,624	\$ 80,624
Miscellaneous			
Donations	-	60,446	60,446
Total Revenues	<u>-</u>	<u>141,070</u>	<u>141,070</u>
Expenditures			
General government	-	47,685	(47,685)
Public safety	12,000	11,647	353
Public works	489,768	128,052	361,716
Culture and recreation	347,200	412,940	(65,740)
Conservation and development	-	2,120	(2,120)
Total Expenditures	<u>848,968</u>	<u>602,444</u>	<u>246,524</u>
Excess of Revenues Under Expenditures	<u>(848,968)</u>	<u>(461,374)</u>	<u>387,594</u>
Other Financing Sources (Uses)			
Long-term debt issued	733,968	768,968	35,000
Transfers out	-	(1,116)	(1,116)
Total Other Financing Sources (Uses)	<u>733,968</u>	<u>767,852</u>	<u>33,884</u>
Net Change in Fund Balance	(115,000)	306,478	421,478
Fund Balance - January 1	<u>331,183</u>	<u>331,183</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 216,183</u>	<u>\$ 637,661</u>	<u>\$ 421,478</u>

**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, 2015

	2015		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property tax increment	\$ 19,072	\$ 202,131	\$ 183,059
Intergovernmental			
Exempt computer aid	3,880	7,357	3,477
Total Revenues	<u>22,952</u>	<u>209,488</u>	<u>186,536</u>
Expenditures			
Public works	-	3,360	(3,360)
Conservation and development			
City admin fees	-	1,750	(1,750)
Debt service			
Principal	-	20,000	(20,000)
Interest and fiscal charges	-	2,952	(2,952)
Total Expenditures	<u>-</u>	<u>28,062</u>	<u>(28,062)</u>
Net Change in Fund Balance	22,952	181,426	158,474
Fund Balance (Deficit) - January 1	<u>(559,849)</u>	<u>(559,849)</u>	-
Fund Balance (Deficit) - December 31	<u>\$ (536,897)</u>	<u>\$ (378,423)</u>	<u>\$ 158,474</u>

**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, 2015

	2015		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property tax increment	\$ 42,232	\$ 103,407	\$ 61,175
Intergovernmental			
Exempt computer aid	787	2,445	1,658
Total Revenues	<u>43,019</u>	<u>105,852</u>	<u>62,833</u>
Expenditures			
Conservation and development	-	3,292	(3,292)
Debt service			
Principal	35,000	35,000	-
Interest and fiscal charges	8,019	8,019	-
Total Expenditures	<u>43,019</u>	<u>46,311</u>	<u>(3,292)</u>
Excess of Revenues Over Expenditures	<u>-</u>	<u>59,541</u>	<u>59,541</u>
Other Financing Uses			
Transfers out	<u>-</u>	<u>(59,541)</u>	<u>(59,541)</u>
Net Change in Fund Balance	-	-	-
Fund Balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**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, 2015

	2015		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property tax increment	\$ 171,124	\$ 86,812	\$ (84,312)
Intergovernmental			
Exempt computer aid	24,801	21,967	(2,834)
Total Revenues	<u>195,925</u>	<u>108,779</u>	<u>(87,146)</u>
Expenditures			
Conservation and development	-	1,750	(1,750)
Debt service			
Principal	185,000	185,000	-
Interest and fiscal charges	10,925	10,925	-
Total Expenditures	<u>195,925</u>	<u>197,675</u>	<u>(1,750)</u>
Excess of Revenues Under Expenditures	-	(88,896)	(88,896)
Other Financing Sources			
Transfers in	-	70,701	70,701
Net Change in Fund Balance	-	(18,195)	(18,195)
Fund Balance (Deficit) - January 1	<u>(70,523)</u>	<u>(70,523)</u>	-
Fund Balance (Deficit) - December 31	<u>\$ (70,523)</u>	<u>\$ (88,718)</u>	<u>\$ (18,195)</u>

**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, 2015

	2015		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property tax increment	\$ 346,061	\$ 166,261	\$ (179,800)
Intergovernmental			
Exempt computer aid	2,255	1,503	(752)
Total Revenues	<u>348,316</u>	<u>167,764</u>	<u>(180,552)</u>
Expenditures			
Conservation and development	-	2,053	(2,053)
Debt service			
Principal	310,000	310,000	-
Interest and fiscal charges	38,316	38,316	-
Total Expenditures	<u>348,316</u>	<u>350,369</u>	<u>(2,053)</u>
Excess of Revenues Under Expenditures	<u>-</u>	<u>(182,605)</u>	<u>(182,605)</u>
Other Financing Sources			
Transfers in	<u>-</u>	<u>318,197</u>	<u>318,197</u>
Net Change in Fund Balance	<u>-</u>	<u>135,592</u>	<u>135,592</u>
Fund Balance (Deficit) - January 1	<u>(135,592)</u>	<u>(135,592)</u>	<u>-</u>
Fund Balance (Deficit) - December 31	<u>\$ (135,592)</u>	<u>\$ -</u>	<u>\$ 135,592</u>

**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, 2015

	2015		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property tax increment	\$ 21,187	\$ 176,762	\$ 155,575
Intergovernmental			
Exempt computer aid	70,488	90,681	20,193
Total Revenues	<u>91,675</u>	<u>267,443</u>	<u>175,768</u>
Expenditures			
Conservation and development	-	1,750	(1,750)
Debt service			
Principal	85,000	85,000	-
Interest and fiscal charges	6,675	6,675	-
Total Expenditures	<u>91,675</u>	<u>93,425</u>	<u>(1,750)</u>
Excess of Revenues Over Expenditures	<u>-</u>	<u>174,018</u>	<u>174,018</u>
Other Financing Uses			
Transfers out	<u>-</u>	<u>(174,018)</u>	<u>(174,018)</u>
Net Change in Fund Balance	-	-	-
Fund Balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**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, 2015

	2015		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property tax increment	\$ 102,790	\$ 2,205	\$ (100,585)
Intergovernmental			
Exempt computer aid	1,702	1,473	(229)
Total Revenues	<u>104,492</u>	<u>3,678</u>	<u>(100,814)</u>
Expenditures			
Conservation and development	-	1,750	(1,750)
Debt service			
Principal	95,000	95,000	-
Interest and fiscal charges	9,492	9,492	-
Total Expenditures	<u>104,492</u>	<u>106,242</u>	<u>(1,750)</u>
Net Change in Fund Balance	-	(102,564)	(102,564)
Fund Balance (Deficit) - January 1	<u>(400,462)</u>	<u>(400,462)</u>	-
Fund Balance (Deficit) - December 31	<u>\$ (400,462)</u>	<u>\$ (503,026)</u>	<u>\$ (102,564)</u>

**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, 2015

	2015		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property tax increment	\$ 1,022,961	\$ 1,509,810	\$ 486,849
Intergovernmental			
Exempt computer aid	21,628	21,567	(61)
Total Revenues	<u>1,044,589</u>	<u>1,531,377</u>	<u>486,788</u>
Expenditures			
Conservation and development	-	340,330	(340,330)
Debt service			
Principal	950,000	950,000	-
Interest and fiscal charges	94,589	94,589	-
Total Expenditures	<u>1,044,589</u>	<u>1,384,919</u>	<u>(340,330)</u>
Excess of Revenues Over Expenditures	-	146,458	146,458
Other Financing Uses			
Transfers out	-	(78,287)	(78,287)
Net Change in Fund Balance	-	68,171	68,171
Fund Balance - January 1	-	-	-
Fund Balance - December 31	<u>\$ -</u>	<u>\$ 68,171</u>	<u>\$ 68,171</u>

**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, 2015

	2015		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property tax increment	\$ 420,954	\$ 290,035	\$ (130,919)
Intergovernmental			
Exempt computer aid	39,679	36,824	(2,855)
Total Revenues	<u>460,633</u>	<u>326,859</u>	<u>(133,774)</u>
Expenditures			
Conservation and development	-	1,749	(1,749)
Debt service			
Principal	345,000	345,000	-
Interest and fiscal charges	115,633	115,633	-
Total Expenditures	<u>460,633</u>	<u>462,382</u>	<u>(1,749)</u>
Net Change in Fund Balance	-	(135,523)	(135,523)
Fund Balance (Deficit) - January 1	<u>(1,418,411)</u>	<u>(1,418,411)</u>	-
Fund Balance (Deficit) - December 31	<u>\$ (1,418,411)</u>	<u>\$ (1,553,934)</u>	<u>\$ (135,523)</u>

**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, 2015

	2015		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Property tax increment	\$ 72,897	\$ 176,967	\$ 104,070
Intergovernmental			
Exempt computer aid	7,079	7,599	520
Total Revenues	<u>79,976</u>	<u>184,566</u>	<u>104,590</u>
Expenditures			
Conservation and development	-	1,750	(1,750)
Debt service			
Principal	60,000	60,000	-
Interest and fiscal charges	19,976	19,976	-
Total Expenditures	<u>79,976</u>	<u>81,726</u>	<u>(1,750)</u>
Excess of Revenues Over Expenditures	-	102,840	102,840
Other Financing Uses			
Transfers out	-	(102,840)	(102,840)
Net Change in Fund Balance	-	-	-
Fund Balance - January 1	-	-	-
Fund Balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## **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 software and technology 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, 2015

	Data Processing	Health Self Insurance	General Liability Self Insurance	Totals
<b>ASSETS</b>				
Current Assets				
Cash and investments	\$ -	\$ 1,760,152	\$ -	\$ 1,760,152
Receivables				
Accounts	20,337	2,253	-	22,590
Inventories and prepaid items	53,710	30,000	-	83,710
Total Current Assets	74,047	1,792,405	-	1,866,452
Noncurrent Assets				
Deposit with CVMIC	-	-	1,111,426	1,111,426
Capital assets, nondepreciable				
Construction in progress	1,191,576	-	-	1,191,576
<b>TOTAL ASSETS</b>	<b>1,265,623</b>	<b>1,792,405</b>	<b>1,111,426</b>	<b>4,169,454</b>
<b>LIABILITIES</b>				
Current Liabilities				
Accounts payable	2,173	96,208	-	98,381
Accrued and other current liabilities	19,120	357,044	-	376,164
Due to other funds	991,243	-	-	991,243
Total Current Liabilities	1,012,536	453,252	-	1,465,788
Noncurrent Liabilities				
Compensated absences	185,771	-	-	185,771
<b>TOTAL LIABILITIES</b>	<b>1,198,307</b>	<b>453,252</b>	<b>-</b>	<b>1,651,559</b>
<b>NET POSITION</b>				
Unrestricted	\$ 67,316	\$ 1,339,153	\$ 1,111,426	\$ 2,517,895

**CITY OF MANITOWOC, WISCONSIN**  
Combining Statement of Revenues, Expenses and Changes in Net Position  
Internal Service Funds  
For the Year Ended December 31, 2015

	Data Processing	Health Self Insurance	General Liability Self Insurance	Totals
Operating Revenues				
Charges for services	\$ 574,386	\$ 3,455,662	\$ -	\$ 4,030,048
Other	641	-	-	641
Total Operating Revenues	<u>575,027</u>	<u>3,455,662</u>	<u>-</u>	<u>4,030,689</u>
Operating Expenses				
Operation and maintenance	401,835	-	-	401,835
Insurance payments and claims	-	3,687,258	-	3,687,258
Taxes	16,980	-	-	16,980
Total Operating Expenses	<u>418,815</u>	<u>3,687,258</u>	<u>-</u>	<u>4,106,073</u>
Operating Income (Loss)	<u>156,212</u>	<u>(231,596)</u>	<u>-</u>	<u>(75,384)</u>
Nonoperating Revenues				
Insurance recoveries	-	75,473	-	75,473
Change in Net Position	156,212	(156,123)	-	89
Net Position (Deficit) - January 1	<u>(88,896)</u>	<u>1,495,276</u>	<u>1,111,426</u>	<u>2,517,806</u>
Net Position - December 31	<u>\$ 67,316</u>	<u>\$ 1,339,153</u>	<u>\$ 1,111,426</u>	<u>\$ 2,517,895</u>

**CITY OF MANITOWOC, WISCONSIN**  
Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended December 31, 2015

	Data Processing	Health Self Insurance	General Liability Self Insurance	Totals
<b>Cash Flows from Operating Activities</b>				
Cash from interfund services provided	\$ 576,015	\$ 3,461,556	\$ -	\$ 4,037,571
Payments to suppliers	(46,251)	(3,690,130)	-	(3,736,381)
Payments to employees	(295,161)	-	-	(295,161)
Net Cash Provided (Used) by Operating Activities	<u>234,603</u>	<u>(228,574)</u>	<u>-</u>	<u>6,029</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Acquisition of capital assets	(853,536)	-	-	(853,536)
Cash advanced from other funds	618,933	-	-	618,933
Net Cash Used by Capital and Related Financing Activities	<u>(234,603)</u>	<u>-</u>	<u>-</u>	<u>(234,603)</u>
Change in Cash and Cash Equivalents	-	(228,574)	-	(228,574)
Cash and Cash Equivalents - January 1	-	1,988,726	-	1,988,726
Cash and Cash Equivalents - December 31	<u>\$ -</u>	<u>\$ 1,760,152</u>	<u>\$ -</u>	<u>\$ 1,760,152</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>				
Operating income (loss)	\$ 156,212	\$ (231,596)	\$ -	\$ (75,384)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Insurance recoveries	-	75,473	-	75,473
Changes in assets and liabilities				
Receivables	988	5,894	-	6,882
Inventories and prepaid items	(105)	(30,000)	-	(30,105)
Deferred charges	66,962	-	-	66,962
Accounts payable	(8,413)	51,670	-	43,257
Accrued and other liabilities	18,959	(100,015)	-	(81,056)
Net Cash Provided (Used) by Operating Activities	<u>\$ 234,603</u>	<u>\$ (228,574)</u>	<u>\$ -</u>	<u>\$ 6,029</u>
Noncash Investing, Capital and Financing Activities				
None	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF MANITOWOC, WISCONSIN**  
 Capital Assets Used in the Operation of Governmental Funds  
 Comparative Schedules by Source  
 December 31, 2015 and 2014

	2015	2014
Capital Assets		
Land	\$ 7,200,118	\$ 7,195,018
Buildings	28,797,563	28,797,563
Machinery and equipment	26,019,447	25,718,138
Infrastructure	169,059,188	169,443,593
Total Governmental Funds Capital Assets	<u>\$ 231,076,316</u>	<u>\$ 231,154,312</u>
Investments in Governmental Funds Capital Assets By Source		
General fund	\$ 24,079,976	\$ 24,157,972
Federal, state and local grants	8,206,146	8,206,146
Capital projects funds		
General obligation debt	198,790,194	198,790,194
Total Governmental Funds Capital Assets	<u>\$ 231,076,316</u>	<u>\$ 231,154,312</u>

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, 2015

Function	Total	Land	Buildings	Machinery and Equipment	Infrastructure
General government	\$ 13,744,400	\$ 5,660,265	\$ 7,501,175	\$ 582,960	\$ -
Public safety	10,136,874	347,400	4,604,417	5,185,057	-
Public works	185,226,717	392,240	4,343,364	11,431,925	169,059,188
Health and human services	478,377	-	117,711	360,666	-
Culture and recreation	20,821,868	800,213	11,773,467	8,248,188	-
Conservation and development	668,080	-	457,429	210,651	-
<b>Total General Capital Assets</b>	<b>\$ 231,076,316</b>	<b>\$ 7,200,118</b>	<b>\$ 28,797,563</b>	<b>\$ 26,019,447</b>	<b>\$ 169,059,188</b>

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, 2015

Function	Governmental Funds Capital Assets 1/1/15	Additions	Retirements	Governmental Funds Capital Assets 12/31/15
General government	\$ 13,706,285	\$ 45,895	\$ 7,780	\$ 13,744,400
Public safety	9,888,562	484,498	236,186	10,136,874
Public works	185,318,865	1,426,156	1,518,304	185,226,717
Health and human services	475,955	31,505	29,083	478,377
Culture and recreation	20,822,883	230,727	231,742	20,821,868
Conservation and development	941,762	-	273,682	668,080
<b>Total Governmental Funds</b>				
Capital Assets	<u>\$ 231,154,312</u>	<u>\$ 2,218,781</u>	<u>\$ 2,296,777</u>	<u>\$ 231,076,316</u>

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.

<b>Contents</b>	<b>Page</b>
Financial Trends <i>These schedules contain trend information to help the reader understand how Manitowoc’s financial performance and well-being have changed over time.</i>	128
Revenue Capacity <i>These schedules contain information to help the reader assess Manitowoc’s most significant local revenue source, the property tax.</i>	134
Debt Capacity <i>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.</i>	139
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which Manitowoc’s financial activities take place.</i>	145
Operating Information <i>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.</i>	147

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)**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Governmental activities</b>										
Invested in capital assets, net of related debt	\$ 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	\$ 87,127,517
Restricted	-	-	-	-	-	3,318,623	3,350,548	8,114,185	8,831,574	16,759,931
Unrestricted (deficit)	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)	(13,384,218)
<b>Total governmental activities net position</b>	<b>\$ 95,848,458</b>	<b>\$ 90,135,461</b>	<b>\$ 80,216,811</b>	<b>\$ 75,059,033</b>	<b>\$ 67,037,931</b>	<b>\$ 70,517,578</b>	<b>\$ 71,648,200</b>	<b>\$ 75,969,174</b>	<b>\$ 79,866,000</b>	<b>\$ 90,503,230</b>
<b>Business-type activities</b>										
Invested in capital assets, net of related debt	\$ 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	\$ 134,976,967
Restricted	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	20,111,754
Unrestricted	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	48,885,676
<b>Total business-type activities net position</b>	<b>\$ 143,515,872</b>	<b>\$ 153,566,492</b>	<b>\$ 160,901,907</b>	<b>\$ 163,268,730</b>	<b>\$ 161,281,996</b>	<b>\$ 166,068,966</b>	<b>\$ 175,139,589</b>	<b>\$ 185,147,842</b>	<b>\$ 192,540,664</b>	<b>\$ 203,974,397</b>
<b>Primary government</b>										
Invested in capital assets, net of related debt	\$ 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	\$ 222,104,484
Restricted	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	36,871,685
Unrestricted	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	35,501,458
<b>Total primary government net position</b>	<b>\$ 239,364,330</b>	<b>\$ 243,701,953</b>	<b>\$ 241,118,718</b>	<b>\$ 238,327,763</b>	<b>\$ 228,319,927</b>	<b>\$ 236,586,544</b>	<b>\$ 246,787,789</b>	<b>\$ 261,117,016</b>	<b>\$ 272,406,664</b>	<b>\$ 294,477,627</b>

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Expenses</b>										
Governmental activities:										
General government	\$ 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	\$ 4,579,437
Public safety	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	13,822,068
Public works	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	8,508,822
Health and human services	461,828	475,799	523,071	505,417	546,432	539,339	271,019	337,553	297,093	296,567
Culture and recreation	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	4,805,376
Development	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	1,257,001
Interest on debt	2,768,177	2,903,283	3,017,661	2,989,602	3,941,695	2,480,672	2,268,177	2,499,847	1,920,612	1,848,490
<b>Total governmental activities expenses</b>	<b>42,860,009</b>	<b>43,345,391</b>	<b>48,162,741</b>	<b>46,703,729</b>	<b>48,071,481</b>	<b>40,406,188</b>	<b>38,463,289</b>	<b>34,439,821</b>	<b>34,967,994</b>	<b>35,117,761</b>
Business-type activities:										
Water utility	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	5,553,603
Electric utility	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	57,984,007
Steam utility	3,599,632	3,636,524	3,726,855	3,441,973	2,692,941	1,895,580	285,953	374,930	392,270	1,015,963
Broadband utility	155,984	112,275	121,311	99,484	100,286	58,713	73,837	76,631	84,069	72,257
Wastewater treatment plant	6,457,444	5,575,906	8,898,944	6,775,626	5,843,812	4,729,671	4,433,388	4,889,792	4,944,513	5,753,536
Transit system	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	2,056,301
<b>Total business-type activities expenses</b>	<b>58,885,082</b>	<b>63,672,483</b>	<b>69,162,625</b>	<b>62,886,338</b>	<b>63,500,154</b>	<b>64,647,426</b>	<b>71,265,844</b>	<b>72,577,703</b>	<b>74,396,745</b>	<b>72,435,667</b>
<b>Total primary government expenses</b>	<b>\$ 101,745,091</b>	<b>\$ 107,017,874</b>	<b>\$ 117,325,366</b>	<b>\$ 109,590,067</b>	<b>\$ 111,571,635</b>	<b>\$ 105,053,614</b>	<b>\$ 109,729,133</b>	<b>\$ 107,017,524</b>	<b>\$ 109,364,739</b>	<b>\$ 107,553,428</b>

(Continued)

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 404,721	\$ 628,488	\$ 364,561	\$ 361,486	\$ 354,642	\$ 470,516	\$ 495,393	\$ 461,920	\$ 478,564	\$ 430,816
Public safety	2,815,602	2,750,012	2,907,803	2,470,162	2,456,433	2,332,256	2,375,809	3,054,210	2,859,135	2,456,088
Culture and recreation	319,683	302,485	284,979	202,684	581,468	1,084,730	1,030,925	1,000,494	910,375	1,051,483
Other activities	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	1,223,598
Operating grants and contributions	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	3,188,897
Capital grants and contributions	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	426,099
Total governmental activities program revenues	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	8,776,981
Business-type activities:										
Charges for services:										
Water utility	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	6,898,509
Electric utility	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	66,275,163
Steam utility	3,501,244	4,231,300	4,743,307	3,985,780	2,361,255	1,497,632	477,640	544,992	687,092	1,217,714
Broadband utility	153,390	139,705	167,659	145,932	150,649	162,316	152,309	176,815	169,901	222,710
Wastewater treatment plant	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	7,178,115
Transit system	161,517	273,440	213,051	208,447	216,506	183,558	185,298	193,404	199,353	195,708
Operating grants and contributions	1,462,145	1,975,526	1,955,205	1,948,833	1,967,087	1,972,194	1,807,210	1,621,962	1,756,616	1,749,317
Capital grants and contributions	26,172,711	1,962,388	827,710	609,685	257,491	392,686	1,499,199	173,697	279,266	227,594
Total business-type activities program revenues	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	83,964,830
Total primary government program revenues	\$ 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	\$ 92,741,811
Net (expense)/revenue										
Governmental activities	\$ (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)	\$ (26,340,780)
Business-type activities	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	11,529,163
Total primary government net expense	\$ 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)	\$ (14,811,617)

(Continued)

**CITY OF MANITOWOC, WISCONSIN**

Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General Revenues and Other Changes in Net Assets</b>										
Governmental activities:										
Taxes										
Property taxes	\$ 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	\$ 17,244,016
Other taxes	534,998	603,072	493,192	533,298	470,540	418,429	415,842	770,332	689,520	784,813
Unrestricted state and federal aids	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	6,138,197
Interest earnings	1,520,526	2,042,220	1,782,827	1,449,891	619,090	275,315	184,573	55,869	240,795	177,411
Miscellaneous	719,805	753,937	939,946	869,195	675,787	305,173	658,504	620,353	1,164,659	1,471,129
Transfers	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	3,992,080
Total governmental activities	<u>23,310,786</u>	<u>25,033,672</u>	<u>27,203,648</u>	<u>28,907,740</u>	<u>28,488,624</u>	<u>27,548,306</u>	<u>28,215,400</u>	<u>28,352,690</u>	<u>29,017,692</u>	<u>29,807,646</u>
Business-type activities:										
Interest earnings	1,376,658	1,868,424	1,339,077	797,429	810,460	1,078,616	1,159,912	1,197,317	1,401,893	791,851
Miscellaneous	-	-	-	-	-	47,043	286,959	274,808	282,502	329,616
Special item-gain/(loss) sale of asset	-	-	-	-	-	-	(346,664)	-	-	-
Transfers	(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)	(3,992,080)
Total business-type activities	<u>(1,779,211)</u>	<u>(1,189,423)</u>	<u>(2,149,441)</u>	<u>(4,324,901)</u>	<u>(4,016,051)</u>	<u>(3,245,632)</u>	<u>(2,672,105)</u>	<u>(2,412,815)</u>	<u>(2,229,648)</u>	<u>(2,870,613)</u>
Total primary government	<u>\$ 21,531,575</u>	<u>\$ 23,844,249</u>	<u>\$ 25,054,207</u>	<u>\$ 24,582,839</u>	<u>\$ 24,472,573</u>	<u>\$ 24,302,674</u>	<u>\$ 25,543,295</u>	<u>\$ 25,939,875</u>	<u>\$ 26,788,044</u>	<u>\$ 26,937,033</u>
<b>Change in Net Assets</b>										
Governmental activities	\$ (7,015,699)	\$ (5,712,997)	\$ (9,918,650)	\$ (5,157,778)	\$ (8,021,102)	\$ 1,601,650	\$ 1,093,855	\$ 4,357,741	\$ 3,896,826	\$ 3,466,866
Business-type activities	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	8,658,550
Special Item (disposal of plant)	-	-	-	-	(3,429,065)	-	-	-	-	-
Total primary government	<u>\$ 24,812,397</u>	<u>\$ 4,337,623</u>	<u>\$ (2,583,235)</u>	<u>\$ (2,790,955)</u>	<u>\$ (10,007,836)</u>	<u>\$ 6,388,620</u>	<u>\$ 10,164,478</u>	<u>\$ 11,515,245</u>	<u>\$ 11,289,648</u>	<u>\$ 12,125,416</u>

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

	2011	2012	2013	2014	2015
General fund					
Nonspendable					
Inventories and prepaid items	\$ 545,077	\$ 572,952	\$ 534,358	\$ 561,424	\$ 606,445
Long term accounts and interfund receivables	3,610,186	3,568,735	3,781,606	4,267,385	3,329,843
Committed for future spending	-	266,698	-	-	-
Assigned	-	-	53,708	91,312	292,984
Unassigned	1,205,370	1,332,914	1,184,321	1,416,511	2,753,249
Total general fund	<u>5,360,633</u>	<u>5,741,299</u>	<u>5,553,993</u>	<u>6,336,632</u>	<u>6,982,521</u>
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	1,301,231
Future loans	2,164,446	2,882,921	3,635,768	2,829,007	2,085,089
Future spending	416,399	464,648	487,692	517,965	626,294
Committed for future spending	1,501,423	1,173,265	1,028,596	766,976	1,170,026
Assigned	391,119	1,085,561	1,148,479	1,778,090	1,738,367
Unassigned	(11,377,555)	(8,327,541)	(7,592,115)	(7,125,200)	(6,091,899)
Total all other governmental funds	<u>(3,286,617)</u>	<u>(1,372,549)</u>	<u>(349,151)</u>	<u>(615,766)</u>	<u>829,108</u>
Total governmental funds	<u>\$ 2,074,016</u>	<u>\$ 4,368,750</u>	<u>\$ 5,204,842</u>	<u>\$ 5,720,866</u>	<u>\$ 7,811,629</u>

\* 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)**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Revenues</b>										
Taxes	\$ 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	\$ 18,028,829
Special assessments	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	454,205
Intergovernmental	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	9,571,207
Licenses and permits	815,526	893,088	984,614	744,236	786,147	682,477	752,161	1,084,365	806,819	752,756
Fines and forfeitures	277,008	305,283	374,917	398,766	446,068	510,663	509,517	550,145	535,228	520,381
Public charges for services	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	2,480,040
Intergovernmental charges for services	173,942	158,892	209,276	217,642	234,356	314,421	340,357	322,161	328,261	304,313
Interdepartmental charges for services	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	994,523
Miscellaneous	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	2,463,773
<b>Total revenues</b>	<b>35,441,279</b>	<b>35,796,053</b>	<b>39,342,077</b>	<b>38,604,622</b>	<b>37,352,789</b>	<b>40,589,847</b>	<b>38,012,387</b>	<b>37,074,569</b>	<b>36,102,043</b>	<b>35,570,027</b>
<b>Expenditures</b>										
General government	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	4,418,386
Public safety	13,539,545	14,189,301	14,658,840	15,331,451	14,991,505	15,115,462	14,051,845	14,097,392	13,431,241	13,225,047
Public works	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	6,243,187
Health and human services	324,904	458,436	502,732	535,988	511,120	516,530	271,483	319,724	307,683	309,802
Culture and recreation	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	4,436,399
Conservation and development	1,806,069	2,136,426	6,038,371	2,875,858	2,734,168	3,508,398	1,442,368	2,283,727	2,746,436	2,316,244
Capital Outlay	8,011,219	-	-	-	-	-	-	-	-	-
Debt service										
Principal retirement	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	8,115,000
Interest and fiscal charges	2,609,575	2,798,486	3,062,370	3,071,264	3,085,792	2,990,159	2,400,933	2,314,712	1,937,065	1,902,926
Bond issuance costs	77,360	31,750	81,890	42,559	172,179	-	-	-	-	-
<b>Total Expenditures</b>	<b>44,938,021</b>	<b>46,511,521</b>	<b>53,902,137</b>	<b>54,959,405</b>	<b>51,162,881</b>	<b>54,650,412</b>	<b>42,377,996</b>	<b>42,481,431</b>	<b>42,231,166</b>	<b>40,966,991</b>
Excess of revenues over (under) expenditures	(9,496,742)	(10,715,468)	(14,560,060)	(16,354,783)	(13,810,092)	(14,060,565)	(4,365,609)	(5,406,862)	(6,129,123)	(5,396,964)
<b>Other financing sources (uses)</b>										
General obligation debt issued	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	9,510,000
Note anticipation notes	1,005,000	-	-	-	-	-	-	-	-	-
Note premium	4,914	-	47,709	-	-	-	-	232,041	144,652	487,953
Refunding bond premium	41,403	-	-	-	-	-	-	-	-	-
General obligation bond premium	17,619	26,029	-	226,302	267,933	-	-	-	-	-
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)	(6,502,306)
Sale of Capital Assets	-	-	-	-	-	-	-	215,000	-	-
Transfers in	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	4,766,104
Transfers out	(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)	(774,024)
<b>Total other financing sources (uses)</b>	<b>11,433,749</b>	<b>13,747,202</b>	<b>13,299,805</b>	<b>12,940,848</b>	<b>9,948,399</b>	<b>10,044,006</b>	<b>6,660,343</b>	<b>6,242,954</b>	<b>6,645,146</b>	<b>7,487,727</b>
<b>Net change in fund balances</b>	<b>\$ 1,937,007</b>	<b>\$ 3,031,734</b>	<b>\$ (1,260,255)</b>	<b>\$ (3,413,935)</b>	<b>\$ (3,861,693)</b>	<b>\$ (4,016,559)</b>	<b>\$ 2,294,734</b>	<b>\$ 836,092</b>	<b>\$ 516,023</b>	<b>\$ 2,090,763</b>
Debt service as a percentage of noncapital expenditures	14.8%	16.4%	16.2%	19.9%	21.3%	23.9%	24.9%	27.5%	26.0%	25.9%

**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
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
2015	17,244,016	-	37,965	44,256	638,281	64,311	18,028,829

**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				
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	6.8616	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%
2015	1,322,213,000	602,928,100	291,100	62,349,000	15,974,400	2,003,755,600	8.0103	1,911,750,600	104.81%

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 1999, a City-wide revaluation was completed in-house.  
 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

Fiscal Budget Year	City of Manitowoc				Overlapping Rates								Total Direct & Overlapping Rates
	Operating Rate	General Obligation Debt Rate	Total Rate	Percent of Total Tax Bill	State of Wisconsin		County		School District		Lakeshore Technical College		
					Rate	Percent	Rate	Percent	Rate	Percent	Rate	Percent	
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	3.9576	2.9040	6.8616	31.2%	0.1701	0.8%	5.2887	24.0%	8.1439	37.1%	1.5611	7.1%	22.0254
2012	4.5054	3.0877	7.5931	33.2%	0.1686	0.7%	5.2668	23.1%	8.2650	36.3%	1.5530	6.8%	22.8465
2013	4.1773	3.4158	7.5931	33.2%	0.1633	0.7%	5.3199	23.2%	8.2650	36.2%	1.5463	6.8%	22.8876
2014	4.3177	3.4074	7.7251	34.6%	0.1591	0.7%	5.2678	23.6%	7.6340	34.3%	1.5350	6.9%	22.3210
2015	4.4906	3.4087	7.8993	35.7%	0.1613	0.7%	5.3360	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.  
School Tax Credit is not reflected in the rates.

**CITY OF MANITOWOC, WISCONSIN**

Principal Property Taxpayers  
Current Year and 10 Years Prior

Taxpayer	Type of Business	2015			2005		
		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 utility	\$ 213,292,025	---	*	\$ 141,935,513	---	**
Manitowoc Company, Inc.	Mfg cranes and food service machines	32,972,100	1	1.65%	18,596,600	1	1.34%
Holy Family Memorial, Inc.	Health care provider	21,658,600	2	1.08%	9,772,060	3	0.70%
Great Lakes Energy Technologies	Renewable/Energy Saving Technology	12,766,100	3	0.64%			
Wal-Mart Stores, Inc.	Discount retail	12,438,800	4	0.62%	11,069,690	2	0.80%
Menards	Home improvement retail	11,508,945	5	0.57%	7,185,010	4	0.52%
ARCP MT Manitowoc WI LLC	Retail	10,735,800	6	0.54%			
Lakeside Foods Inc.	Mfg canned vegetables and sauces	9,925,100	7	0.50%	6,452,500	7	0.46%
Lowe's	Home improvement retail	9,137,700	8	0.46%			
Jagemann Stamping Co.	Component manufacturing	7,918,800	9	0.40%	6,407,900	8	0.46%
Aurora Medical Group, Inc.	Health care provider	7,825,700	10	0.39%	4,425,750	10	0.32%
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%
<b>Totals</b>		<u>\$ 350,179,670</u>		<u>6.83%</u>	<u>\$ 225,311,783</u>		<u>6.01%</u>

\* 2015 Assessed Valuation \$2,003,755,600

\*\* 2005 Assessed Valuation \$1,387,739,710

**Note:** The Manitowoc Public Utilities (MPU) is not among the largest taxpayers as their payment is considered a payment in lieu of taxes and not a property tax payment. MPU is assessed the payment similarly to a taxable entity in such that their asset value is used to determine the payment. MPU's 2014 valuation is \$213,292,025; the 2015 payment in lieu of taxes is \$3,700,187.

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
2006	\$ 38,020,740	\$ 37,534,562	98.72%	\$ 475,667	\$ 38,010,229	99.97%
2007	38,269,228	37,868,114	98.95%	391,958	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%	83,702	45,433,572	99.96%
2013	45,521,769	45,469,731	99.89%	46,272	45,516,003	99.99%
2014	44,504,564	44,433,212	99.84%	56,146	44,489,358	99.97%
2015	44,039,172	43,958,606	99.82%	N/A	43,958,606	99.82%

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

Fiscal Year	Governmental Activities						Business-Type Activities			Total Primary Government	Percentage of Assessed Valuation (1)	Per Capita (2)
	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			
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
2015	26,610,000	4,435,000	16,790,000	4,645,000	-	409,000	1,060,000	15,955,000	5,667,395	75,571,395	3.77%	2,242

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 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)
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
2015	26,610,000	4,435,000	16,790,000	4,645,000	1,301,231	9,080,000	42,098,769	2.07%	1,249

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**  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2015

<u>Governmental Unit</u>	General Obligation Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
Direct Debt:			
City of Manitowoc	<u>\$ 52,889,000</u>	100.000%	<u>\$ 52,889,000</u>
Overlapping Debt:			
Manitowoc School	8,670,000	77.900%	7,250,100
Manitowoc County	21,075,000	36.700%	8,499,720
VTAE District	<u>26,260,000</u>	13.500%	<u>3,880,575</u>
Total Overlapping Debt	<u>56,005,000</u>		<u>19,630,395</u>
Total Direct and Overlapping Debt	<u>\$ 108,894,000</u>		<u>\$ 72,519,395</u>

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt limit	\$ 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	\$ 95,587,530
Total net debt applicable to limit	64,030,419	69,831,690	74,113,955	75,636,839	74,980,000	70,894,011	67,384,382	62,152,571	56,946,604	51,587,769
Legal debt margin	<u>\$ 27,469,751</u>	<u>\$ 24,869,185</u>	<u>\$ 23,063,190</u>	<u>\$ 27,220,531</u>	<u>\$ 24,586,265</u>	<u>\$ 27,939,954</u>	<u>\$ 28,336,283</u>	<u>\$ 31,296,814</u>	<u>\$ 37,745,856</u>	<u>\$ 43,999,761</u>
Total net debt applicable to the limit as a percentage of debt limit	69.98%	73.74%	76.27%	73.54%	75.31%	71.73%	70.40%	66.51%	60.14%	53.97%

Computation of Legal Debt Margin  
 12/31/2015

Equalized Value	<u>\$ 1,911,750,600</u>
Debt limitation - 5 percent of total equalized value	\$ 95,587,530
Debt applicable to limitation	
Total outstanding general debt	\$ 75,571,395
Less: Revenue bonds and notes	<u>(22,682,395)</u>
Total debt applicable to limitation	52,889,000
Amount Available in debt service fund	<u>1,301,231</u>
Legal Debt Margin	<u>\$ 43,999,761</u>

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	(2)			
				Principal	Interest	Total	Coverage
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
2015	6,868,999	3,765,206	3,103,793	520,000	32,000	552,000	5.62

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	(2)			
				Principal	Interest	Total	Coverage
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	67,582,752	52,534,959	15,047,793	2,375,000	733,661	3,108,661	4.84
2015	66,307,789	52,104,973	14,202,816	2,455,000	657,755	3,112,755	4.56

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
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	1,485,338	44,010	8.6%	41.5	5,335
2013	33,685	1,471,024	43,670	7.6%	41.7	5,210
2014	33,649	1,527,665	45,400	5.4%	43.3	5,179
2015	33,703	N/A	N/A	4.9%	43.6	5,331

(1) Wisconsin Department of Administration, Demographic Services Center.

(2) Wisconsin Department of Workforce Development.

(3) City of Manitowoc Planning Department

(4) Wisconsin Information System for Education Data Dashboard ([wisedash.dpi.wi.gov/dashboard](http://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 Ten years Ago

2015		
Employer	Employees	
Holy Family Memorial Medical Center	1000+	
Manitowoc Company Inc	900	
Manitowoc Public School District	894	
Federal-Mogul Powertrain Systems	740	
Franciscan Sisters - Christian	541	
Manitowoc FSG Inc	450	
Manitowoc County Government	431	
Wisconsin Aluminum Foundry Co	350	
Parker Hose Products Division	350	
St. Mary's at Felician Village	332	

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	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government										
Assessor	2.75	2.75	3.00	3.00	3.00	3.00	1.00	1.00	1	1
Attorney/Personnel	5.00	5.00	5.00	6.00	6.00	6.00	4.50	4.50	3.73	3.75
City Clerk	3.63	3.63	3.63	3.93	3.93	4.00	3.50	3.50	3.5	4
Finance/Payroll/Treasury	7.25	7.25	7.25	7.25	7.25	7.18	5.50	5.50	5.5	5
Planning	5.00	5.00	5.00	5.00	5.00	5.00	3.50	2.50	3	3
Mayor	2.00	2.00	2.00	2.00	2.00	2.00	1.50	1.50	2	2
Municipal Court	1.25	1.25	1.25	1.25	1.25	1.25	1.10	1.10	1.25	1.25
Buildings & Grounds	6.00	6.00	6.00	6.30	6.30	8.60	4.45	4.45	4.45	4
Public Safety										
Police/Crossing Guards	80.00	80.00	81.00	81.00	81.00	81.60	78.25	78.25	73.5	76.5
Fire	59.00	59.00	59.00	59.30	60.30	61.30	58.00	60.00	56	56
Building Inspection	6.00	6.00	6.00	6.00	6.00	6.00	2.50	2.50	3.5	3.5
Public Works										
Engineering/DPW	76.52	76.52	76.52	76.52	76.52	74.10	39.30	39.30	38.1	34.25
Transit	19.49	19.49	19.49	19.49	19.49	19.70	19.35	19.35	18.18	18
Culture and Recreation										
Park/Recreation	30.20	30.20	30.20	30.20	23.50	21.50	12.35	12.35	12.35	11
Rahr-West Art Museum	5.25	5.25	5.25	5.25	5.25	5.75	4.30	4.30	3.8	3
Public Library	35.39	35.39	34.20	34.20	34.20	34.20	31.70	31.70	32.8	33.5
Wastewater Treatment Plant	16.00	16.00	15.30	15.30	15.30	15.30	15.30	15.30	14.3	15.25
Public Utilities	95.00	96.00	97.00	95.00	90.00	84.00	84.00	84.00	82.00	82.00
<b>Total</b>	<b>455.73</b>	<b>456.73</b>	<b>457.09</b>	<b>456.99</b>	<b>446.29</b>	<b>440.48</b>	<b>370.10</b>	<b>371.10</b>	<b>358.96</b>	<b>357</b>

Source: City of Manitowoc Annual Budget & MPU Annual Report

**CITY OF MANITOWOC, WISCONSIN**

Operating Indicators by Function

Last Nine Fiscal Years

Function	Fiscal Year								
	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government									
Square miles	18.237	18.238	18.279	18.279	18.302	18.330	18.330	18.339	18.410
Registered voters	20,251	20,337	18,907	18,776	18,805	20,230	18,082	18,068	18,252
Dog licenses issued	2,392	2,352	2,290	2,277	2,332	2,187	2,110	1,987	1,998
Police									
Physical arrests	2,466	2,051	2,274	1,917	2,317	2,296	2,013	2,639	2,490
Parking violations	3,500	3,480	3,721	8,305	6,990	7,079	6,380	5,125	6,470
Traffic contacts/stops	4,077	5,250	6,276	7,773	10,245	8,857	5,865	7,951	4,884
Fire									
Number of structural fires	36	31	28	52	33	54	70	27	33
Number of inspections	2,217	2,553	2,174	1,518	2,046	2,328	1,900	1,303	1,619
Emergency medical service calls	4,219	4,130	4,175	4,238	4,611	4,421	4,708	4,515	4,712
Highways and streets									
Recycled materials (tons)	4,989	3,241	2,916	2,958	2,727	2,830	2,766	2,721	2,629
Yard waste (tons)	11,059	11,472	11,685	10,872	10,722	11,088	11,044	11,494	11,206
Solid waste to landfill (tons)	7,971	7,921	10,039	8,538	8,186	7,613	7,442	7,459	7,391
Culture and recreation									
Fieldhouse/cabin reservations	388	370	383	303	330	371	372	338	239
Zoo admissions	50,554	48,288	50,224	50,949	48,906	49,208	41,179	64,531	53,541
Aquatic center admissions	N/A	N/A	N/A	51,140	34,927	32,116	27,241	21,420	24,385
Mini Golf admissions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	7,658
Electric									
Total avg. number of customers	N/A	17,780	17,777	17,785	17,793	17,787	17,521	17,888	17,925
Annual sales (megawatt hours)	N/A	770,580	679,101	686,166	659,154	597,874	634,857	682,615	646,895
Peak demand (megawatts)	118.0	106.0	99.5	100.0	115.5	117.2	115.3	105.0	105.1
Water									
Total avg. number of customers	13,848	13,860	13,902	13,836	13,858	13,820	13,825	13,870	13,912
Annual sales (billions of gallons)	2.512	5.178	4.702	4.093	4.069	4.325	4.087	4.011	4.082
Wastewater									
Annual treatment (in billions of gals)	3.163	3.121	2.676	2.564	2.371	2.083	2.302	2.376	2.291
Avg gals per day (in millions of gals)	8.667	8.555	7.332	7.025	6.496	5.690	6.309	6.512	6.279

Sources: Various government departments.

**CITY OF MANITOWOC, WISCONSIN**

Capital Asset Statistics by Function

Last Nine Fiscal Years

Function	Fiscal Year							
	2007	2008	2009	2010	2011	2012	2013	2014
<b>Public Safety</b>								
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
<b>Highways and streets</b>								
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
<b>Public Transportation</b>								
Fixed route coaches	9	9	9	9	9	9	9	9
Human service vehicles	5	5	6	6	6	6	6	6
<b>Culture and recreation</b>								
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
<b>Water</b>								
Water mains (miles)	183.1	183.5	184.0	184.5	185.0	185.0	185.0	185.0
Fire Hydrants	1,333	1,337	1,345	1,345	1,347	1,349	1,349	1,361
<b>Sewers</b>								
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
<b>Electric</b>								
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 the 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. The premium cost for 2015 was \$75,829. Total claims paid out for the year 2015 were \$0 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. The premium for 2016 was \$23,069. Total claims paid out were \$16,940.98, with \$15,326.56 collected, for a cost to the City was \$1,614.42.

### **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 was 0.76 for January 1, 2015 through January 1, 2016, and will be 0.90 for January 1, 2016 through January 1, 2017. The premium for 2015 was \$400,572. During 2016, the City explored a self-insured workers' compensation program and will transition to that effective January 1, 2016.

## **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 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 4 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, functionality, 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 one full-time equivalent position. 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**

### **MISSION**

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 Anthem and the prescription drug vendor is Express Scripts and Accredo Prescription Services. 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. An employee clinic was also introduced to employees to defer costs and prevent and manage illnesses, along with numerous wellness activities 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 and 2015. 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, settled contracts in 2015.

### **EMPLOYEE RECRUITMENT, DEVELOPMENT, & RETENTION**

The Human Resources Department implemented an online application system eliminating paper applications in 2015. The Human Resources Department focused on planning for future open positions with implementing a succession planning process for employees in 2015.

## **RISK MANAGEMENT AND SAFETY**

The Human Resources 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 has converting all MSDS sheets into an online database called MSDS Online in 2015.

Safety training was provided to employees included Confined Space Entry, Forklift, Hearing Conservation, Hazard Communications, PPE and Respiratory Protection. The safety committee has introduced numerous safety topics and activates for employees to participate in throughout the year.

## **MUNICIPAL COURT**

There were 4123 new Municipal Court citations filed with the Court in 2015, as opposed to 4298 in 2014. The Court disposed of 4027 cases in 2015, as compared to 4249 cases in 2014. Total revenues for 2015 were \$535,678.13, as compared to \$582,360.56 in 2014. Forfeitures collected in 2015 were \$275,663.44 compared to \$305,060.41 in 2014. Court costs collected in 2015 were \$100,216.02, as compared to \$97,698.20 in 2014.

We continue to hold monthly indigency 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 7, 2009, defeating fellow alderman Dave Soeldner by 17 votes out of almost 10,000 votes cast. Nickels is the 27<sup>th</sup> 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 2, 2013, defeating local businessman Tony Burgarino garnering 84% of the popular vote to secure a second-term. The next Mayoral election is April 4, 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 9, 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, Menchie's, Kay Jewelers, 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](http://www.facebook.com/mantymayor) or on Twitter by following: @mantymayor. Mayor Nickels can be e-mailed at: [mayornickels@manitowoc.org](mailto:mayornickels@manitowoc.org)

## **CITY PLANNING-ASSESSOR-INSPECTION DEPARTMENT**

### **PLANNING, HOUSING and ECONOMIC DEVELOPMENT**

The City completed two (2) annexations in 2015 for a total of 0.62 acres. There were no residents residing in the annexation areas. Since 1990, the City has annexed 3.482 square miles of area. The total area of the City as of October 27, 2015 is 18.340 square miles.

In 2015, there were no new residential subdivisions added to the City's housing inventory. In 2014, there were no new residential subdivisions added to the City's housing inventory. In 2013, there also were no new residential subdivisions.

The Department received, reviewed, and approved site plans for 18 development projects in 2015 compared to 17 development projects in 2014. A listing of some of the larger developments can be found in the section below.

The Department, in conjunction with the City Plan Commission, reviewed and approved 20 Certified Survey Maps ("CSM") in 2015 (compared to 18 CSMs reviewed in 2014). Additionally, the Department facilitated the completion of two (2) rezoning requests, seven (7) conditional use or special use permits, two (2) annexations, and one (1) request for a street

vacation, as well as 23 other miscellaneous projects ranging from releasing easements, selling of city property, to accepting or issuing Quit Claim Deeds.

The Department continued to administer the City's farmers market, which registered about 65 vendors occupying 115 stall areas for the 2015 season. In 2016, the City will again administer the farmers market.

In 2015, 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 three monitoring wells, sample the wells, perform analytical testing of the samples, and demolish and remove a 300,000 gallon above ground storage tank. The project was closed out in 2015.

In 2015, the department continued to work with the owner of the vacant building at 1512 Washington Street, which is the former Newell – Rubbermaid/Mirro Building. The City was awarded a 2014 WEDC (Wisconsin Economic Development Corporation) Site Assessment Grant in the amount of \$113,756. The monies are being used for additional environmental due diligence on the property as requested by the DNR. Because the owner has failed to make substantial progress on demolition and has left the site in a blighted condition the City has taken steps to initiate the condemnation process. The City plans to condemn the property and complete the demolition with the goal of creating a 3.5-acre site for future development.

Direct financing support in the amount of approximately \$1.1mm was provided by the Department to one (1) industrial business in 2015. These funds were provided through the City's industrial revolving loan fund program. These public monies were part of a \$3.6mm capital expansion project of facility and equipment. The public funding leveraged \$2.5mm in private capital, and the business will ultimately create a minimum of 32 new jobs.

In 2015, the department also worked closely with the owner of the Lakeview Mall property strategizing on the razing of the vacant mall and the future redevelopment plans. To date, the City has not used any public funds on the project, but it has created a Tax Incremental Financing District in the area which included the former mall property. The owner, at his expense, has razed the buildings thus readying the area for redevelopment.

In 2015, the Department created a new Tax Incremental Financing District (TID #18) which is generally located in the northeast portion of the City with the major properties being the former Lake View Mall, the former Elks Golf Club, and the existing Waldo East office complex. The TID area is 131 acres and contains 26 tax parcels.

The Department also worked on a project plan text amendment for TID #15, which is generally located in the southwest portion of the City centered on the Dewey Street and Calumet Avenue / Harbor Town development area. The amendment will provide a financing tool to help pay for the reconstruction and enhancement of the Dewey Street corridor which services the district.

In 2015, the Department finalized 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. The City closed its first loan under this program for approximately \$357,000 for a redevelopment project converting an historic industrial building into 40 affordable housing units. Other types of financing in this \$9.4mm project include monies from the City's CDBG housing loan, affordable housing and historic preservation tax credits, and private financing.

The Department closed out a 2011 EPA "Community-Wide Assessment" grant which supported environmental assessment activities at hazardous substance and petroleum brownfield sites throughout the City. The total grant amount was \$400,000.

In 2015, the Department was awarded an additional EPA "Community-Wide Assessment" grant in the amount of \$400,000 to support environmental assessment activities at hazardous substance and petroleum brownfield sites throughout the City. To date three (3) sites are accessing the available assessment money and are having either a phase I or phase II study performed. Among these sites, a key downtown building in the 8<sup>th</sup> Street Historic District received funds supporting future plans for historic renovation of 35,000 sq. ft. for retail, office, and residential uses. Another of the three site assessments has been used to remove underground storage tanks on a downtown property that will provide much needed parking for an employer that is adding 80 to 100 jobs over the next 12 months.

### **RESIDENTIAL/COMMERCIAL/INDUSTRIAL DEVELOPMENT**

Residential construction in the City in 2015 added a total of (22) new residential construction projects that created (63) dwelling units of which (12) were single family and (7) were two-family dwellings, (1) was a 22-family dwelling, (1) was an 8-family dwelling and (1) was a 12-unit rooming house. In 2014, a total of (17) new residential construction projects were added that created (63) dwelling units of which (9) were single family and (3) were two-family dwellings and (4) were 12-family dwellings. The estimated residential construction cost for 2015 was \$5.6mm, compared to \$5.4mm in 2014, \$2.0mm in 2013, \$3.8mm in 2012 and \$5.7mm in 2011. The data for 2015 does not include the \$4.1mm Artist Lofts alteration project of an existing structure which will add 40 additional residential units to the city's housing stock. In 2015, construction permits were issued for a total of (87) commercial, industrial or governmental buildings (compared to 120 in 2014). The estimated construction cost of all 2015 projects was \$9.7mm (compared to \$12.7mm in 2014). Some of the major development projects in 2015 are listed below:

- Midwest Assisted Living, Dufek Drive. 32-Bed Memory Care Facility. \$2,600,000.
- Kaysun, West Drive. 31,230 SF Warehouse / Manufacturing Addition. \$920,000.
- Wisconsin Aluminum Foundry, S 16<sup>th</sup> Street. 20,900 SF Addition. \$770,000.
- MTM, Expo Drive. 21,800 SF Office / Warehouse Addition. \$653,000.
- Maritime Ford, Franklin Street. 5,545 SF Addition. \$620,000.
- Home Medical Equipment, South 41<sup>st</sup> Street. 3,600 SF Retail Facility. \$287,000.
- Manitowoc Company, S 30<sup>th</sup> Street. 2,855 SF Office Alteration. \$ 284,000.

- Forefront Dermatology, York Street. 15,000 SF Alteration. \$240,000.
- KNM, Johnston Drive. 5,995 SF Manufacturing Addition. \$234,000.
- Maritime Ford, Franklin Street. 5,755 SF Alteration. \$180,000.

**Building Permits**

	<u>Number</u>	<u>Valuation</u>
2015	689	25,714,973
2014	1,650	33,770,527
2013	4,517	65,463,519
2012	690	25,492,100
2011	929	18,996,228

**Geographic Information System (GIS/CAD/Website)**

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 May of 2015, the new Associate City Planner/GIS Analyst began employment with the city.

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 began working with new apps and maps available on the ArcGIS Online website.

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.

### **Marketing**

The Department works closely with the county economic development organization, Progress Lakeshore, to market our community to prospective businesses and residents. *Insight Magazine*, a regional economic development publication, featured the City's work on the former Mirro sites including 1512 Washington and the Artist Lofts housing project. In 2015, we also marketed our community through an international publication, *Business in Focus*. A feature article highlighted Manitowoc's economy and quality of life.

### **Assessor's Office**

Tyler Technologies, a national appraisal company, is currently the statutory assessor for the City. Consultants from Tyler Technologies provide one day of onsite service for local inquiries and conduct the remainder of their work remotely. They also provide additional local field work in order to fulfill the property valuation responsibilities of their contract. In 2016, the City plans to evaluate and revise this model for assessor services. Some combination of City staff and consultant assistance will be adopted in order to provide the right balance of local customer service and quality professional service at a reasonable cost.

## **POLICE DEPARTMENT**

The year of 2015 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 2014 and again in 2015.

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 2015, 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 2015, 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 2015 and they have continued to provide a high level of professional service to our community and its citizens. During 2015, there were 33,492 calls for service received by the county dispatchers assigned to the City of Manitowoc work station. These calls for service generated over 19,457 police incident reports.

Calls for Service in 2015 rose slightly compared to 2014 and incidents created from those calls for service increased by 1,511. 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. In 2015, this grant was still used to fund the wages of these positions.

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](http://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 certain 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 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 RESCUE 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 Life Safety & Neighborhood Services 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 eight (8) Captains, four (4) Lieutenants, sixteen (16) Motor Pump Operators and twenty-three (23) 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 November of 2015, the Manitowoc Fire Rescue Department assumed the responsibility of leadership for our Building Inspection Department. Fire Code Enforcement and Building Inspection are dedicated to improving the quality of life and assuring the interests of life, health and safety in the City of Manitowoc. The combining of these Divisions accomplishes their goals through the implementation of codes and standards as they relate to construction, fire and life safety and property maintenance. It is the goal to serve the residents of Manitowoc with the highest level of professionalism, proficiency and customer service in the industry. The Life Safety & Neighborhood Services Divisions consists of three civilian inspectors and a Administrative Assistant Professional.

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 fieldwork, 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. Aerial photos 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 33rd 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 two 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 also under consideration. An exciting new addition in 2012 was Lights in Lincoln Park, open nightly from December 7 through December 31. 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 was added to provide visitors with a more realistic view of the family setting.

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 interactive 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 1 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 99,000 participants in 2015. 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.

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.

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 2015, the museum boosted its rental revenue to over \$14,000.

### **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. 2015 marked the 53rd 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 2015 was attended by approximately 3,000 people. At the 2014 event, 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.

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.

### **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 2015, the WWTF treated and discharged an average of 6.354 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 13,700 water accounts in the City of Manitowoc. In 2015, MPU generated approximately 18% 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 2015, MPU was the highest contributor to the City of Manitowoc's tax role with a payment of \$3,524,000. MPU had operating revenues of \$74,656,000 in 2014, on an asset base of \$248,428,000. 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.

MPU is the largest of 82 municipally owned electric utilities in the State of Wisconsin. The water utility pumped about 1.6 billion gallons of water into its distribution system in 2015, while the electric utility delivered over 529 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 has 77 customer connection points.

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 2015, approximately 2.4 billion gallons of water were delivered to the CBCWA.

MPU employs approximately 82 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).

### **SILVER LAKE COLLEGE**

- 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](http://www.sl.edu) or check out the college’s Facebook page.
- Dr. Chris Domes is 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.

### **Innovations for future growth**

- The Wisconsin Board of Nursing voted unanimously in January 2016 to approve authorization for Silver Lake College to begin admitting students into its new four-year Bachelor of Science in Nursing program.

The state-of-the-art program, which starts in fall 2016, will help address the rapidly increasing need for nursing in the county and beyond. In mid-April, C.D. Smith Construction Services began demolition on some 9,300 square feet of the third floor, which is being renovated to accommodate the program. The target completion date is Aug. 1, 2016.

- Silver Lake College is poised to become Wisconsin's first institution of higher education — and the first Catholic college in the United States — to adopt a Work College model called SLC Works. This will enable its students to earn a valuable four-year degree with reduced student debt and practical on-the-job training.

Starting in fall 2016, all residential students who are new freshmen or transfer students are required to participate.

- Silver Lake College has been approved for membership in the National Association of Intercollegiate Athletics (NAIA), effective July 1, 2016. With the addition of Silver Lake College and three other colleges that were approved, NAIA membership now stands at 252 institutions.

The college's athletic department offers six sports programs: men's basketball, women's basketball, men's soccer, women's volleyball, men's and women's cross country and men's and women's golf. Thanks to the college's small size, student athletes have more of an opportunity to play in competitive sports.

### **Campus renovations welcoming to visitors**

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 also 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.

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.

### **Partnerships with other area institutions of higher learning**

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.

Silver Lake College and the Wisconsin Technical College System also have joined forces to making it easier for area nursing students to earn bachelor's degrees.

The two educational institutions signed an articulation agreement that expands the history of mutuality between the two colleges, guaranteeing admission to Silver Lake College's Bachelor of Science in Nursing degree completion program to students who have successfully completed an Associate Degree in Nursing not only at Lakeshore Technical College, but also the 15 other technical colleges in the state.

## UNIVERSITY OF WISCONSIN - MANITOWOC

### LOCATION

Located in 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. Martin Rudd is the Regional Executive Officer and Dean for the UW Colleges Northeast Region which includes UW-Manitowoc. Carla Rabe has served as the UW-Manitowoc Campus Administrator since Jan. 1, 2016.

There are currently 50 employees at UW-Manitowoc; 31 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 the mission of teaching excellence 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, 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

During the 2015-16 academic year, 117 students were awarded Associate of Arts and Science Degree. There were 478 students enrolled for the fall 2015 semester and approximately 30% of our students are defined as being non-traditional students (over the age of 22). Approximately 60% of UW-Manitowoc's students are full-time, 17% 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 online 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. Through 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 \$3.15 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.

### 2015-16 HIGHLIGHTS

#### **Student research highlighted during symposium**

UW-Manitowoc hosted an Undergraduate Research and Creativity Symposium on May 3, 2016, funded through a UW System grant. The community was invited to attend as UW-Manitowoc students presented posters, oral presentations and artwork. The event also included posters created by high school students from Valders and Manitowoc, who collaborated with their teachers and UW-Manitowoc faculty on their research.

“UW-Manitowoc has become a leader in offering its freshman and sophomore students opportunities to pursue undergraduate research,” said Professor Jessica Van Slooten. “This Symposium further enhances the research experience as students learn to present and explain their findings to others. Engaging students in research early in their college career can lead to many meaningful outcomes.”

#### **UW Colleges creates Northeast Region including UW-Manitowoc**

Under a new administrative model announced in July 2015, the 13 UW Colleges were grouped into four regions with one Executive Officer and Dean per region along with a regional leadership team in the areas of student affairs, academic affairs, administrative services,

communications, continuing education and facilities. UW-Manitowoc is part of the Northeast Region which also includes UW-Fond du Lac and UW-Fox Valley (Menasha). The Regional Executive Officer and Dean, Dr. Martin Rudd, provides academic and strategic leadership to the campuses in the region and works collaboratively with faculty, staff members and students to establish policies and practices that ensure regional and campus success.

Carla Rabe serves as the UW-Manitowoc Campus Administrator, responsible for overseeing daily internal operations for the campus. Rabe also serves as Associate Dean for Student Affairs and Enrollment Management for the Northeast Region.

### **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.

### **Professor Johnson participates in National Science Foundation project**

Melvin Johnson, Ph.D., assistant professor of geography at UW-Manitowoc, was chosen to participate in the National Science Foundation (NSF) funded Faculty as Change Agents: Transforming Geoscience Education in Two-year Colleges project. The project is part of NSF's Improving Undergraduate STEM Education portfolio, and will provide a series of professional development activities designed to help community college geoscience faculty improve the success of their students.

Johnson will work with other geoscience faculty in the UW Colleges to support student success and transfer, improve active teaching techniques, and enhance student pathways into geoscience careers.

## **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 12<sup>th</sup> grade. The district has the 29<sup>th</sup> 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:

<u>Name</u>	<u>Expiration of Board Term</u>
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:

<u>Name</u>	<u>Title</u>	<u>MPSD Years of Service</u>
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 Zupsek 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 9<sup>th</sup> 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 100<sup>th</sup> 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 100<sup>th</sup> 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.

**SINGLE AUDIT  
SECTION**

**ADDITIONAL  
INDEPENDENT AUDITORS' REPORT  
FOR BASIC FINANCIAL STATEMENTS**



**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, 2015, 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 which included an emphasis of matter paragraph as indicated on page 16 dated June 10, 2016.

**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.



Certified Public Accountants  
Green Bay, Wisconsin  
June 10, 2016

**FEDERAL AWARDS AND  
STATE FINANCIAL ASSISTANCE**

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE 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) 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, 2015. 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 federal and state statutes, regulations, and the terms and conditions of its federal and state awards 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Those standards, Uniform Guidance 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, 2015.

### **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 the Uniform Guidance 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 the Uniform Guidance and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.



Certified Public Accountants  
Green Bay, Wisconsin  
June 10, 2016

**CITY OF MANITOWOC, WISCONSIN**  
 Schedule of Federal and State Expenditures  
 For the Year Ended December 31, 2015

Grantor Agency/State Program Title	Pass-through Agency	Federal CFDA/ State ID Number
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**FEDERAL PROGRAMS**

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		

INSTITUTE OF MUSEUMS AND LIBRARY SERVICES

Grants to States	WI Department of Public Instruction	45.310
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U.S. ENVIRONMENTAL PROTECTION AGENCY

Brownfield Assessment and Cleanup Coop Agreement	Direct Program	66.818
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U.S. DEPARTMENT OF HOMELAND SECURITY

Staffing for Adequate Fire and Emergency Response	Direct Program	97.083
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U.S. DEPARTMENT OF TRANSPORTATION

*Federal Transit Cluster*

Mass Transit Operating Assistance	WI Department of Transportation	20.507
Capital Assistance Grant	WI Department of Transportation	20.500
Highway Safety Contract	WI Department of Transportation	20.600
Total U.S. Department of Transportation		

TOTAL FEDERAL PROGRAMS

**STATE PROGRAM**

WISCONSIN DEPARTMENT OF TRANSPORTATION

Urban Mass Transit Operating Assistance		395.104
Total Wisconsin Department of Transportation	Direct Program	

Wisconsin Department of Health & Family Services

EMS-FAP Grant	Direct Program	435.167
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(Accrued) Deferred Revenue 1/1/15	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/15	Total Revenues	Total Expenditures
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\$ (42,659)	\$ 143,930	\$ 51,470	\$ 152,741	\$ 152,741
-	2,531	-	2,531	2,531
<u>(42,659)</u>	<u>146,461</u>	<u>51,470</u>	<u>155,272</u>	<u>155,272</u>

-	-	12,285	12,285	12,285
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-	45,761	1,226	46,987	46,987
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(65,251)	127,611	-	62,360	62,360
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(238,292)	890,363	252,974	905,045	905,045
(36,194)	132,436	-	96,242	96,242
-	9,585	-	9,585	9,585
<u>(274,486)</u>	<u>1,032,384</u>	<u>252,974</u>	<u>1,010,872</u>	<u>1,010,872</u>

<u>\$ (382,396)</u>	<u>\$ 1,352,217</u>	<u>\$ 317,955</u>	<u>\$ 1,287,776</u>	<u>\$ 1,287,776</u>
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\$ -	\$ 319,446	\$ -	\$ 319,446	\$ 319,446
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-	4,907	-	4,907	4,907
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<u>\$ -</u>	<u>\$ 324,353</u>	<u>\$ -</u>	<u>\$ 324,353</u>	<u>\$ 324,353</u>
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**CITY OF MANITOWOC, WISCONSIN**  
Notes to the Schedule of Federal and State Expenditures  
For the Year Ended December 31, 2015

**NOTE A - BASIS OF PRESENTATION**

In accordance with audit requirements issued by the Comptroller General of the United States Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) 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 2015 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 2 CFR section 200.520. Therefore major programs, as identified in Section I of the Schedule of Findings and Questioned Costs, represent those with combined expenditures exceeding 20% 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 \$250,000 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 Justice.

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, 2015

**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 the Uniform Guidance? 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: \$750,000

Audit threshold used to determine between Type A and Type B state programs: \$250,000

Auditee qualified as low-risk auditee Yes

**Section II - Financial Statement Findings**

Finding No.	Financial Statement Findings
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There were no findings noted for the year ended December 31, 2015.

**Section III - Federal Award Findings and Questioned Costs**

Finding No.	Internal Control Deficiency
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There were no findings or questioned costs noted for the year ended December 31, 2015.

**CITY OF MANITOWOC, WISCONSIN**  
Schedule of Prior Year Audit Findings and Corrective Action Plan  
For the Year Ended December 31, 2015

**Prior Year Audit Findings**

There were no findings reported in the 2014 Schedule of Findings and Questioned Costs.

**Corrective Action Plan**

There were no findings reported in the 2015 Schedule of Findings and Questioned Costs.